

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**BROWNFIELDS ECONOMIC
DEVELOPMENT INITIATIVE (BEDI)**

Billing Code 4210-32-C

Brownfields Economic Development Initiative (BEDI)

Overview Information

A. Federal Agency Name: Department of Housing and Urban Development, Office of Community Planning and Development.

B. Funding Opportunity Title: Brownfields Economic Development Initiative.

C. Announcement Type: Initial announcement.

D. Funding Opportunity Number: The **Federal Register** number is FR-4900-N-07. The OMB approval number is 2506-0153.

E. Catalog of Federal Domestic Assistance (CFDA) Number(s): Brownfields Economic Development Initiative (BEDI), 14.246.

F. Dates: The application due date is July 15, 2004.

G. Optional, Additional Overview Content Information:

BEDI funds are used to enhance the security of a loan guaranteed by HUD under section 108 of the Housing and Community Development Act of 1974, as amended, for the same brownfields economic development project, or to improve the viability of a brownfields economic development project financed with the section 108-guaranteed loan, in order to stimulate economic development by local governments and private sector parties at brownfields sites and to return those sites to productive, economic reuse. All BEDI grants must be used in conjunction with a new section 108-guaranteed loan commitment.

HUD encourages brownfields economic development projects that propose the redevelopment of a brownfields site through new investments by identified private sector parties and that will directly result in new business or job creation, increases in the local tax base or other near-term, measurable economic benefits.

Those interested in applying for funding under this program should review carefully the General Section of the SuperNOFA and the following additional information.

Full Text of Announcement

I. Funding Opportunity Description

A. Authority

BEDI is authorized pursuant to section 108(q), Title I, Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301); 24 CFR part 570.

B. Program Description

BEDI is designed to help local governments redevelop brownfields,

defined in this NOFA as abandoned, idled, or underutilized real property, including industrial and commercial facilities, where expansion or redevelopment is complicated by the presence or potential presence of environmental contamination. A BEDI grant award will be conditioned upon, and must be used in conjunction with, a new (*i.e.*, not previously approved) section 108-guaranteed loan commitment. Both section 108 loan guarantee proceeds and BEDI grant funds are initially made available by HUD to units of general local government eligible for assistance under HUD's Community Development Block Grant (CDBG) program (specifically, the Entitlement and State programs and for certain jurisdictions in the state of Hawaii, the Small Cities program). A local government may re-loan the section 108 loan proceeds and provide BEDI funds to a business or other public entity eligible to carry out a specific approved brownfields economic development project, or the public entity may carry out the eligible project itself, as provided in the approved application. In either case, BEDI grant funds and the 108 proceeds must be used to support the same eligible BEDI project.

Under this program, communities (and states, as applicable) pledge their continuing CDBG allocations as security for the section 108 loans guaranteed by HUD. BEDI grant funds are intended to reduce grantees' potential loss of future CDBG allocations by:

1. Strengthening the economic feasibility of a project financed with section 108 funds (and thereby increasing the probability that the project will generate enough cash to repay the guaranteed loan);
2. Directly enhancing the security of the section 108-guaranteed loan; or
3. Employing a combination of these or other risk mitigation techniques. BEDI funds are to be used as the stimulus for local governments and private sector parties to commence redevelopment or continue phased redevelopment efforts of brownfields sites where contamination is present or potentially present and a redevelopment plan exists. HUD desires to see BEDI and section 108 funds used to finance projects and activities that involve investment in the brownfields site by an identified private sector party and that will provide near-term results and measurable economic benefits, such as job creation and increases in the local tax base.

C. Program Definitions

Unless otherwise defined herein, terms defined in this NOFA shall have the same respective meanings as provided for in 24 CFR part 570.

Act means Title I, Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*).

Application means a single set of documents, including a request for Section 108 loan guarantee assistance, submitted by an eligible applicant for BEDI grant funds, in accordance with the provisions of this NOFA to finance a brownfields economic development project. Section IV.B.1(e) of this NOFA provides additional information on the nature and forms of section 108 loan guarantee requests that must accompany each BEDI application.

Brownfields means abandoned, idled, or under-used real property (including industrial and commercial facilities) where expansion or redevelopment is complicated by the presence or potential presence of contamination.

Brownfields Economic Development Initiative (BEDI) funds means the appropriated funds made available for the competition under this NOFA from any available appropriation.

Brownfields Economic Development Initiative (BEDI) project or brownfields economic development project means an activity or activities (including mixed use projects with housing components) that are eligible under section 108(q) of the Act and under 24 CFR 570.703, and that will increase economic opportunity for persons of low- and moderate-income, stimulate or retain businesses or jobs, or otherwise lead to near-term, measurable economic benefits in connection with brownfields redevelopment.

CDBG funds means those funds collectively so defined at 24 CFR 570.3, including grant funds received pursuant to section 108(q) and this NOFA.

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

EPA means the U.S. Environmental Protection Agency.

Firm Commitment means either a written agreement or letter of understanding by which an applicant or a third party:

- (1) Agrees to perform an activity or provide resources as specified in the application, and demonstrates their relationship to the proposed BEDI/ Section 108 project;

(2) Specifies the dollar value of the commitment and demonstrates that it has the financial and organizational capacity to deliver the resources necessary to successfully complete the activity; and

(3) Irrevocably commits the resources to the activity either through cash or in-kind services or contributions; if any portion is to be financed through a grant or loan from another public or private organization, that institution's grant or loan commitment must be firmly committed as well.

Any such agreement or letter of understanding shall be understood as being contingent upon receipt of the BEDI grant. Funds expended prior to the submission of the BEDI application will not be considered as firmly committed funds for purposes of this NOFA.

Additional information related to firm commitments of other resources is provided in Section V.A.1 of this NOFA, Rating Factor 4 (Leveraging of Other Financial Resources).

Showcase Community means an applicant chosen by the federal government's Brownfields National Partnership for inclusion in the federal government's Brownfields Showcase Communities program. A list of the federally designated Brownfield Showcase Communities is provided in Appendix B in Section VIII of this NOFA and is also available from the SuperNOFA Information Center or through the HUD Web site, <http://www.hud.gov>.

Strategic Plan means a strategy or course of action developed and agreed to by the nominating local government(s) and state(s) and submitted in partial fulfillment of the application requirements for an Empowerment Zone, Enterprise Community, or a Renewal Community, designated pursuant to 24 CFR parts 597, 598 or 599.

D. Program Background

HUD has multiple programs that are intended to stimulate economic and community development and promote economic revitalization of distressed areas, and which can be effectively employed to address and remedy brownfields conditions. Primary among HUD's resources are the Community Development Block Grant (CDBG) program and the section 108 loan guarantee program.

1. *CDBG*. The CDBG program provides grant funds by formula to local governments (either directly or through states) to carry out community and economic development activities (\$4.338 billion appropriated in FY2004). The section 108 loan guarantee program

provides CDBG-eligible communities with a source of financing for economic development, public facilities, 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 CDBG States' program, as well as certain non-entitlement units of general local government in the state of Hawaii funded under 24 CFR part 570, subpart F. The section 108 program is subject to the regulations applicable to the CDBG program at 24 CFR part 570 as described in 24 CFR part 570, subpart M. BEDI grants must support section 108 loan guarantees as generally described in this NOFA.

2. *Section 108 Loan Guarantees*. For FY2004, the loan guarantee authority for the section 108 program is estimated at \$510,337,000 including \$236,960,000 in loan guarantee authority that will continue to be available in FY2004 under the FY2003 appropriation and \$273,377,000 in loan guarantee authority for FY2004. 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, as applicable) are required to pledge their continuing 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 and included in the applicable "Contract for Loan Guarantee Assistance"). This means that a community can ordinarily continue to spend its existing allocation for other CDBG purposes, unless needed for loan repayment.

3. *Additional Security for Section 108 Loan Guarantees*. Applicants should be aware 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 allocations as security for the section 108 loan guarantee, it 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 and the related mortgage from the business). Applications proposing uses for BEDI funding that directly enhance the value of the assets securing the section 108 loan will help ensure

that the project-based asset(s) will satisfy the additional collateral requirements.

4. *Integration of Other Government Economic Development and Brownfields Programs*. HUD encourages local governments which are assisted by (a) other Federal or State economic development programs, (b) other Federal brownfields programs (e.g., the federal Brownfields Showcase Community program, EPA's Assessment, Revolving Loan Fund Cleanup or Grant programs), or (c) State-supported brownfields programs, to integrate efforts arising from those programs in developing projects for assistance under HUD's BEDI and section 108 programs. Applicants should elaborate upon these ties in their response to the rating factors, where appropriate in section V.A.1 of this NOFA (e.g., "Capacity of the Applicant," "Soundness of Approach," or "Leveraging Resources"—Rating Factors 1, 3, and 4 respectively.)

II. Award Information

A. Available Funds

HUD has available approximately, \$25,352,500 for grant awards under this BEDI NOFA. This amount consists of \$24,725,130 in appropriations under the "Brownfields Redevelopment" heading in the Consolidated Appropriations Act, 2004 (Pub. L. 108-199, approved January 23, 2004, referred to as the FY2004 Appropriations Act); \$127,370 of unobligated appropriated funds from the FY2003 HUD Appropriations Act (Pub. L. 108-7, approved February 20, 2003) under the "Brownfields Redevelopment" heading; and \$500,000 of unobligated appropriated funds from the FY2001 HUD Appropriations Act (Pub. L. 106-377, approved October 27, 2000) under the "Brownfields" Redevelopment heading. All such funds are authorized by section 108(q) of the Act (as described above). If any additional funds become available for the BEDI program during FY2004, including through the deobligation and recapture of previous BEDI awards, HUD may either fund additional applicants in accordance with this NOFA, or may add these funds to funds available for future competitions pursuant to section 108(q) of the Act.

B. Maximum Award

The maximum amount of a BEDI award under this competition is \$2 million per project. An application in excess of \$2 million will be reduced to the extent HUD determines that such a reduction is appropriate and the project remains feasible.

C. Limitations on Grant Amounts

1. HUD expects to approve BEDI grant amounts for approvable applications with a range of ratios of BEDI grant funds awarded to new section 108 loan guarantee commitments for the same project, but the minimum ratio must be \$1.00 of section 108 loan guarantee commitments for every \$1.00 of BEDI grant funds in order to receive consideration for funding. Section V.A.1, Rating Factor 4 (Leveraging of Resources), provides additional information on the required ratio of BEDI to section 108 funds.

2. After selection, but prior to grant award, if HUD determines that an application can be funded at a lesser BEDI grant amount than requested and still be feasible and consistent with the proposed plan and the purposes of the Act, it reserves the right to reduce the amount of the BEDI award and/or increase the required section 108 loan guarantee commitment.

3. In the event a BEDI grant is awarded and has been reduced below the original request (e.g., the application contained some activities that were ineligible, exceeded the \$2 million cap, or there were insufficient funds to fund the last competitive application at the full amount requested), the applicant will be required to modify the project plans and application to conform to the terms of HUD approval before HUD will execute a grant agreement.

4. HUD also may proportionately reduce or deobligate the BEDI award if a grantee does not submit an approvable section 108 loan guarantee application, issue section 108-guaranteed obligations and receive loan guarantee proceeds on a timely basis (including any extension authorized by HUD) in the amount required by the BEDI/108 leveraging ratio, which will be approved by HUD as a special condition of the BEDI grant award (see section IV.B.1(e)(2) of this NOFA).

5. In the case of a requested increase in guarantee assistance for a project with a previously approved section 108 loan guarantee commitment (as further discussed in section IV.B.1(e)(4) below), the BEDI assistance approved will be based only on the additional amount of section 108 loan guarantee assistance requested.

III. Eligibility Information

A. Eligible Applicants

Any public entity eligible to apply for section 108 loan guarantee assistance in accordance with 24 CFR 570.702 may apply for BEDI grant assistance under section 108(q). Eligible applicants are CDBG entitlement units of general local

government and non-entitlement units of general local government eligible to receive loan guarantees under 24 CFR part 570, subpart M. Urban Counties, as defined at 24 CFR 570.3 and 570.307, are eligible applicants for BEDI funds; units of general local government that participate in an Urban County program are not independently eligible applicants. For non-entitlement applicants other than those subject to 24 CFR part 570, subpart F (which applies only to the state of Hawaii), applicants are required to provide evidence in the BEDI application from an authorized official of the state agency responsible for administering the State CDBG program stating that it supports the related section 108 loan with a pledge of its CDBG allocations pursuant to the requirements of 24 CFR 570.705(b)(2). Such evidence must be provided by form HUD-40122, titled "Section 108 Loan Guarantee: State Certifications Related to Nonentitlement Public Entities" included in section VIII of this NOFA, or which may be obtained by downloading from the Internet at <http://www.grants.gov>. Note that effective January 25, 1995, non-entitlement public entities in the state of Hawaii are authorized to apply to HUD for section 108 loans (see 59 FR 47510, December 27, 1994). Thus non-entitlement public entities in all 50 states and Puerto Rico are eligible to participate in the section 108 and BEDI programs, with assistance of the state's or commonwealth's pledge of CDBG allocations.

For application submission requirements, see section IV.B of this NOFA regarding mandatory submission requirements. See also section III.C of this NOFA regarding eligible and ineligible uses of grant funding.

B. Cost Sharing or Matching

As described further in section V.A.1 of this NOFA, under Rating Factor 4 (Leveraging of Resources), applications which evidence a greater level of other funds firmly committed to the BEDI project will receive more points under Rating Factor 4, to the extent consistent with the points available under Rating Factor 4. In addition, a BEDI grant is required to be used with at least an equal amount of section 108 loan guarantee proceeds for the same brownfields economic development project.

C. Other

1. Eligible Activities and National Objectives

a. BEDI grant funds and section 108 loan guarantee funds may be used for

activities listed at 24 CFR 570.703, provided such activities are carried out as part of a BEDI project as described in this NOFA and meet the CDBG requirements at 24 CFR 570.200. Applicants are required to submit applications that seek funding for BEDI projects that will contribute to the redevelopment and revitalization of brownfields. Applications that fail to meet the threshold requirements found in section III.C.2 of the General Section of the SuperNOFA and the program requirements of this NOFA will not be rated, ranked, or otherwise considered by HUD.

b. Each activity assisted with section 108 loan guarantee or BEDI funds must meet a national objective of the CDBG program as described in 24 CFR 570.208. All applicants must clearly identify in their narrative statement (as described in section IV.B.1(c) of this NOFA) the CDBG national objective to be achieved by the proposed project and provide the appropriate CDBG national objective regulatory citation found at 24 CFR 570.208. Applicants must also address, when applicable, how the proposed activities will comply with the public benefit standards of the CDBG program as reflected in the regulation at 24 CFR 570.209.

c. A grantee's aggregate use of its CDBG funds, including any section 108 loan guarantee proceeds and section 108(q) (BEDI) funds provided pursuant to this NOFA, must comply with the CDBG primary objective requirements as described in section 101(c) of the Act and 24 CFR 570.200(a)(3) for entitlement grantees, or 570.484 in the case of a recipient under a State's program, requiring that, over the period of time specified in the applicant's CDBG certification, not less than 70 percent of the aggregate expenditures of CDBG funds be expended for activities benefiting low- and moderate-income persons under the criteria of 24 CFR 570.208(a) or 570.208(d)(5) or (6).

d. The following examples are offered only to illustrate some of the ways in which BEDI funds may be used to support section 108-guaranteed loans:

(1) *Land Writedowns*. Local governments may use a combination of section 108 and BEDI funds to acquire a brownfields site for purposes of reconveying the site to a private developer at a discount from its purchase price. This approach would provide the developer with an asset of enhanced value that could be used as collateral for other sources of funding and those other sources of financing could then be used to finance environmental remediation or other development costs. In such a

circumstance, the level of BEDI assistance could approximate the difference between the original cost of the site and its remediation in comparison to the market value of the remediated property.

(2) *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 to meet operating expenses and debt service obligations. The BEDI grant could be used by the grantee to either establish a debt service reserve held by a bank in a security account for the benefit of the grantee and HUD to cover interest on the section 108 loan, or as a grant to a business for working capital. In either case, the BEDI funds enhance the economic feasibility of the project.

(3) *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, non-profit groups or public entities in severely economically distressed neighborhoods. The BEDI grant can be used to make section 108 financing affordable by serving to "buy down" the interest rate up front, or make full or partial interest payments on the section 108 loan. This might increase the financial viability of the businesses or other entities in the early start-up period, which might not otherwise be possible with section 108 alone. This strategy would be particularly useful where a community was undertaking a large commercial or retail project in a brownfields area in order to act as a catalyst for other development in the area.

(4) *Site Remediation Costs.* Local governments may use BEDI funds in any of several ways to address site remediation costs. If the local government proposes to use section 108 funds to acquire real property, BEDI funds could be used to address assessment and site remediation costs as part of eligible demolition, clearance, or site preparation activities. If the local government uses section 108 funds to make a loan to a developer, BEDI funds could be granted or loaned to the developer for the purpose of addressing remediation costs as part of an economic development activity.

(5) *Combination of Techniques.* A combination of the above could be employed to implement a BEDI project successfully. BEDI is governed by Federal regulations applicable to the CDBG program and the section 108 Loan Guarantee program and this NOFA

contains many specific references to those regulations. The full text of the CDBG and section 108 Loan Guarantee regulations can be accessed through the HUD Web site at www.hud.gov/offices/cpd/communitydevelopment/rulesandregs/regulations.

2. Ineligible Activities

Certain restrictions shall apply to the use of BEDI and section 108 funds, including those ineligible activities listed at 24 CFR 570.207 and those provided for in this NOFA:

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

b. Section 108 loan obligations may not be subordinated, directly or indirectly, to federally tax exempt obligations. Pursuant to Office of Management and Budget (OMB) Circular A-129 (Rev.) Appendix A, sections II.2.c. and d., (Policies for Federal Credit Programs and Non-Tax Receivables), section 108-guaranteed loan funds may not directly or indirectly support federally tax-exempt obligations.

c. 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 own 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 will be required in the BEDI Narrative Statement described in section IV.B.1(c) of this NOFA to indicate that the proposed BEDI project will not be used to provide assistance as prohibited herein.

d. Applicants may not propose projects on sites which are: (i) Listed or proposed to be listed on EPA's National Priority List (NPL); (ii) subject to unilateral administrative orders, court orders, administrative consent orders or judicial consent decrees issued or entered into by parties under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA); or (iii) subject to the jurisdiction, custody, or control of the United States Government. Applicants will be required in the BEDI Narrative Statement described above in section

IV.B.1(c) of this NOFA to indicate that the proposed BEDI project will not be undertaken at an ineligible site as provided herein.

e. BEDI grant assistance cannot be used to leverage a section 108 loan guarantee approved prior to the date of HUD's announcement of a BEDI grant pursuant to this SuperNOFA, unless the applicant requests to deobligate previously approved commitment authority as provided in section IV.B.1(e)(5) of this NOFA. In no event, however, may a previously approved section 108 commitment to be used with a prior BEDI or EDI award be subject to such deobligation. In an instance where a pending application for section 108 assistance is to be leveraged by the proposed BEDI grant, the BEDI grant may be awarded before HUD approval of the section 108 commitment if HUD determines that such award will further the purposes of the Act.

f. A BEDI award will not be made if the section 108 request contained in the application (*see* section IV.B1(e) of this NOFA) calls for the use of the section 108-guaranteed obligation solely as security for other financing on the project.

3. Threshold Requirements

a. Applicants for BEDI grant funds must comply with the statutory, regulatory, threshold, and public policy requirements listed in the General Section of the SuperNOFA, except as otherwise specifically provided in this NOFA. In particular, applicants should carefully review those provisions that could result in the failure to receive funding, including the DUNS Number Requirement at section II.C.2(b) of the General Section of the SuperNOFA, provisions relating to Delinquent Federal Debts (Section II.C.2(e)), and the Name Check Review (section II.C.2(g)).

b. The maximum number of points to be awarded under this NOFA is 104. To be eligible for funding, a BEDI application must obtain a total score of at least 75 points. All applications meeting threshold requirements and BEDI program requirements will be rated under the selection criteria provided in section V.A.1 below.

4. Program Requirements

a. *BEDI Funding Request.* A single BEDI application must contain a request for funds for a single BEDI/108 project. An applicant may submit an additional application for each additional unrelated BEDI/108 project, but in no event will HUD rate and rank more than one BEDI project per application.

b. *Related Section 108 Loan Guarantee Request.* Each BEDI

application must be accompanied by a request for new section 108 loan guarantee assistance as described in section IV.B.1(e) of this NOFA. The request for section 108 Loan Guarantee assistance must provide for a minimum ratio of \$1.00 of requested section 108 loan guarantee commitments for every \$1.00 of BEDI grant funds requested, or a higher ratio, as needed for the project.

c. CDBG National Objectives and Eligible Activities. Each BEDI application must include citations to the specific regulatory subsections supporting eligibility of activities and compliance with National Objectives (see section III.C.1 of this NOFA).

d. Nonentitlement Applications. Applications submitted by nonentitlement public entities must provide for the state or commonwealth's certification agreeing to pledge its CDBG allocations to receive funding consideration, as evidenced by form HUD-40122, available in section VIII of this NOFA.

e. Narrative Response to Rating Factors. Each BEDI application must provide narrative statements in response to each of the rating factors below in section V.A.1 of this NOFA.

f. Time Frame for Submission of Section 108 Applications. All applications for Section 108 Loan Guarantee Assistance required for approved BEDI projects must be submitted within 60 days of written notice of BEDI selection, as provided for in section IV.B.1(e)(2) of this NOFA.

g. HUD Environmental Requirements. Beginning with the submission of a BEDI application through and after HUD's award of BEDI grant funds, pursuant to 24 CFR 570.604, each project or activity assisted under this program is subject to the provisions of 24 CFR part 58. This includes limitations on the commitment of HUD and non-HUD funds by the BEDI grantee and section 108 public entity, as well as other participants in the development process, prior to the completion of environmental review, notification, and release of funds. No such assistance will be released by HUD until a request for release of funds is submitted and the requirements of 24 CFR part 58 have been met. All public entities, including non-entitlement public entities, shall submit the request for release of funds and related certification, required pursuant to 24 CFR part 58, to the appropriate HUD field office for each project to be assisted.

h. Compliance with Environmental and Other Laws. An award of BEDI funding does not, in any way, relieve the applicant or third party users of BEDI funds from compliance with all

applicable Federal, State, and local laws and regulations, particularly those addressing the environment. Applicants are further advised that HUD may require evidence that any project involving remediation has been or will be carried out in accordance with applicable law, including voluntary clean up programs.

i. CDBG Program Regulations. In addition to 24 CFR 570.701 (Definitions), 570.702 (Eligible applicants), and 570.703 (Eligible activities), the CDBG regulatory requirements cited in 24 CFR 570.707, including subparts J (Grant Administration), K (Other Program Requirements), and O (Performance Reviews), also govern the use of BEDI funds, as applicable.

j. Obligation to Affirmatively Further Fair Housing. All BEDI grantees are obliged to affirmatively further fair housing, even when the proposed activities do not appear to be directly related to housing. Therefore, applicants that propose to use BEDI funds must include in their applications an explanation of how they propose to further fair housing opportunities for persons on the basis of race, color, national origin, sex, religion, familial status, or disability. Applicants should respond to this requirement in section V.A.1, of this NOFA, under Rating Factor 3, subfactor (1)(c). Affirmative activities include, but are not limited to: initial and periodic assessments of the extent to which affordable and accessible housing opportunities are provided or denied to persons by race, color, national origin, sex, religion, familial status, or disability; outreach to persons in underserved population groups or advocacy organizations representing such persons; affirmative fair marketing of job or housing opportunities; furthering housing choice; addressing environmental justice concerns; or ensuring that employment, housing and other benefits of the BEDI grant are made available to those individuals and families living at or near the brownfields site prior to its redevelopment.

k. Policy Priorities. Applicants are reminded of the Department's Policy Priorities for FY2004 found in section V.B.2 General Section of the SuperNOFA, several of which apply to this NOFA, as described in section V.A.1 below, under Rating Factor 5 (Achieving Results and Program Evaluation).

IV. Application and Submission Information

A. Addresses to Request Application Package

1. *For All Applicants.* All information and forms necessary to complete and submit a valid application are contained in the General Section and this NOFA, and the appendices to the General Section and this NOFA. Copies of the NOFA and forms are also available on the Internet through the Web site <http://www.grants.gov>.

2. *Further Information.* Applicants may request general information and copies of the General Section and Program NOFAs of the SuperNOFA from the SuperNOFA Information Center (800-HUD-8929 or 800-HUD-2209 (TTY)) between the hours of 9 a.m. and 8 p.m. (eastern time) Monday through Friday, except on federal holidays. When requesting information, please refer to the name of the program that is of interest. Those requesting information should be sure to provide their name, address (including zip code), and telephone number (including area code). To ensure sufficient time to prepare an application, requests for copies of this SuperNOFA can be made immediately following publication of the SuperNOFA. The SuperNOFA Information Center opens for business simultaneously with the publication of the SuperNOFA. Application and other information on the SuperNOFA can also be obtained and downloaded through the Web site www.grants.gov.

3. *Satellite Broadcasts.* HUD will hold informational broadcasts via satellite for potential applicants to learn more about the BEDI program and the preparation of BEDI application(s). For more information about the date and time of the broadcast, consult the Web site <http://www.hud.gov>.

B. Content and Form of Application Submission

1. Content of Application

A complete application for a BEDI grant under this NOFA must contain the following items listed below to be complete. The standard forms, certifications, and assurances, which are required for the BEDI application (and listed in section IV.B.2 below) can be found in the General Section of the SuperNOFA. The remaining application items that are forms (*i.e.*, excluding such items as narratives or letters, etc.), referred to as the "non-standard forms", can be found in section VIII of this NOFA.

a. Transmittal Letter signed by the authorized representative of the eligible

applicant indicating that it is submitting the application for funding under the Brownfields Economic Development Initiative Program and is requesting funding consideration for a BEDI project.

b. *Checklist and Submission Table of Contents* indicating the page numbers where the submission items can be found in the application (form HUD-40076-A EDI/BEDI).

c. *BEDI Narrative Statement* (not to exceed three double-spaced, 8½ × 11 inch pages, with one inch margins, combined) describing BEDI-funded eligible activities within the proposed project and indicating that funding will not be used for a prohibited purpose and that the proposed site for the project as described in paragraph (3) below, is not ineligible under the BEDI program. The BEDI narrative statement should:

(1) Describe the activities that will be carried out with the BEDI grant funds, and explain the nature and extent of the brownfields problem(s) actually or potentially affecting the site and/or structure(s) already on the site;

(2) Describe how the proposed uses of BEDI funds will qualify as eligible activities under 24 CFR 570.703 and meet the National Objectives under 24 CFR 570.208 of the CDBG program. In describing how the proposed uses will meet the National Objectives of the CDBG program and the activity eligibility requirements of the section 108 program, *applications must also include citations to the specific regulatory subsections supporting eligibility of activities and compliance with National Objectives.* (See Section III.C.1 of this NOFA) and;

(3) Indicate that:

(a) the proposed assistance will not be used to provide funding to parties to remediate conditions caused by their own actions for which they have been determined to be legally responsible, as specified in section III.C.2(c) of this NOFA; and

(b) that the proposed brownfields site is not ineligible as provided in Section III.C.2(d) of this NOFA.

d. *EDI/BEDI/Section 108 Funding Eligibility Statement.* A completed EDI/BEDI section 108 Funding Eligibility Statement (form HUD-40076-E EDI/BEDI).

e. *Request for Loan Guarantee Assistance.* A request for loan guarantee assistance under Section 108, as further described below. Full application requirements for the section 108 program are found at 24 CFR 570.704. Nonentitlement applicants must accompany this request with the State Certifications Related to Nonentitlement

Public Entities (form HUD-40122) in order to be considered for BEDI funding.

The request for loan guarantee assistance may take any of the five forms defined in paragraphs (1), (2), (3), (4) or (5) below. Notwithstanding the form of the request for new section 108 loan guarantee assistance, the applicant must include citations to the specific regulatory subsection supporting activity eligibility and National Objectives compliance for the section 108 funds described in the application. (See section III.C.1 of this NOFA.) Both the BEDI and section 108 funds must be used in conjunction with the same BEDI project. The request for new section 108 guarantee assistance may be presented through a:

(1) *Concurrent Application.* A complete application for new section 108 loan guarantee(s), including the documents listed at 24 CFR 570.704(b). Any full application must also be submitted to the appropriate HUD field office concurrently with its submission to Headquarters. As described further in section V.A.1, in Rating Factor 3 (Soundness of Approach), two points will be awarded for the submission of a full section 108 loan guarantee application with a BEDI application.

(2) *Subsequent Application.* A brief description (not to exceed three pages) of the project to be applied for in a subsequent new section 108 loan guarantee application(s). Such a 108 application(s) shall be submitted within 60 days of written notice of BEDI selection, with HUD reserving the right to extend such period on a case-by-case basis where HUD determines there is evidence of good cause. BEDI awards will be conditioned on approval of actual section 108 loan commitments and loan guarantee proceeds in a specific ratio of BEDI funds to section 108 funds as approved by HUD in the BEDI award. The description provided in the BEDI application must be sufficient to support the basic eligibility of the proposed project and activities for section 108 assistance. (See section III.C.1 of this NOFA.)

(3) *Pending, Unapproved Application.* A copy of a pending, unapproved section 108 loan guarantee application, and any proposed amendments to the section 108 application which are related to the BEDI application. The applicant's submission of such a BEDI/section 108 application shall be deemed by HUD to constitute a request to suspend separate processing of the section 108 application. The section 108 application will not be approved until on or after the date of the related BEDI award.

(4) *Increase to a Project Assisted Under a Previously Approved Application.* A request for section 108 loan guarantee assistance (analogous to section IV.B.1(e)(1) or (2) above of this section) that proposes to increase the amount of section 108 assistance for a project assisted under a previously approved section 108 application. However, any amount of section 108 loan guarantee authority approved before HUD's announcement of a BEDI grant for the same project is not eligible to be used in conjunction with a BEDI grant under this NOFA.

(5) *Deobligation of Previously Approved section 108 Authority.* A request to deobligate a previous commitment of section 108 loan guarantee authority to the applicant that is no longer to be used by the applicant (except for an amount required as a condition of a previously approved BEDI or EDI award), combined with a new request or application for section 108 loan guarantee assistance. Such request or application may either be a full application as provided for in paragraph (1) above or a request for 108 assistance submitted within 60 days as provided for in paragraph (2) above.

(6) In no event may a section 108 loan guarantee amount that is required to be used in conjunction with a previously approved BEDI or EDI grant award as of the date of the submission of the application, whether or not the section 108 loan guarantee has been approved as of the date of this SuperNOFA, be used in conjunction with a new BEDI award under this SuperNOFA. For example, if a public entity has a previously approved section 108 loan guarantee commitment of \$12 million, even if none of the funds have been utilized, or if the public entity had previously been awarded a BEDI grant of \$1 million and had agreed to submit a section 108 loan application for \$10 million in support of that BEDI grant, the public entity's application under this NOFA must propose to increase the amount of its total section 108 loan guarantee commitments beyond those amounts to which it has previously agreed. (i.e., the \$12 million or \$10 million section 108 loan guarantee commitments in this example).

f. *Narrative Responses to Factors for Award* (not to exceed 15 double-spaced, 8½ × 11 inch pages, with one inch margins, combined):

(1) *Rating Factor 1: Capacity and Relevant Organizational Experience.* Provide a narrative indicating the capacity of the applicant's organization and staff and any known third parties to perform the work for which it is requesting funding.

(2) Rating Factor 2: Need Statement Identifying the level of Distress/Extent of the Problem. Provide a narrative statement including any documentation supporting the statement of need, accompanied by a completed form HUD-40076-B EDI/BEDI.

(3) Rating Factor 3: Soundness of Approach. Include the activities, budget and time frame for conducting activities and providing project benefits in the narrative response, accompanied by Form HUD-40076-C EDI/BEDI.

(4) Rating Factor 4: Leveraging Resources. The response must include a completed copy of Form HUD-40076-D EDI/BEDI, "Rating Factor 4: Leveraging Resources—Sources and Uses

Statement," accompanied by any letters of firm commitment as defined in Section I.C of this NOFA.

(5) Rating Factor 5: Achieving Results and Program Evaluation: Provide a narrative response to this factor, accompanied by the logic model provided in the General Section of the SuperNOFA (form HUD-96010).

2. Forms, Certifications, and Assurances

a. In addition to any forms that have been submitted in response to Section IV.B.1 above (which may be found in Section VIII of this NOFA), the following forms and certifications must also be submitted in accordance with the General Section of the SuperNOFA

and may be found in the General Section of the SuperNOFA:

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

(2) Applicant Assurances and Certifications (HUD-424-B);

(3) Applicant/Recipient Disclosure/Update Report, HUD-2880; and, if applicable,

(4) Certification of Consistency With EZ/EC Strategic Plan, HUD-2990.

If an applicant wishes to receive an acknowledgment of HUD's receipt of its application it should submit a completed Acknowledgment of Receipt of Application form (HUD-2993).

BILLING CODE 4210-32-P

**Brownfields Economic Development Initiative
Forms, Certifications, and Assurances**

| What to submit | Required Content | Required Form or Format | When to submit it |
|--|--|---|---|
| <u>Application</u> | | | |
| Transmittal Letter | Described in Section IV.B.1(a) of this NOFA. | Described in Section IV.B.1(a) of this NOFA. | The application due date shall be on or before 12:00 midnight Eastern Time, on July 15, 2004. See the General Section of the SuperNOFA for details regarding submission requirements. |
| Checklist and Submission Table of Contents | Described in Section IV.B.1(b) of this NOFA. | Form HUD-40076-A EDI/BEDI, available in Section VIII (Appendix A) of this NOFA. | |
| BEDI Narrative Statement | Described in Section IV.B.1(c) of this NOFA. | Described in Section IV.B.1(c) of this NOFA. | |
| EDI/BEDI/Section 108 Funding Eligibility Statement. | Described in Section IV.B.1(d) of this NOFA. | Form HUD-40076-E EDI/BEDI, available in Section VIII (Appendix A) of this NOFA. | |
| Request for Loan Guarantee Assistance | Described in Section IV.B.1(e) of this NOFA. | Described in Section IV.B.1(e) of this NOFA. Nonentitlement applicants must also submit form HUD-40122, available in Section VIII (Appendix A) of this NOFA. | |
| Narrative Responses to Factors for Award | Described in Section IV.B.1(f) of this NOFA. | Described in Section V.A.1 of this announcement and accompanied by Forms HUD-40076-B, C and D EDI/BEDI, available in Section VIII (Appendix A) of this NOFA; and form HUD 96010, available in the General Section of the SuperNOFA. | |
| Standard Forms, Certifications and Assurances | Described in Section IV.B.2 of this NOFA. | Forms SF-424, HUD 424-B, and HUD-2880; also HUD-2990, if applicable. All above forms are available in the General Section of the SuperNOFA | |
| Acknowledgment of Receipt of Application form (Optional) | Described in Section IV.B.2 of this NOFA. | Form HUD-2993 is available in the General Section of the SuperNOFA | |

In addition, within 30 days after the due date for this NOFA applicants are invited, on a voluntary basis, to submit duplicate applications via the use of <http://www.grants.gov>. For FY2004 BEDI applications, use of <http://www.grants.gov/apply> is strictly voluntary and intended to help HUD test the system to ensure that future applications can be received at HUD without problems and also to help applicants become familiar with the use of the system. It is HUD's intent to move to electronic submissions in FY2005 and beyond. Applicants can help HUD in its planning by voluntarily submitting applications electronically within 30 days after the submission of paper copies of the application by the due date and time per the mailing instructions in this NOFA and the General Section of the SuperNOFA.

C. Submission Dates and Times

1. Application Due Date

Please submit your completed applications (one original and three copies) on or before July 15, 2004, to the addresses shown below. Applications must be postmarked on or before midnight eastern time of July 15, 2004, and be received within 15 days of such date in order to be considered.

2. Proof of Timely Submission

Please see the General Section of the SuperNOFA for information regarding proof of timely submission.

D. Intergovernmental Review

BEDI is not subject to the provisions of Executive Order 12372, "Intergovernmental Review of Federal Programs."

E. Funding Restrictions

BEDI grant funds and Section 108 loan guarantee funds may be used only for activities listed at 24 CFR 570.703, provided such activities are carried out as part of a BEDI project as described in this NOFA and meet the CDBG requirements at 24 CFR 570.200, 570.207, 570.208 and 570.209.

F. Other Submission Requirements

1. Address for Submitting Applications

a. Applications to HUD Headquarters. Submit the completed application (an original and two copies) by mail or permitted delivery service to: HUD Headquarters; Robert C. Weaver Federal Building; 451 Seventh Street, SW., Room 7251; Washington, DC 20410, Attention: BEDI.

When submitting the application, please specify BEDI on any label or mailing container, and include the

applicant's name, mailing address (including ZIP code), street address (if different from mailing address), and ZIP code, and voice and facsimile telephone numbers (including area code), along with the contact person's name, and voice and facsimile telephone numbers (including area code), and email address, if available.

b. Applications to HUD Field Offices. At the same time the application and copies are submitted to HUD Headquarters, an additional copy should be submitted to the Community Planning and Development Division of the appropriate HUD field office for the applicant's jurisdiction. HUD strongly suggests that applications submitted to HUD field offices be mailed via the United States Postal Service, as access by other delivery services cannot be guaranteed.

2. Application Submission Procedures

See the General Section of the SuperNOFA for specific procedures governing the submission and receipt of applications.

V. Application Review Information

A. Criteria

1. Factors for Award Used To Evaluate and Rate Applications

a. Response to Factors for Award. The applicant must provide in narrative form responses to each of the rating factors below. HUD will evaluate all applications for funding assistance based on the following factors, the responses to which demonstrate the quality of the proposed project or activities, and the applicant's capacity and commitment to use the BEDI funds in accordance with the purposes of the Act.

b. Responses to Rating Factors 1–5. Responses to Rating Factors 1–5 below shall not exceed 15 double-spaced, 8½ × 11 inch pages, with one-inch margins, combined.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points 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" will include any subcontractors, consultants, and sub-recipients that are firmly committed (see definition in section I.C above) to participate in the activities described in the application. In responding to subfactors (1) and (2) of this Factor, applications that merely summarize the

amount of funds received, spent, or managed will receive fewer points than those providing specific measurable information on program activities undertaken, outcomes of these activities and their accomplishments. In rating this Factor, HUD will consider the following:

(1) Applicant Capacity (Up to 10 points). The applicant should demonstrate that it has the organization, the staff, and the financial resources in place to implement the specific steps required to successfully carry out its proposed BEDI/Section 108 project. The applicant should offer evidence of this capacity through a description that includes:

(a) Performance in the administration of its CDBG, HOME, or other HUD programs, including a description of successfully completed projects and other outcomes or accomplishments under these programs. In addition to citing specific projects, outcomes, or accomplishments, CDBG entitlement recipients must also indicate the extent to which the applicant has met the HUD standard that the total amount of its undisbursed entitlement grant funds may not be more than 1.5 times the entitlement grant amount for the current program year (see 24 CFR 570.902(a)(1)(i)).

(b) Performance, if any, in carrying out economic development projects similar to that proposed, including brownfields economic development or redevelopment projects, if any, and if applicable, the ability to conduct prudent underwriting;

(c) If applicable because the applicant has such designation, the capacity to achieve state and local commitments identified in its local implementation plan, including maximizing the federal tax benefits made available as a result of a federal Renewal Community/ Empowerment Zone/Enterprise Community designation (including Enhanced Enterprise Community (EEC) designation). Applicants that have been designated as a Renewal Community (RC), Empowerment Zone (EZ), or Enterprise Community (EC/EEC) must respond to this subfactor even if the proposed brownfields economic development project is not to be located within the boundaries of the designated RC/EZ/EC; and

(d) An applicant that has previously received a BEDI or a competitive EDI grant award or, within the past five years, a section 108-guaranteed loan commitment, must describe the status of the implementation of those project(s) assisted with any BEDI or competitive EDI funds or with any section 108-guaranteed loan funds so approved

within the last five years. An applicant must address any delays that have been encountered and the actions it is taking to overcome any such delays in carrying out the project(s) in a timely manner. For any such previously funded BEDI or competitive EDI grant projects, or for those section 108-guaranteed loan projects committed within the past five years, HUD will award more rating points for applications providing evidence of achievement of specific measurable outcomes in carrying out approved activities funded with such guaranteed loan or grant funds.

If any of the rating criteria listed under (a) through (d) above do not apply to an application, the rating for this subfactor (1) shall be based solely upon the other applicable criteria.

(2) Partner Capacity (Up to 10 points). In response to this subfactor (2), the applicant should describe the experience and performance of subrecipients, private developers and other businesses, nonprofit organizations (including grassroots faith-based and other community-based organizations), and other entities, if any, that have a role in implementing the proposed BEDI/108 program. Applicants are encouraged to identify specific economic development or other projects undertaken by each entity, which reflect the capacity of each entity to fulfill its responsibilities under the proposed brownfields economic development project, including the location, scale, and timeframe for completion of other relevant projects. If there are no third parties participating with the applicant in the proposed project, the 10 points available under this subfactor (2) will be added to the 10 points available under subfactor (1), with a maximum of 20 possible points then available under subfactor (1).

Experience will be judged in terms of recent (*i.e.*, within the past 5 years) and successful performance of activities relevant to those proposed in the BEDI application. The more recent and extensive the experience, the greater the number of points that will be awarded for this Factor.

In addition to the application, HUD also may rely on information at hand or available from public sources such as newspapers, from performance and/or monitoring reports, Inspector General or Government Accounting Office reports or findings, hotline complaints that have been proven to have merit, audit reports, and other reliable public information in rating this Factor.

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

This Factor addresses the extent to which there is need for funding the proposed activities based on levels of distress in both the jurisdiction of the public entity that is the applicant *and* the geographic or target area that will benefit from the project. Applications will be evaluated on the extent to which the level of distress for the target area is documented and compared with national data and data for the jurisdiction.

(1) In applying this Factor, HUD will consider current levels of distress in the target area, as defined in standard geographic terms by the applicant. This may be Census Tract(s) or Block Groups immediately surrounding the project site up to a radius of one-half mile, or it may be the target area to be served by the proposed project. HUD will also consider the current levels of distress in the applicant public entity's jurisdiction, if different from the target area. The applicant should describe the nature of the distress that the project is designed to address and the rationale for its definition of the area to be benefited. Examples of project beneficiaries may include: (a) Those receiving or using products or services produced by the project, and (b) those employed by the project.

To the extent that the applicant's Consolidated Plan, its Analysis of Impediments to Fair Housing choice (AI), and/or its Anti-Poverty Strategy found therein identify the level of distress in the jurisdiction and the target area in which the project is to be carried out, references to such documents should be included in preparing the response to this Factor. Applications that fail to reference these sources will receive fewer points under this Factor.

Notwithstanding the above, an applicant proposing a project to be located outside the target area for which benefit is claimed could still receive points under this Factor if a clear rationale is provided linking the proposed project location and the benefits to be derived by persons living in the target area.

(2) Applicants should provide data that address the following specific indicators of distress:

(a) Poverty Rate (Up to 5 points). Data should be provided in both absolute and percentage form (*i.e.*, whole numbers and percents) for both the target area and the applicant's jurisdiction as a whole; an application that compares the local poverty rate in the following manner to the national average at the

time of submission will receive points under this section as follows:

(i) Less than the national average, but with a poverty rate in the target area that is greater than the applicant's jurisdiction: 2 points;

(ii) At least equal to, but less than twice, the national average: 3 points;

(iii) Twice or more the national average: 5 points.

(b) Unemployment Rate (Up to 5 points). An application that compares the local unemployment rate for the applicant's jurisdiction and the target area in the following manner to the national average at the time of submission will receive points under this Section as follows:

(i) Less than the national average, but with an unemployment rate in the target area that is greater than the applicant's jurisdiction: 2 points;

(ii) At least equal to, but less than twice, the national average: 3 points;

(iii) Twice or more the national average: 5 points.

(c) Other Indicators of Social and/or Economic Decline (Up to 5 points). Applicants should provide other indicators of social or economic decline that best capture the applicant's local situation. Examples that could be provided under this section include information demonstrating the target area and the jurisdiction's stagnant or falling tax base, including recent (within the last three years) commercial or industrial closings, downturns or layoffs; housing conditions, such as the number and percentage of substandard and/or overcrowded units; rent burden (defined as average housing cost divided by average income) for both the target area and jurisdiction; local crime statistics. The response to this subfactor (c) should paint a picture of the extent of need and distress in the target area and jurisdiction.

HUD requires use of sound and reliable data (*e.g.*, U.S. Census data, state statistical reports, university studies/reports that are verifiable) to support distress levels cited in each application. A source for all information along with the publication or origination date must also be provided. Updated Census data are available as follows for the listed indicators:

Unemployment rate: Unemployment rates are estimated monthly for counties, with a two-month lag, while census tract unemployment rates are available through the 2000 U.S. Census;

Poverty rate: Poverty rates are provided through the 2000 U.S. Census and are estimated every two years, with a three-year lag. Census and other relevant data can be accessed through <http://www.ffiec.gov>. In rating

applications under this Factor, HUD reserves the right to consider sources of available objective data other than, or in addition to, those provided by applicants, in order to compare such data to those provided by applicants.

Rating Factor 3: Soundness of Approach (35 Points Maximum)

This Factor addresses the quality and cost-effectiveness of the proposed plan for the brownfields economic development project. Applications that do not propose the productive reuse of a specific, identified site or sites and that do not result in near-term, measurable economic benefits, such as projects that involve only the preparation of a site for potential future reuse by an unidentified party, or the capitalization of a loan pool for loans to unidentified borrowers, will receive fewer points under this Factor. The relationship between the proposed site or sites, the proposed eligible activities and the community needs and purposes of the program funding must be clearly described, as set forth below, in order to receive points for this Factor. In rating this Factor, HUD will consider the following:

(1) Consistency/Appropriateness of Proposed Activities with Identified Needs (Up to 8 points). The applicant should address:

(a) The extent to which the proposed plan for use of BEDI grant/section 108-guaranteed loan funds will address the needs described in Rating Factor 2 above, regarding the distress and extent of the problem in the target area or area to be benefited and the long-term benefit for current residents of the target area. The applicant should provide a clear and quantified explanation of this relationship.

(b) How the project will achieve one of the National Objectives under the Community Development Block Grant program (*see* 24 CFR 570.208) and the eligible activities that will be carried out under 24 CFR 570.703, including citations to the specific regulatory subsections supporting eligibility of activities and compliance with National Objectives; and

(c) Any unmet needs identified in the jurisdiction's Consolidated Plan and pursuant to section III.C.4(j) of this NOFA, any impediments to fair housing identified in the jurisdiction's Analysis of Impediments to Fair Housing Choice, that will be directly addressed by the proposed project. In order to receive full points under this subfactor, applicants must address the unmet needs addressed in both its Consolidated Plan and in the Analysis of Impediments to Fair Housing Choice. *See* section

III.C.4(j) of this NOFA for examples of general affirmative fair housing actions that may be undertaken to address a jurisdiction's Analysis of Impediments to Fair Housing Choice.

(2) Project Readiness (Up to 15 points). In responding to this subfactor (2), the applicant should demonstrate the extent to which the redevelopment plan for the brownfields site is logical, feasible, and likely to achieve its stated purpose and the extent to which the project will directly result in the productive reuse of the site and the delivery of near-term, measurable economic benefits. The applicant's response should demonstrate the extent to which the project is likely to be completed within a maximum of five years from the date of the BEDI award and will produce near-term, measurable economic benefits. Points for this subfactor will be awarded based upon the extent to which the following critical benchmarks for the redevelopment plan have been met or are approaching completion. The applicant's response to this subfactor should address:

(a) Environmental Investigation. This subfactor (a) will consider the extent to which the presence or potential presence of environmental contamination of the project site is known or understood. Proposed projects on sites where the nature and degree of environmental contamination is not well-quantified, where no environmental investigation has commenced, or that are the subject of on-going litigation or environmental enforcement actions will receive fewer points under this subfactor (a). Similarly, fewer points will be awarded to proposed projects at sites with exceptionally expensive contamination problems that may be beyond the scope of the BEDI and section 108 programs' financial resources or other resources firmly committed to the project as described in the application, and sites subject to pending and current litigation that may not be available for remediation and development or redevelopment in a time frame that will produce near-term and measurable economic benefits through the use of BEDI and section 108 funds. Alternatively, any applicant indicating the completion of environmental assessment or review and the issuance of HUD approval for a Request for Release of Funds for the project under 24 CFR part 58 will receive more points under this subfactor.

(b) Site Control. This subfactor (b) will consider the extent to which control of the proposed project site has been secured or is being sought. Points

for this subfactor (b) will be awarded based upon the degree of site control secured by the applicant or its development partner. Projects, for instance, in which negotiation or litigation related to site control are underway or continuing will receive fewer points than projects in which an option to purchase has been secured. Projects in which the applicant or its development partner has secured site control through acquisition, eminent domain or other means at the time of application will receive full points under this subfactor (b). In responding to this subfactor (b), applicants are encouraged to accompany their narrative response with a map indicating the boundaries of the proposed site or sites on which BEDI-assisted improvements are proposed. Any map included by the applicant will not be counted in the fifteen page limitation on the narrative response to the Rating Factors as provided in section V.A.1(b) of this NOFA.

(c) Legislative, Regulatory, and Other Approvals. This subfactor (c) will consider the extent to which any required local legislative approvals, regulatory permits, zoning classifications, environmental regulatory approvals, waivers, general, and special use permits, assessment district designations, public easements or rights-of-way, or other similar approvals have been secured or are being sought. The greater the number of outstanding legislative, regulatory, or other approvals required and not yet secured, the fewer points will be awarded. In the case of a CDBG entitlement unit of general local government, such as a county, proposing to undertake a BEDI project within the jurisdiction of another CDBG entitlement unit of general local government, such as a city or other jurisdiction within that county, the applicant should also include a letter of support from the jurisdiction in which the BEDI project would be located.

(d) User Agreements. This subfactor (d) will consider the extent to which any development agreements, tenant leases, memoranda of understanding, or other agreements integral to returning the site to productive reuse and producing near-term measurable economic benefits, have been secured or are being sought. Applicants proposing projects that do not provide for new investment by an identified, committed private entity and the return of a brownfields site to productive reuse, with accompanying near-term, measurable economic benefits, will receive fewer points under this subfactor (d).

(e) Delivery of Economic Benefits. The response to this subfactor (e) must include the time frame in which the measurable economic benefits are to be delivered. For multi-phase projects, the response to this subfactor (e) must clearly delineate the different phases of the project and indicate whether or not they are to be funded by BEDI/section 108 funds. Brownfields economic development projects that provide near-term, measurable economic benefits directly through the creation or retention of jobs will receive a greater number of points under this subfactor (e). In response to this subfactor (2), the applicant should also provide a specific time schedule (with both beginning and end dates) for carrying out the project and identify all interim measurable benchmarks (acquisition, demolition, site improvements, relocation, construction, etc.) to be accomplished. The applicant should also include a proposed schedule for drawing down all funds necessary to complete the project, including BEDI and section 108 funds.

A timeline form is provided in Appendix A to this NOFA for the purpose of illustrating the project schedule (form HUD-40076-C EDI/BEDI), but HUD will consider the timeline form only as an illustration of the narrative response to this subfactor (e).

(3) Section 108 Application (Up to 2 points). BEDI applications accompanied by a request for new section 108 Loan Guarantee assistance as evidenced by a full *and* complete section 108 application will receive up to two points for this subfactor (3). BEDI applications accompanied by a copy of a currently pending but unapproved section 108 loan guarantee application for the same project described in the BEDI application will also receive up to two points under this subfactor (3).

(4) Financial Feasibility/Need (Up to 10 points). The applicant should demonstrate the economic necessity of the proposed BEDI and section 108 funds and the extent to which the project is not financially feasible in the absence of such funds. In responding to this subfactor (4), applicants are encouraged to accompany their narrative response, as appropriate, with a development and operating “*pro forma*” or similar analysis of the proposed project financing. Such *pro forma* or other financial analysis will not be counted in the fifteen page limitation on the narrative response to the Rating Factors as provided in section V.A.1(b) of this NOFA. In the narrative response, applicants must clearly address the question of why the BEDI funds are critical to the success of

this project by providing the following items:

(a) Use of BEDI and section 108 Funds to Fill Financing Gaps. The applicant must provide an economic rationale that demonstrates how the use of the BEDI and section 108 funds will directly impact the financial feasibility of the proposed project. The response should discuss the critical gaps that exist in financing the proposed project, why those gaps exist and how the BEDI and section 108 funds will be used to fill those gaps. The narrative response, including any *pro forma* or similar analysis, should demonstrate how the proposed BEDI and section 108 financing will yield economic benefits critical to the success of the project, including, for example, increased rates of return or debt coverage ratios, reduced rents or other similar financial outcomes necessary to attract private investment.

(b) Project Costs and Financial Requirements. A funding sources and uses statement must also be provided that specifies the source of funds for each identified use or activity, along with the derivation of project costs.

Rating Factor 4: Leveraging Resources (15 Points Maximum)

In evaluating this Factor, HUD will consider the extent to which the response demonstrates the likelihood that the project will leverage both section 108 loan and other public or private funds as part of the total project resources. Points for this Factor will be awarded in two parts, for the following:

(1) Leverage of section 108 funds (Up to 8 points). The minimum ratio of section 108 funds to BEDI funds in any project may not be less than 1:1. Points will be awarded based upon the extent to which the proposed project leverages an amount of section 108 funds greater than a 1:1 ratio. If the application has a ratio of 1:1, it will not receive any points under this subfactor. The higher the ratio of additional new section 108 funds to BEDI funds proposed in an application, the more points it will receive under this subfactor, within the points available hereunder. (See Sections III.C.3(b) and Section VI.B.1(a) of this NOFA. regarding the conditioning of BEDI awards on achievement of a specific BEDI/section 108 leveraging ratio.)

(2) Leverage of Other Financial Resources (Up to 7 points). HUD will evaluate the extent to which other funds (public or private) are leveraged by BEDI grant funds, and the extent to which such other funds are firmly committed to the project. This could include the use of CDBG funds, other federal or state

grants or loans, local general funds, project equity or commercial financing provided by private sources or funds from nonprofits or other sources. In order to receive points for other public and privately committed funds under this subfactor (2):

(a) Applicants must provide evidence that such funds are “firmly committed” as defined in section I.C. of this NOFA.

(b) Each agreement or letter of commitment must include the name of the organization making the commitment, the proposed total level of commitment, and the responsibilities of the organization as they relate to the proposed BEDI project.

(c) Each commitment—including the donation or purchase of real property or the provision of in-kind services—must be assigned a monetary value by the party making the commitment, accompanied by an indication of the basis for that assigned value.

(d) The commitment must be signed by an official of the organization legally authorized to make commitments on behalf of the organization, with a statement confirming that authority, and remain in effect for a period stated in the commitment.

(e) If a commitment is to be self-financed, such as a commitment by a private developer to provide a specified amount of equity investment in the project, the party making that commitment must evidence its financial capacity through the submission of a corporate or personal financial statement or other appropriate means in order to receive points under this subfactor (2).

(f) For Applicants Committing CDBG Funds: In order for an applicant’s commitment of CDBG funds to be accepted by HUD as additional financing for a BEDI project, a resolution from the local governing body (*e.g.*, city/borough council) authorizing the amount and permitted uses of the funds must be provided.

All such funds may also be committed subject to completion of a satisfactory environmental review required under 24 CFR part 58 for the project for purposes of this section.

Rating Factor 5: Achieving Results and Program Evaluation (15 Points Maximum)

This Factor emphasizes HUD’s commitment to ensuring that applicants maintain commitments made in their application and assess their performance to ensure that performance goals are met. This Factor also evaluates the extent to which the results of the proposed BEDI project address the policy priorities of the Department. In

addition to a narrative response, applicants must complete the logic model provided in the General Section of the SuperNOFA (form HUD-96010) in order to receive points under this Factor.

(1) Performance Measurement Plan (Up to 12 points). HUD requires applicants to develop an effective, quantifiable, outcome oriented performance measurement plan for measuring performance and determining that BEDI project goals have been met. The applicant's response to this subfactor (1) should identify: (a) Each of the specific project outcomes for the proposed BEDI project, *i.e.*, the near-term, measurable economic benefits to be achieved; (b) all interim benchmarks of the project and the associated time frames for meeting each interim benchmark; and (c) the performance indicators selected by the applicant to measure its achievement of the identified interim benchmarks and project outcomes. The performance indicators selected by the applicant should be objectively quantifiable and measure actual achievements against anticipated results. The response to this subfactor (1) should identify what will be measured, how it will be measured, and the procedures or plans that are in place to make adjustments to the project redevelopment plan if performance targets are not met within established time frames.

In response to this subfactor (1), applicants should address any of the following applicable outcomes or ultimate goals identified by HUD for BEDI projects: the number of jobs to be created or retained; the amount of increased wages resulting from the creation or retention of jobs; the number of housing units to be constructed or rehabilitated; the total square feet of commercial and industrial space to be created; the total number of low- and moderate-income persons to benefit from the project; the total number of businesses assisted by the project; the number of acres of brownfields returned to productive economic use; and the amount of any increased land value that results from the BEDI project. Applicants may also propose additional quantifiable outcomes or goals related to other benefits expected for the neighborhood or for persons assisted, as part of the evaluation plan.

(2) Policy Priorities (Up to 3 points). The applicant's response to this subfactor (2) should address how the project will address the following policy priorities of the Department, as further detailed in section V.B.2 of the General Section of the SuperNOFA. The number of points to be awarded for each

applicable policy priority addressed by the proposed BEDI project is indicated below:

(a) For BEDI projects that propose only housing activities:

(i) The extent to which the project will increase affordable housing and homeownership opportunities for low- and moderate-income persons, the disabled, the elderly, minorities, and families where English may be the second language, whether through the provision of housing or employment which will enable residents to access affordable housing and have a choice of such housing in environmentally healthy and revitalized neighborhoods (1 point); and

(ii) The extent to which the project will assist in breaking down regulatory barriers that impede the availability of affordable housing (up to 2 points).

(b) For all other BEDI projects:

(i) The extent to which the proposed project will improve the quality of life in the nation's communities, by bringing private capital to distressed communities (1 point);

(ii) The extent to which the proposed project will finance business investments that will grow new businesses or maintain and expand existing businesses (1 point); and

(iii) The extent to which the proposed project will create decent jobs for low-income persons (1 point).

Bonus Points

An application may receive up to four bonus points, until the maximum of four points are achieved. Two bonus points may be awarded for each of the following:

(1) Projects that are located either in federally designated Empowerment Zones, Enterprise, or Renewal Communities (*see* the General Section of the SuperNOFA for advice on locating a list of designated communities);

(2) Projects that are located in Brownfields Showcase Communities designated by EPA. A list of the federally designated Brownfields Showcase Communities is listed in Appendix B of section VIII of this NOFA and is also available from the SuperNOFA Information Center or through the HUD Web site, <http://www.hud.gov>.

B. Reviews and Selection Process

1. *Reviews and Selection Process.* All applications meeting BEDI program and threshold requirements will be rated under the selection criteria in section V.A. of this NOFA. Applications will be selected for funding as follows:

a. Fundable BEDI grant applications must meet the program and submission

requirements of this NOFA and the threshold requirements stipulated in section III.C.2 of the General Section of the SuperNOFA or they will not be ranked.

b. All BEDI grant applications that meet threshold requirements will be ranked separately in order of points assigned with the applications receiving more points ranked above those receiving fewer points.

c. In the event two or more applications are given the same score, but there are insufficient funds to fund all of the tied applications, the application(s) with the highest score(s) on Rating Factor 3 (Soundness of Approach) shall be selected. If there is still a tie, the following Factors will be considered sequentially, with the application having the high score on each Factor in the following order taking precedence until the tie is broken: Rating Factor 1 (Capacity and Experience), Rating Factor 2 (Distress/Extent of the Problem), Rating Factor 4 (Leveraging Resources), and Rating Factor 5 (Achieving Results and Program Evaluation).

d. Fundable BEDI applications will be funded in rank order until the total aggregate amount of the approvable applications funded is equal to the maximum amount available in the competition (subject to the limitations described in section II.C above).

2. *Corrections to Deficient Applications.* The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

3. *Applicant Debriefing.* The General Section of the SuperNOFA provides information on applicant requests for a debriefing. Applicants requesting to be debriefed must send a written request to the contact person for the BEDI program, Mr. Frank McNally, at the address listed in section VII of this NOFA.

C. Anticipated Announcement and Award Dates

Historically, BEDI awardees have been notified of the approval of BEDI applications within approximately 90 days of the application deadline.

VI. Award Administration Information

A. Award Notices

1. Notice of Award and Obligation

BEDI award recipients will receive written notice of approval of their applications and the related terms and conditions of the award. An authorized official of the applicant receiving a BEDI award will be required to sign and return an acceptance of the BEDI award.

BEDI funds shall be obligated for an approved application upon the return of a signed acceptance of the award to HUD and a countersignature of that acceptance by an authorized HUD official.

2. Award Disbursements and Amendments

a. *Timing of Section 108 Approval and BEDI Grant Disbursements.*

(1) To the extent a full and complete Section 108 application is submitted with the BEDI grant application, HUD will evaluate the Section 108 application immediately following the competition for BEDI grant funds. Note that the 108 application must be submitted to the appropriate HUD field office concurrently with submission to Headquarters.

(2) Notwithstanding any earlier obligation or award of BEDI funds to a grantee, or execution of a grant agreement, HUD will not permit the grantee to draw down BEDI funds before the issuance and at least partial funding of the obligations evidencing the related section 108-guaranteed loan.

(3) Pursuant to the FY2004 HUD Appropriations Act (under the "Brownfields Redevelopment" heading) and 31 U.S.C. 1552, FY 2004 BEDI funds must be obligated (*i.e.*, awarded) by HUD by September 30, 2005, and must be disbursed by HUD to the grantee by September 30, 2010. FY2003 BEDI funds must be obligated by September 30, 2004, and must be disbursed by HUD to the grantee by September 30, 2009. FY2001 BEDI funds are not subject to statutory obligation or disbursement deadlines. In all cases, however, HUD reserves the right to require earlier disbursement under a BEDI grant agreement. Accordingly, a BEDI awardee must ensure the timely submission of its section 108 Loan Guarantee application, the execution of the section 108 Contract for Loan Guarantee Assistance and BEDI Grant Agreement, and the issuance of the section 108 Loan Guarantee Note.

B. *Administrative and National Policy Requirements*

1. Terms and Conditions

a. Ratio of BEDI to section 108 Loan Guarantee Funds. Because the proposed ratio of BEDI funds to section 108 funds presented in an approved BEDI application represents an applicant's financial commitment to a BEDI project, HUD will condition the BEDI grant award on the grantee's achievement of that specific ratio. The failure of the grantee to meet that condition by obtaining timely HUD approval of a

commitment for, and issuance of, the required section 108 guaranteed obligations ratio may result in the cancellation and recapture of all or a proportionate share of the BEDI grant award.

b. Approval of section 108 Loan Guarantee Application and Disbursement of Funds. As a condition of any award under this NOFA, if the related section 108 application has not been submitted and approved within 10 months of written HUD notification of selection for potential funding under this NOFA, HUD may deobligate the BEDI funds. BEDI grant awards and grant agreements will contain conditions requiring grantees to adhere to time frames mutually agreed on by the applicant/grantee and HUD for implementing proposed projects and drawing section 108 and BEDI funds. If BEDI grant funds and section 108 loan proceeds are not disbursed to the applicant within the time frames specified in the BEDI grant agreement, HUD reserves the right to cancel the award and recapture all or a portion of the BEDI funds, as applicable under the grant agreement.

c. BEDI Application Amendments. Any modifications or amendments to an application approved pursuant to this NOFA, whether requested by the applicant or by HUD, must be within the scope of the approved original BEDI application in all respects material to rating the application, unless HUD determines that the revised application remains within the competitive range and is otherwise approvable under this NOFA. In addition, if the applicant proposes an amendment after the period during which appropriated funds are available for obligation (for FY2004 BEDI funds, after September 30, 2005), HUD will be unable to approve any amendment which materially changes the scope, purpose, or need for the original award. In such a case, the unused BEDI funds must be deobligated and returned to the U.S. Treasury.

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

b. HUD expects that projects presented for BEDI funding will integrate environmental justice concerns

and provide measurable economic benefits for affected communities and their current residents for the long term.

3. *Other National Requirements.* BEDI applicants are directed to the Section III.C of the General Section of the SuperNOFA, which provides the statutory, regulatory, threshold, and public policy requirements applicable to all HUD grantees. In particular, BEDI applicants should carefully review provisions relating to Executive Order 13202 (Preservation of Open Competition and Government Neutrality) and Federal laws governing the procurement of recovered materials.

C. *Reporting*

Post Award Reporting Requirements. CDBG regulations at 24 CFR 570.507 (for metropolitan city and urban counties) and 24 CFR 570.491 (for State grantees) require the submission of a Consolidated Annual Performance Evaluation Report (CAPER) describing the use of CDBG funds during the program year. 24 CFR 570.3 defines CDBG funds to include BEDI grants, and accordingly, grantees must report specifically on the use of BEDI grant funds and section 108 loan guarantee proceeds in the CAPER. For each reporting period, as part of the required report to HUD, grant recipients must include a completed Logic Model (form HUD 96010), which identifies output and outcome achievements.

VII. *Agency Contact*

For Technical Assistance. Contact: Frank McNally, Economic Development Specialist, Office of Economic Development, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7140, Washington, DC 20410; telephone (202) 708-0614, extension 7100 (this is not a toll-free number). Hearing or speech challenged persons may call the Federal Information Relay Service at 800-877-8339 (this is a toll-free number). Before the application due date, HUD staff will be available to provide general guidance and technical assistance about this BEDI NOFA. However, HUD staff are not permitted to assist in preparing a BEDI application. Following selection of applicants, but before awards are made, HUD staff are available to assist in clarifying or confirming information that is a prerequisite to the offer of an award by HUD. In addition, the Section 108 Loan Guarantee program is not a competitive program and therefore is not subject to those provisions of the HUD Reform Act pertaining to competitions that do not permit HUD staff to assist in the preparation of applications. HUD staff are available to

provide advice and assistance to
develop Section 108 loan applications.

VIII. Other Information

Appendices

1. Appendix A—Non-Standard BEDI
Forms

The non-standard forms for the BEDI
application follow.

BILLING CODE 4210-32-P

CHECKLIST AND SUBMISSION TABLE OF CONTENTS

Public reporting burden for this collection of information is estimated to average 01 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 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, in the Federal Register for the Brownsfield Economic Development Initiative (BEDI) program have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

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"/> Application for Federal Assistance (SF-424) | cover page 1 |
| <input type="checkbox"/> Transmittal Letter | cover page 2 |
| <input type="checkbox"/> Checklist and Submission Table of Contents | p. 1 |
| <input type="checkbox"/> Applicant Narrative Statement (3 pages) | p. _____ |
| <input type="checkbox"/> EDI/BEDI/108/CDBG Funding Eligibility Statement form (2 pages) | 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 previously submitted, but not yet approved, Section 108 application. | |
| <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"/> Project Timeline form | p. _____ |
| <input type="checkbox"/> #4 Leveraging Resources/Financial Need | p. _____ |
| <input type="checkbox"/> Sources and Uses Statement form | p. _____ |
| <input type="checkbox"/> #5 Results and Program Evaluation | p. _____ |
| <u>Application Forms and Certifications</u> | |
| <input type="checkbox"/> Section 108 Certifications | p. _____ |
| <input type="checkbox"/> Applicant Assurances and Certifications (HUD-424B) | 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"/> Certification Regarding Debarment & Suspension (HUD-2992) | p. _____ |
| <input type="checkbox"/> Certification of Consistency with EZ/EC Strategic Plan (HUD-2990) | p. _____ |
| <input type="checkbox"/> Certification of Consistency with the Consolidated Plan (HUD-2991) | 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 3 | p. _____ |
| <input type="checkbox"/> Acknowledgment Application Receipt | |

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

Applicant: _____

Project Name/Title: _____

Instructions: The applicant is required to provide information related to the poverty rate for the Target Neighborhood (the area in which EDI/BEDI assistance will be used) and the larger jurisdiction. In addition, the applicant may include optional indicators such as the unemployment rate, median income of persons living in the area, or other indicators of the applicant's choosing. A data source and date are required for each indicator. Use of data from the applicant's Consolidated Plan and/or its Analysis of Impediments to Fair Housing Choice (AI) is encouraged.

| | Required Indicator | Target Neighborhood | Jurisdiction | Data Source & Date |
|---|---------------------------|----------------------------|---------------------|-------------------------------|
| 1 | Poverty Rate | _____ | _____ | _____ |

| | Optional Indicators | Target Neighborhood | Jurisdiction | Data Source & Date |
|---|----------------------------|----------------------------|---------------------|-------------------------------|
| 2 | Unemployment | _____ | _____ | _____ |
| 3 | Median Income | _____ | _____ | _____ |
| 4 | _____ | _____ | _____ | _____ |
| 5 | _____ | _____ | _____ | _____ |
| 6 | _____ | _____ | _____ | _____ |
| 7 | _____ | _____ | _____ | _____ |
| 8 | _____ | _____ | _____ | _____ |

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

Neighborhood: _____

Jurisdiction: _____

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

Applicant: _____

Project Name/Title: _____

Instructions: The applicant is required to provide information related to the poverty rate for the Target Neighborhood (the area in which EDI/BEDI assistance will be used) and the larger jurisdiction. In addition, the applicant may include optional indicators such as the unemployment rate, median income of persons living in the area, or other indicators of the applicant's choosing. A data source and date are required for each indicator. Use of data from the applicant's Consolidated Plan and/or its Analysis of Impediments to Fair Housing Choice (AI) is encouraged.

| | Target | | |
|--------------------|--------------|--------------|--------------------|
| Required Indicator | Neighborhood | Jurisdiction | Data Source & Date |
| 1 Poverty Rate | _____ | _____ | _____ |

| | Target | | |
|---------------------|--------------|--------------|--------------------|
| Optional Indicators | Neighborhood | Jurisdiction | Data Source & Date |
| 2 Unemployment | _____ | _____ | _____ |
| 3 Median Income | _____ | _____ | _____ |
| 4 _____ | _____ | _____ | _____ |
| 5 _____ | _____ | _____ | _____ |
| 6 _____ | _____ | _____ | _____ |
| 7 _____ | _____ | _____ | _____ |
| 8 _____ | _____ | _____ | _____ |

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

Neighborhood: _____

Jurisdiction: _____

**RATING FACTOR 3: SOUNDNESS OF APPROACH
PROJECT TIMELINE**

Applicant: _____

Project Name/Title: _____

Instructions: Identify and list each major task/activity associated with the project. Darken appropriate boxes for quarter(s) when task/activity will occur. Fill in the amount of EDI/BEDI/108 funds associated with each task/activity in column labeled EDI/BEDI/108 Funds for Task." Fill in the amount of other sources of funding associated with each task in the column labeled "Other Funds." If the project extends beyond the timeframe indicated on the form, please attach justification/description of project term. Use as many as you need to show beginning -- end timeframes for all phases.

| | Tasks/Activities | Year 1 | | | | Year 2 | | | | Year 3 | | | | EDI/BEDI/108 Funds for Task | Other Funds for Task |
|----|-----------------------|--------|----|----|----|--------|----|----|----|--------|----|----|----|-----------------------------|----------------------|
| | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | | |
| | EXAMPLE: Construction | | | | | | | | | | | | | \$1,500,000 | \$2,500,000 |
| 1 | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | | | | |
| | TOTAL | | | | | | | | | | | | | | |

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

Applicant: _____

Project Name/Title: _____

| Sources | | Amount | Uses | | Amount |
|---|--|--------|--------------------------------------|--|--------|
| 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.

EDI/BEDI/SECTION 108/CDBG FUNDING ELIGIBILITY STATEMENT

Page 1 of 2

Applicant: _____

Project Name/Title: _____

Instructions: The applicant should first enter the total project cost (line 16). Then, working backwards, the applicant should enter the total costs paid with CDBG (line 14) and non CDBG-related funds (line 15). These two amounts should equal the total listed in line 16. Next, the applicant should enter dollar amounts on lines 1-13 in order to demonstrate among which eligible activities the EDI/BEDI, Section 108 or CDBG funds are to be allocated.

| Eligible Activities ^{1/} | EDI or BEDI | Section 108 | CDBG ^{2/} | Total |
|---|-------------|-------------|--------------------|-------|
| 1 Acquisition of Real Property 24 CFR 570.703(a) | | | | |
| 2 Rehabilitation of Publicly Owned Real Property 24 CFR 570.703(b) | | | | |
| 3 Payment of Interest 24 CFR 570.703(c) | | | | |
| 4 Relocation Payments 24 CFR 570.703(d) | | | | |
| 5 Clearance, Demolition, Removal 24 CFR 570.703(e) | | | | |
| 6 Site Preparation 24 CFR 570.703(f) | | | | |
| 7 Payment of Issuance Fees 24 CFR 570.703(g) | | | | |
| 8 Housing Rehabilitation 24 CFR 570.703(h) | | | | |
| * 9 Economic Development Activities 24 CFR 570.703(i) (and 570.203/.204) | | | | |
| 10 Construction of Housing 24 CFR 570.703(j) | | | | |
| 11 Debt Service Reserve 24 CFR 570.703(k) | | | | |
| 12 Public Facilities 24 CFR 570.703(l) | | | | |
| 13 Public Facilities - Colonias 24 CFR 570.703(m) | | | | |
| 14 Subtotal | | | | |
| 15 Costs Paid with Non CDBG-Related Funds | | | | |
| 16 Total Project Costs ^{3/} | | | | |

- 1/ The eligible Section 108 activities are defined in detail 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.

EDI/BEDI/SECTION 108/CDBG FUNDING ELIGIBILITY STATEMENT

Page 2 of 2

Applicant: _____

Project Name/Title: _____

| National Objective 1/ | | | |
|---------------------------------|--------------------------------|----------------------------------|--------------------------|
| Single Project (check one only) | | Loan Fund (check all that apply) | |
| <input type="checkbox"/> | Low-Mod Area Benefit | 24 CFR 570.208(a)(1) | <input type="checkbox"/> |
| <input type="checkbox"/> | Low-Mod Limited Clientele | 24 CFR 570.208(a)(2) | <input type="checkbox"/> |
| <input type="checkbox"/> | Low-Mod Area Housing | 24 CFR 570.208(a)(3) | <input type="checkbox"/> |
| <input type="checkbox"/> | Low-Mod Job Creation/Retention | 24 CFR 570.208(a)(4) | <input type="checkbox"/> |
| <input type="checkbox"/> | Slum/Blight Area Basis | 24 CFR 570.208(b)(1) | <input type="checkbox"/> |
| <input type="checkbox"/> | Slum/Blight Spot Basis | 24 CFR 570.208(b)(2) | <input type="checkbox"/> |
| <input type="checkbox"/> | Slum/Blight Urban Renewal | 24 CFR 570.208(b)(3) | <input type="checkbox"/> |
| <input type="checkbox"/> | Urgent Need/Imminent Threat | 24 CFR 570.208(c) | <input type="checkbox"/> |

| Public Benefit |
|---|
| <p>PLEASE NOTE: This section is applicable only to projects which plan to spend funds on eligible economic development activities as defined by 24 CFR 570.703(i).</p> <p>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:</p> <p style="text-align: center;">[]</p> <p>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:</p> <p style="text-align: center;">[]</p> |

1/ The CDBG national objectives are defined in detail at 24 CFR 570.208.

**SECTION 108 LOAN GUARANTEE
State Certifications Related to
Nonentitlement Public Entities**

**U.S. Department of Housing
and Urban Development**
Office of Community Planning
and Development

**Pursuant to 24 CFR §570.704(b)(9), the SECTION 108 LOAN GUARANTEE
State Certifications Related to Nonentitlement Public Entities**

State of _____, with regard to the Section 108 Loan guarantee appli-
cation submitted by the _____ (Nonentitlement Public Entity), certifies
that:

- (i) It agrees to make the pledge of grants required under 24 CFR §570.705(b)(2).
- (ii) It possesses the legal authority to make such pledge.
- (iii) At least 70 percent of the aggregate use of the CDBG grant funds received by the State, guaranteed loan funds, and program income during the one, two, or three consecutive years specified by the State for its CDBG program will be for activities that benefit low and moderate income persons.
- (iv) It agrees to assume the responsibilities described in 24 CFR §570.710.

Signature

Name

Title

Date (mm/dd/yyyy)

Appendix B – Federally-Designated Brownfields Showcase Communities.

The following lists Federally-Designated Brownfields Showcase Communities:

- (1) Baltimore, Maryland
- (2) Cape Charles/ Northhampton County, Virginia
- (3) Chicago, Illinois
- (4) Dallas, Texas
- (5) Denver, Colorado
- (6) Des Moines, Iowa
- (7) East Palo Alto, California
- (8) Eastward Ho (Consortium), Florida
- (9) Gila River Indian Community, Arizona
- (10) Glen Cove, New York
- (11) Houston, Texas
- (12) Jackson, Mississippi
- (13) Kansas City, Kansas/Missouri
- (14) Los Angeles, California
- (15) Lowell, Massachusetts
- (16) Metlakatla Indian Community, Alaska
- (17) Milwaukee, Wisconsin
- (18) Mystic Valley Development Commission, Massachusetts
(Cities of Everett, Malden and Medford)
- (19) New Bedford, Massachusetts
- (20) Niagara Region, New York
(Cities of Buffalo, Niagara Falls, Counties of Niagara and Erie)
- (21) Portland, Oregon
- (22) State of Rhode Island
- (23) St. Louis, Missouri/East St. Louis, Illinois
- (24) St. Paul, Minnesota
- (25) Salt Lake City, Utah
- (26) Seattle/King County, Washington
- (27) Stamford, Connecticut
- (28) Trenton, New Jersey