

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**FAIR HOUSING INITIATIVES
PROGRAM (FHIP)**

**Fair Housing- Private Enforcement Initiative
(PEI)**

**Fair Housing Education and Outreach
Initiative (EOI)**

Billing Code 4210-01-C

Fair Housing Initiatives Program**Overview Information:**

A. *Federal Agency Name:* Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity.

B. *Funding Opportunity Title:* Fair Housing Initiatives Program (FHIP).

C. *Announcement Type:* Initial Announcement.

D. *Funding Opportunity Number:* The OMB Approval Number is: 2529-0033. The **Federal Register** number for this NOFA is: FR-5030-N-15.

E. *Catalog of Federal Domestic Assistance (CFDA) Number(s):* Private Enforcement Initiative (PEI); Education and Outreach Initiative (EOI) 14.408.

F. *Dates:* The application deadline date shall be on or before May 17, 2006. Applications must be received and validated by Grants.gov no later than 11:59:59 p.m. on the application deadline date. Please see the General Section of the SuperNOFA (the General Section) for information on electronic deadline and timeliness requirements.

G. *Optional, Additional Overview Content Information*

1. Funding Breakdown

This year there are two initiatives, Private Enforcement and Education and Outreach Initiatives, and there are four components under each: The following is a breakdown of each Initiative:

- (a) Private Enforcement Initiative (PEI)
 - (1) Hurricane Katrina Enforcement Component,
 - (2) General Component,
 - (3) Performance Based Funding Component, and
 - (4) Subprime Lending Component.
- (b) Education and Outreach Initiative (EOI)
 - (1) General Component.
 - (2) Disability Component.
 - (3) Subprime Lending Component.
 - (4) Fair Housing Awareness Component.

Please note that there are some new components this year. These are the PEI Enforcement and Subprime Lending Components and the EOI Fair Housing Awareness and Subprime Lending Components. Please see the chart located in this NOFA for information on each of these new components.

2. Electronic Applications

For FY 2006, FHIP electronic applications will be available on www.Grants.gov/Find and <http://www.grants.gov/Apply>. For further instructions on electronic application submission requirements using Grants.gov, please read the General Section.

3. Fair Housing Initiatives Program (FHIP) Funding

FHIP funds are used to increase compliance with the Fair Housing Act (the Act) and with substantially equivalent State and local fair housing laws. Approximately \$18,100,000 in FY 2006 funds and any potential recapture is allocated to two (2) initiatives as follows:

- a. Private Enforcement Initiative (PEI) \$13,900,000.
- b. Education and Outreach Initiative (EOI) \$4,200,000.

4. Award Agreements

HUD expects to award a cost reimbursable cooperative agreement or grant agreement to each applicant selected for award. Upon completion of negotiations, HUD reserves the right to use the funding instrument it determines is most appropriate.

5. Eligible Applicants

Eligible applicants are Qualified Fair Housing Enforcement Organizations (QFHOs) and Fair Housing Enforcement Organizations (FHOs), see 24 CFR 125.103; public or private, for-profit or not-for-profit organizations or institutions and other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices (including entities that will be established as a result of receiving an award under this FHIP NOFA); agencies of State or local governments; and agencies that participate in the Fair Housing Assistance Program (FHAP).

6. Private Enforcement Initiative—Performance Based Funding Component

Applicants awarded funding under the PEI—(PBFC) for FY 2006 will not be eligible to submit applications for additional FHIP funding for FY 2007 and FY 2008. Applicants awarded funding under this component will be eligible to apply for funding in FY 2009. Applicants awarded PBFC funding in FY 2005 are not eligible to submit applications for additional FHIP funding for FY 2006 and FY 2007.

7. Start Date

For planning purposes, assume a start date no later than October 19, 2006.

Full Text of Announcement**I. Funding Opportunity Description**

Authority. Section 561 of the Housing and Community Development Act of 1987, as amended (42 U.S.C. 3616), established the FHIP. The implementing regulations are found at 24 CFR part 125. If you are interested in applying for

funding under the FHIP, please review carefully the General Section of the SuperNOFA (hereafter, the General Section), the FHIP Authorizing Statute (Sec. 561 of the Housing and Community Development Act of 1987, as amended), and the FHIP Regulations (24 CFR 125.103-501).

A. FHIP Initiatives and Components

The FHIP assists fair housing activities that increase compliance with the Act and with substantially equivalent fair housing laws administered by State and local government agencies under the Fair Housing Assistance Program (FHAP).

1. Private Enforcement Initiative (PEI)

This Initiative assists private, tax-exempt fair housing enforcement organizations in the investigation and enforcement of alleged violations of the Act and substantially equivalent State and local fair housing laws. Under this Initiative, there are four Components, the General Component, the Subprime Lending Component, the Hurricane Katrina Enforcement Component, and the Performance Based Funding Component.

2. Education and Outreach Initiative (EOI)

This Initiative assists organizations that inform the public about their rights and obligations under the Act and substantially equivalent State and local fair housing laws. Applications are solicited for this Initiative under the EOI-Regional/Local/Community-Based Program (R/L/C-B)—in which activities are conducted on a regional/local/community-based level.

Applicants who apply under EOI R/L/C-B may apply under one or more of the following Components, as follows: EOI General Component, EOI Disability Component, EOI Subprime Lending Component, and EOI Fair Housing Awareness Component.

All applications submitted under EOI are required to describe a complaint referral process that results in referrals of fair housing complaints to HUD or Fair Housing Assistance Program (FHAP) substantially equivalent agencies. If funded, you will be required to develop your complaint referral process.

B. Other

1. Program Definitions. The definitions that apply to this FHIP section of the NOFA are as follows:

- a. *Broad-based proposals* are those that include activities that are not limited to a single fair housing issue but instead, cover multiple issues related to

housing discrimination covered under the Act, such as: rental, sales, and financing of housing. (See also Full Service Projects below).

b. *Complainant* means the person, including the Assistant Secretary for Fair Housing and Equal Opportunity at HUD, who files a complaint under Section 810 of the Fair Housing Act.

c. *Disability Advocacy Groups* means organizations that traditionally have provided for the civil rights of persons with disabilities. This would include organizations such as Independent Living Centers and cross-disability legal services groups. Such organizations must be experienced in providing services to persons with a broad range of disabilities, including physical, cognitive, and psychiatric/mental disabilities. Such organizations must demonstrate actual involvement of persons with disabilities throughout their activities, including on staff and board levels.

d. *Enforcement proposals* are potential complaints under the Act that are timely, jurisdictional, and well-developed, that could reasonably be expected to become enforcement actions if an impartial investigation found evidence supporting the allegations and the case proceeded to a resolution with HUD or FHAP agency involvement.

e. *Fair Housing Act* means Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3600–3620).

f. *Fair Housing Assistance Program (FHAP) agencies* mean State and local fair housing enforcement government agencies that receive FHAP funds because they administer laws deemed substantially equivalent to the Act, as described in 24 CFR 115.

g. *Fair Housing Enforcement Organization (FHO)* means an organization engaged in fair housing activities as defined in 24 CFR 125.103.

h. *Full-service projects* must include the following enforcement-related activities in the project application: Interviewing potential victims of discrimination; analyzing housing-related issues; taking complaints; testing; evaluating testing results; conducting preliminary investigations; conducting mediation; enforcing meritorious claims through litigation or referral to administrative enforcement agencies; and disseminating information about fair housing laws.

i. *Grassroots organizations* (See General Section).

j. *Jurisdiction* means that the complaint must be timely filed; the complainant must have standing; the respondent and the dwelling involved

(where the complaint involves a provision or denial of a dwelling) must be covered by the Act; and the subject matter and the basis of the alleged discrimination, must constitute illegal practices as defined by the Act.

k. *Meritorious claims* means enforcement activities by an organization that resulted in lawsuits, consent decrees, legal settlements, HUD or substantially equivalent agency (under 25 CFR 115.6) conciliations and organization initiated settlements with the outcome of monetary awards for compensatory and/or punitive damages to plaintiffs or complaining parties, or other affirmative relief, including the provision of housing (24 CFR 125.103).

l. *Mortgages with unacceptable terms or conditions or resulting from unacceptable practices* means a mortgage or a group or category of mortgages with one or more of the terms and conditions as specified under 24 CFR part 81.2.

m. *Operating budget* means an organization's total planned budget expenditures from all sources, including the value of in-kind and monetary contributions, in the period for which funding is requested.

n. *Qualified Fair Housing Enforcement Organization (QFHO)* means an organization engaged in fair housing activities as defined in 24 CFR 125.103.

o. *Regional/Local/Community-Based Activities* are defined at 24 CFR 125.301(a) and (d).

p. *Rural Areas* means the following:

- (1) A non-urban place having fewer than 2,500 inhabitants (within or outside of the metropolitan areas).
- (2) A county or parish with an urban population of 20,000 inhabitants or less.
- (3) Territory, including its persons and housing units, in rural portions of "extended cities." The Census Bureau identifies the rural portions of extended cities.

(4) Open country that is not part of or associated with an urban area. The USDA describes "open country" as a site separated by open space from any adjacent densely populated urban area. Open space includes undeveloped land, agricultural land, or sparsely settled areas, but does not include physical barriers (such as rivers and canals), public parks, commercial and industrial developments, small areas reserved for recreational purposes, or open space set aside for future development.

(5) Any place with a population not in excess of 20,000 and not located in a Metropolitan Statistical Area.

q. *Traditional Civil Rights Organizations* mean non-profit organizations or institutions and/or

private entities with a history and primary mission of securing Federal civil rights protection for groups and individuals protected under the Act or substantially equivalent State or local laws and that are engaged in programs to reduce discriminatory housing practices.

r. *Underserved Areas* mean jurisdictions where there are no Fair Housing Initiatives Program or Fair Housing Assistance Program agencies and where either no public or private fair housing enforcement organizations exist or the jurisdiction is not sufficiently served by one or more public or private enforcement fair housing organizations and there is a need for service.

s. *Underserved Populations* mean groups of individuals who fall within one or more of the categories protected under the Act or who are also:

- (1) Of an immigrant population (especially racial and ethnic minorities who are not English-speaking or limited English proficient);
- (2) In rural populations,
- (3) The homeless,
- (4) Persons with disabilities who can be historically documented to have been subject to discriminatory practices not having been the focus of Federal, State or local fair housing enforcement efforts, and
- (5) Areas that are heavily impacted with minorities and there is inadequate protection and ability to provide service from the State or local government or private fair housing organizations.

II. Award Information

For Fiscal Year 2006, \$20,000,000 is appropriated for the Fair Housing Initiatives Program (FHIP). This appropriated amount may be supplemented by recaptured funds. Of this amount, approximately \$18,100,000 is being made available on a competitive basis to eligible organizations responding to this FHIP NOFA. See chart for a breakdown by Initiative/Component.

A. Award Instrument

The type of funding instrument HUD may offer a successful applicant which sets forth the relationship between HUD and the grantee will be a grant or cooperative agreement, where the principal purpose is the transfer of funds, property, services, or anything of value to the applicant to accomplish a public purpose. The agreement will identify the eligible activities to be undertaken, financial controls, and special conditions, including sanctions for violations of the agreement. HUD will determine the type of instrument

under which the award will be made and monitor progress to ensure that the grantee has achieved the objectives set out in the agreement. Failure to meet such objectives may be the basis for HUD determining the agreement to be in default and exercising available sanctions, including suspension, termination, and/or the recapture of funds. Also, HUD may refer violations or suspected violations to enforcement offices within HUD, the Department of Justice, or other enforcement authorities.

If awarded as a Cooperative Agreement, HUD will also exercise the right to have substantial involvement

by: Conducting quarterly reviews and approval of all proposed deliverables documented in the applicant's Work Plan or Statement of Work (SOW), and determining whether the agency meets all certification and assurance requirements. HUD will conduct this performance assessment, in part, by using the Logic Model submitted by the applicant and approved by HUD in the award agreement (rating Factor 5). If upon completion of this assessment by the Government Technical Representative (GTR) a determination is made that the quarterly requirements have not been met, the grantee will be

obligated to provide additional information or make modifications to its work plan and activities, as necessary, in a timeframe to be established by the GTR.

B. Project Starting Period

For planning purposes, assume a start date no later than October 19, 2006.

III. Eligibility Information

A. Eligible Applicants and Activities

The following chart details each FHIP Initiative/Component and the approximate Funding Available along with Eligible Applicants and Activities:

Initiative/Component	Allocation amount available	Applicant eligibility	Project period	Award caps	Applicant eligible activities
<i>Private Enforcement Initiative (PEI) General Component:</i> Assists private, tax-exempt fair housing enforcement organizations in the investigation and enforcement of alleged violations of the Fair Housing Act and substantially equivalent State and local fair housing laws.	\$5,100,000	Fair Housing Enforcement Organizations (FHOs) with at least one year of experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the two years prior to the filing of the application (24 CFR 125.401(b)(2) and Qualified Fair Housing Enforcement Organizations (QFHOs) with at least two years of enforcement related experience as noted above, and meritorious claims in the three years prior to filing this application (24 CFR 125.103).	12-18 months	\$275,000	Eligible activities include: (1) Complaint intake of allegations of housing discrimination, testing evaluating testing results, or providing other investigative and complaint support for administrative and judicial enforcement of fair housing laws; (2) Investigation of individual complaints and systemic housing discrimination for further enforcement processing by HUD through testing and other investigative methods; (3) Mediation or other voluntary resolution of allegations of fair housing discrimination after a complaint has been filed; and (4) litigating fair housing cases including procuring expert witnesses.
<i>Private Enforcement Initiative (PEI) Performance Based Funding Component</i> Assists private, tax-exempt fair housing enforcement organizations in the investigation and enforcement of alleged violations of the Fair Housing Act and substantially equivalent State and local fair housing laws.	\$8,100,000	QFHOs and FHOs (with at least one year of enforcement related experience) who have received excellent performance reviews for FHIP PEI awards made in any two FY's beginning with FY 2002 through FY 2004; and have received a minimum score of 95 on the most recent of the 2 performance reviews from their Government Technical Representative.	36 months	\$275,000 per year for a three-year duration, based upon appropriations. Eligible PBFC applicants must receive a minimum score of 95 from the FY '06 Technical Evaluation Panel (TEP) to be considered for funding.	See PEI above.

Initiative/Component	Allocation amount available	Applicant eligibility	Project period	Award caps	Applicant eligible activities
<p><i>Private Enforcement Initiative Hurricane Katrina Enforcement Component. Applicants must undertake fair housing enforcement activities in one of the Hurricane Katrina impacted areas in the states of Louisiana, Mississippi, Alabama, or Texas, or as a result of displacement of persons from areas impacted by Hurricane Katrina.</i></p>	<p>\$300,000</p>	<p>See PEI above</p>	<p>12–18 months</p>	<p>\$100,000</p>	<p>See PEI above.</p>
<p><i>Private Enforcement Initiative (PEI) Subprime Lending Component. This component provides funds to assist, private fair-lending enforcement efforts to address discriminatory terms or conditions or resulting from discriminatory practices in the subprime mortgage market. Applicant must demonstrate experience conducting fair-lending enforcement in the subprime market. Such experience includes: pending complaints, investigations, or litigation alleging discriminatory, subprime lending practices; past litigation alleging subprime lending discrimination; fair-lending testing of subprime lenders; published reports that include analysis the applicant has done on racial patterns in subprime lending; and any past or pending investigation or litigation involving discriminatory, predatory lending. Applicant may use this funding for: steering to subprime loans, providing different terms based on prohibited bases, as well as assist with pending complaints, investigation, or litigation alleging discriminatory subprime or predatory lending; or support new fair lending investigations or litigation of discrimination into discriminatory predatory lending, or other discrimination in the subprime market.</i></p>	<p>\$400,000</p>	<p>See PEI above</p>	<p>12–18 months</p>	<p>\$50,000</p>	<p>See PEI above.</p>

Initiative/Component	Allocation amount available	Applicant eligibility	Project period	Award caps	Applicant eligible activities
Education and Outreach Initiative (EOI)—. EOI Regional, Local and Community Based Program: Assists organizations that inform the public about rights and obligations under the Fair Housing Act and substantially equivalent State and local fair housing laws. Applicants must develop a complaint referral process so that funded activities will result in referrals to HUD of fair housing complaints and other possible discriminatory housing practices.	\$4,200,000	QFHOs FHOs, public or private for profit or not for profit organizations or institutions, or other public or private entities that carry out programs to prevent or eliminate discriminatory housing practices. This includes agencies of State or local governments and agencies that participate in the Fair Housing Assistance Program (FHAP). See FHIP NOFA-Eligibility Information.	12–18 months	\$100,000	Eligible activities include but are not limited to conducting educational symposia or other training, developing innovative fair housing activities or materials into languages applicable to your community throughout your project area; providing outreach and information on fair housing through printed and electronic media; developing fair housing curricula; providing outreach to persons with disabilities and their support organizations and service housing providers; and working with homeless activists or persons.
EOI General Component Open to applicants for all other fair housing education and outreach activities.	\$2,700,000	Same as EOI above	12–18 months	\$100,000	For a list of Eligible Activities See EOI above.
EOI Disability Component <i>Applicants must emphasize the fair housing needs of persons with disabilities, so that persons with disabilities, housing providers and the general public better understand the rights and obligations under the Fair Housing Act and fully appreciate housing discrimination that persons with disabilities may encounter. The funded education and outreach activities must be provided to all persons protected under the Fair Housing Act.</i>	\$900,000	Same as EOI above	12–18 months	\$100,000	See above.

Initiative/Component	Allocation amount available	Applicant eligibility	Project period	Award caps	Applicant eligible activities
EOI Subprime Lending Component Applicants must plan public events at a regional/local level which educates consumers on fair housing, financial literacy, credit management and how to avoid high-cost loans and abusive lending practices that violate the Fair Housing Act. Applicants must address in their project: (1) abusive lending practices and the fair housing implications to minority neighborhoods; and (2) legal approaches to confronting abusive lending practices, especially those linked to racial targeting and other potential violations of applicable fair housing laws.	\$300,000	Same as EOI above. Applicants must have at least three years experience in planning public conferences at the community level.	12–18 months	\$50,000	See above.
EOI Fair Housing Awareness Component Applicants must undertake fair housing education and outreach to individuals impacted by Hurricane Katrina Applicants must develop a methodology for educating persons about their fair housing rights under the Act in areas impacted by Hurricane Katrina in the states of Louisiana, Mississippi, Alabama, and Texas or as a result of displacement of persons.	\$300,000	Same as EOI above	12–18 months	\$100,000	See above.

Eligibility of Successor Organizations for PEI. HUD recognizes that QFHOs and FHOs may merge with each other or other organizations. The merger of a QFHO or an FHO with a new organization, that has a separate Employer Identification Number (EIN), does not confer QFHO or FHO status upon the successor. To determine whether the successor organization meets the eligibility requirements for this Initiative, HUD will look at the enforcement-related experience of the successor organization (based upon the successor organization's EIN). The successor organization is not eligible to apply under this Initiative unless it establishes in its application that it is a private, tax-exempt organization with the requisite two years of enforcement related experience for a QFHO or one year experience for an FHO.

Administrative Costs

Eligible administrative costs include leases for office space, under the following conditions:

- (1) The lease must be for existing facilities not requiring rehabilitation or construction;
- (2) No repairs or renovations of the property may be undertaken with Federal funds; and
- (3) Properties in the Coastal Barrier Resource System designated under the Coastal Barrier Resources Act (16 U.S.C. 3501) cannot be leased with Federal funds.

B. Cost Sharing or Matching. No matching funds are required for the Education and Outreach or Private Enforcement Initiatives.

C. Other

1. Threshold Requirements

Program Requirements for All Initiatives. In addition to the civil rights and other threshold requirements found in the General Section, FHIP program applications must also meet the following requirements:

a. *Protected Classes.* All FHIP-funded projects must address housing discrimination based upon race, color, religion, sex, disability, familial status, or national origin. All services and activities must be available to the protected class members.

b. *Tax Exempt Status.* Applicants for the PEI Initiative are ineligible for funding if they are not a 501(c)(3) tax-exempt organization as determined by the Internal Revenue Service (IRS) prior to the application deadline date.

c. *Name Check Review.* See the General Section.

d. *Poor Performance.* All applicants are ineligible for funding if they are a previous FHIP grantee that has received a "Poor" performance rating for its most recent performance rating from its Government Technical Representative (GTR). HUD will assess performance ratings for applicants who have received FHIP funding in FY 2002 through FY 2004. If the applicant has received a "poor" performance rating for its most recent performance rating from its GTR, its application is ineligible for the FY 2006 competition. An applicant that does not agree with its determination of ineligibility for the FY 2006 competition because of "poor" performance must address to HUD's satisfaction the factors resulting in the "poor" performance rating before the FHIP application deadline date. If the "poor" performance rating is not resolved to the Department's satisfaction before the application deadline date, the application is ineligible for the FY 2006 FHIP NOFA competition. HUD is interested in improving the performance level of all grantees; therefore, applicants who are deemed ineligible because of a "poor" performance rating have the right and are encouraged to seek technical assistance from HUD to correct their performance in order to be eligible for future NOFA competition. Applicants who have received a "poor" performance prior to FY 2003 must provide written documentation that they have implemented remedies to address those issues and concerns that contributed to a "poor" performance rating. This written documentation should be an addendum to the abstract.

e. *Suits Against the United States.* An application is ineligible for funding if, as a current or past recipient of FHIP funds, the organization used any funds provided by HUD for the payment of expenses in connection with litigation against the United States (24 CFR 125.104(f)).

f. *Other Litigation.* An application is ineligible for funding if the organization used funds provided by HUD under this Program to settle a claim, satisfy a judgment, or fulfill a court order in any defensive litigation (24 CFR 125.104).

g. *Maximum award.* Applicants are ineligible for funding if they request funding in excess of the maximum allowed under the Initiative or Component for which they are applying. In addition, inconsistencies in the amount requested and/or miscalculations that result in amounts over the maximum award will be considered excessive; therefore the

application will be considered ineligible.

h. *Dun and Bradstreet Numbering System (DUNS) Numbering Requirement.* Refer to General Section for information regarding the DUNS requirement. You will need a DUNS number to complete your electronic application as it is a mandatory field on the electronic application. The Grants.gov registration also requires use of the DUNS number.

i. *Majority of Eligible Activities.* Greater than 50 percent of the activities and costs within the Statement of Work (SOW) and budget are fair housing related activities.

j. *Fair Housing Assistance Program (FHAP).* FHAP agencies who are under a suspension based on agency performance, as designated under 24 CFR Part 115.211(b) at time of application are ineligible for funding.

k. *Minimum TEP Score.* Applicants must receive a minimum TEP score of 75 to be considered for funding.

l. *Application Preference.* Applicants submitting multiple applications must state their preference for funding in the Abstract as applicants can only receive one award under the FHIP.

m. *Independence of Awards.* The application submitted must be independent and capable of being implemented without reliance on the selection of other applications.

n. *Training funds.* The proposed budget must set aside funds to participate in HUD mandatory sponsored or approved training in the amount of \$7,000 for EOI and PEI components; and \$7000 annually for a 36-month duration for PBFC.

Do not include amounts over the \$7,000 (as appropriate) for the training set-aside in this category. If applicants do not include these funds in the budget and are selected for an award, HUD will modify the budget, reallocating the appropriate amount for training.

o. *Accessibility Requirements.* All activities, facilities, and materials funded by this program must be accessible and visitable to persons with disabilities (24 CFR 8.2, 8.4, 8.6, and 8.54).

p. *Fair Housing Act.* HUD expects applicants to address housing discrimination covered under the Act. HUD has determined there is a need to ensure equal opportunity and access to housing in communities across the nation.

q. *Research Activities.* Applicants are ineligible for funding if between 90–100% of their project is aimed at research.

r. *Limited English Proficient (LEP).* Applicants obtaining an award from

HUD must provide access to program benefits and information to LEP individuals through translation and interpretive services in accordance with HUD's published LEP Guidance.

s. *OMB Circular.* For-profit awardees are not allowed to earn a profit and must adhere to OMB Circular A–133.

t. *Single Audit Requirement.* All applicants who have expended \$500,000 or more in Federal financial assistance in a single year (this can be a program or fiscal year) must be audited in accordance with the OMB–A133 requirements as established in 24 CFR 84 and 85.

u. *Reimbursement Requirement.* All PEI grantees are required to reimburse the Federal government for the amount of the grant from all settlements, conciliations, and agreements obtained as a result of the use of FHIP funds. As an alternative to returning these funds to HUD, grantees may choose to use the funds as program income to further fair housing activities. However, the use of funds for this purpose must be pre-approved in writing by the Government Technical Representative assigned to the grant.

2. Other Program Requirements by Initiative

a. Under the PBFC, applicants must receive a minimum FY 2006 TEP score of 95 to be considered for funding.

b. Under the PEI Subprime Lending Component, applicants must demonstrate experience conducting fair-lending enforcement in the subprime market. Such experience includes: pending complaints, investigations, or litigation alleging discriminatory, subprime lending practices; past litigation alleging subprime lending discrimination; fair-lending testing of subprime lenders; published reports that include analysis the applicant has done on racial and ethnic patterns in subprime lending; and any past or pending investigation or litigation involving discriminatory, predatory lending. Applicant may use this funding to: assist with pending complaints, investigation, or litigation alleging discriminatory sub-prime or predatory lending; or support new fair lending investigations or litigation of discriminatory predatory lending, or other discrimination in the subprime market.

c. Under the PEI Hurricane Katrina Enforcement Component, applicants must undertake fair housing enforcement activities in areas impacted by Hurricane Katrina in the states of Louisiana, Mississippi, Alabama, or Texas; or areas which received

displaced persons as a result of Hurricane Katrina.

d. Under the EOI Fair Housing Awareness Component, applicants must have three (3) years of experience and knowledge working with the local and State governments, social service and financial agencies within each of the states. HUD is particularly interested in applicants that present a plan to conduct outreach and address the needs of persons displaced as a result of Hurricane Katrina. The EOI plan can cover persons displaced within a state or persons that were displaced to a state.

e. Under the EOI Subprime Lending Component, applicants must have at least three years experience in planning public conferences at the community level.

3. Performance Measures and Products. *For all Initiatives and Components.* Applicants must submit a Logic Model (Form HUD 96010), which provides outputs and outcomes in their application. Applicants are also to identify the tools they will use to identify program progress against their proposed outputs and outcomes. See reporting requirements for reporting using the Logic Model and the frequency of the reporting. The form is located in the Instruction Download at <http://www.Grants.gov/Apply> for the FHIP program. The eLogic Model form is a Microsoft Excel™ form, which provides a drop down list from which you select the responses that best fit your proposed program of activities/ outputs and outcomes. The form, in HTML fillable format and a text Logic Model Master file, is available on HUD's Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm> for applicants that do not have access to Microsoft Excel™. Training will be provided by satellite broadcast and webcast. The training materials and schedule will be available at the above HUD website. Applicants should check the site for dates and times for HUD training on the Logic Model.

For FY 2006, HUD is considering a new concept for the Logic Model. The new concept is a Return on Investment

statement. HUD will be publishing a separate notice on the ROI concept.

4. Testing Requirements for PEI applicants. All applicants that propose testing must review the FHIP Regulation at 24 CFR Part 125.

a. *Review and Approval of Testing Methodology.* If your application proposes testing, other than rental housing testing, HUD may require copies of the following documents to be reviewed and approved by HUD prior to your carrying out the testing activities.

(1) The testing methodology to be used;

(2) The training materials to be provided for testing; and

(3) Other forms, protocols, cover letters, etc., used in the conduct of testing and reporting of results.

If HUD has approved your testing methodology for FY 2004 and FY 2005, there is no need to submit your testing methodology, unless you are revising the methodology that was approved by HUD. If changes are being made, or you have not had your testing methodology previously approved by HUD, you must submit information in your application.

b. *Retainer Fees.* FHIP recipients are under specific restrictions regarding establishment of retainer agreements and recovery of legal fees from HUD funded cases. Data on fees, settlements and verdicts are public record and must be provided to HUD on an annual basis. Either the grantee or the individual(s) on whose behalf any action is filed cannot waive these provisions. For additional information on these provisions, please see <http://www.hud.gov/offices/fheo/library/index.cfm>—Guidance.

IV. Application and Submission Information

A. *Requesting an Application Package.* This section describes how you may obtain application forms and additional information about the FHIP program. Copies of the published General Section, FHIP NOFA and application forms may be downloaded from the Grants.gov Web site at <http://www.grants.gov> or if you have difficulty accessing the information you may

receive customer support from Grants.gov by calling their help line at (800) 518-GRANTS or sending an e-mail to support@grants.gov. If you do not have internet access and you need to obtain a copy of the NOFA you can contact HUD's NOFA Information Center toll-free at (800) HUD-8929. Persons with hearing or speech impairments may also call toll-free at (800) HUD-2209.

B. *Content and Form of Application Submission.* All applicants must read and adhere to Initiative-specific information. Applicants are encouraged to review the chart entitled "Summary of Initiatives/Components." To submit documents using the facsimile method, see the General Section for specific procedures governing facsimile submission.

2. *For All Applicants.* The maximum narrative page requirement is ten (10) pages per factor. The narrative pages must be double-spaced. This includes all narrative text, titles and headings. (However, you may single space footnotes, quotations, references, captions, charts, forms, tables, figures and graphs). You are required to use 12-point type size. You must respond fully to each factor to obtain maximum points. Failure to provide narrative responses to all factors other than factor five or omitting requested information will result in less than the maximum points available for the given rating factor or sub-factor. Failure to provide double-spaced, 12-point type size narrative responses will result in five points being deducted from your overall score (one point per factor).

C. *Submission Dates and Times.* Applications must be received and validated by <http://www.grants.gov> no later than 11:59.59 p.m. eastern time on the application deadline date to be considered timely filed. Grants.gov will reject applications that do not meet the deadline requirement. See the General Section for further details.

The chart below gives a brief description of all items to be included within the application:

Complete application package contains application	Required content	Required form or format
Cover sheet	(per required form)	Form SF-424, available from (General Section).
Survey for Ensuring Equal Opportunity for Applicants.	(per required form)	SF-424 Supplement.
Budget information	(per required form)	Form SF-424CB and SF-424CBW).
Disclosure of Lobbying Activities	(per required form)	SF-LLL, if applicable.
Applicant-Recipient Disclosure Update Report	(per required form)	HUD-2880.
Certification of Consistency with RC/EZ/EC-Its Strategic Plan.	(per required form)	HUD-2990.
Program Outcome Logic Model	(per required form)	HUD-96010.

Complete application package contains <i>application</i>	Required content	Required form or format
Race and Ethnic Data Reporting Form America's Affordable Communities Initiative Narrative	(per required form) (per required form) Described in Section IV.B. of this announcement.	HUD-27061. HUD-27300. Format described in Section IV.B of this announcement.
Letters from third parties contributing to cost sharing.	Third parties' affirmations of amounts of their commitments.	No specific form or format.
Addendum to Abstract—Correction of Poor Performance (as appropriate).	Written documentation that performance issues and concerns have been cured.	No specific form or format.
Project Abstract	Short summary of project activities, areas of concentration and persons to be served. Preference for funding.	No specific form or format.

D. Intergovernmental Review.

Intergovernmental Review is not applicable to this program.

E. Funding Restrictions. PEI Limitations for Education & Outreach—

There is a 10% limit on the amount of education and outreach related activities that can be funded in an enforcement award. If you exceed the limit, points will be deducted in the rating process and funds will be adjusted to maintain the required limitation.

F. Other Submission Requirements.

Electronic delivery via <http://www.grants.gov/Apply> is HUD's required method for application submission. Applicants interested in applying for FHIP funding must submit their applications electronically or request a waiver from the Assistant Secretary of FHEO. The request must state the basis for the waiver request. HUD's regulation on waivers, found in 24 CFR part 5, states that waivers can be granted for cause. Waiver requests must be submitted at least 20 days prior to the application deadline date. If you receive a waiver of the electronic application submission requirement, your application must be received by HUD no later than 11:59:59 p.m. on the application deadline date. See the General Section for detailed instructions on how to submit applications using Grants.gov and the requirements and instructions for submitting a waiver request.

V. Application Review Information

A. Criteria for PEI and EOI Applications

1. Rating Factor 1: Capacity of Applicant and Relevant Organizational Experience (25 Points)

You must describe staff expertise and your organization's ability to complete the proposed activities within the grant period.

In General. You must describe your staffing plan and the extent to which you plan to add staff (employees) or contractors. If your application proposes using subcontractors and these

subcontractor activities amount to more than 10 percent of your total activities, you must submit a separate budget for each subcontractor. Failure to include a separate budget will result in lower points being assessed to your application.

a. *Number and expertise of staff (this includes subcontractors and consultants).* (5) *Points for current FHIP grantees; (10) Points for New Applicants.* You must complete a summary of staff expertise that will show sufficient, qualified staff who will be available to complete the proposed activities. This summary should include: Names of staff person(s), time each will spend on project, years of fair housing/civil rights experience for each person, titles of staff persons, and a brief paragraph on each staff member which outlines his or her experience. Do not include résumés, or other documents. Those that submit resumes or other lengthy documents on staff experience will have points deducted from their application based on exceeding the ten page submission requirement.

To receive maximum points, your day-to-day program manager must devote a minimum of 75% of his/her time to the project, and this individual must be stationed in the metropolitan area where the project will be carried out. For day-to-day managers who do not have at least 75% of their time devoted to the project, no points will be awarded under this sub-factor. For example, if the Executive Director is responsible for managing the overall program administrative activities, the application should reflect the Executive Director's time as 75%. You may not designate more than one person to fit this 75% criterion. Your application must also clearly identify those persons that are on staff at the time this application is submitted and those persons who will be assigned at a later date and indicate whether the staff person is assigned to work full-time or part-time (if part-time, indicate the

percentage of time each person is assigned to the project).

b. *Organizational experience.* (10) *Points for current FHIP grantees; (15) Points for new applicants.* In responding to this sub-factor, you, the applicant, must show that your organization has:

(1) Conducted a past project or projects similar in scope and complexity to the project proposed in this application (whether FHIP-funded or not), or

(2) Engaged in activities that, although not similar, are readily transferable to the proposed project.

(3) If you are an existing FHIP grantee, you must provide details about the progress and outcomes of your previous grant.

(4) You must provide a listing of all affiliate and/or subsidiary organizations, and identify which of these organizations will assist you in the development and/or implementation of any portion of your proposed FY2006 FHIP funded project. If you do not have any affiliate or subsidiaries, you should state this in your application.

EOI applicants must show that they have engaged in projects that are Regional/Local/Community based. Experience will be judged in terms of recent, relevant and successful experience of your staff to undertake eligible activities. In rating this factor, HUD will consider experience within the last three years to be recent, experience pertaining to the specific activities to be relevant, and experience producing measurable accomplishments to be successful. The more recent the experience and the more experience your own staff members who work on the project have in successfully conducting and completing similar activities, the greater the number of points you will receive for this rating factor.

(a) If you are applying for funding under PEI, you must provide the following information when responding to this sub-factor:

(i) If you propose to conduct testing (other than rental or accessibility

testing), provide a brief narrative that documents that you have conducted successful testing in those areas.

(ii) Discuss your compliance with the requirement to either reimburse the Federal government for compensation received from FHIP-funded enforcement activities or use the compensation as program income to further fair housing activities. If you have not reimbursed the Federal government or used the funds as program income to further fair housing activities, explain why you have not. Also, state whether you reported to HUD any likely compensation that may result in such reimbursement or use for furthering fair housing. Two (2) points will be deducted for this sub-factor if you have not complied with the requirement.

(iii) If you are submitting an application under the PEI Hurricane Katrina Enforcement Component, you must show that activities will be undertaken in one of the areas impacted by Hurricane Katrina in the states of Louisiana, Alabama, Mississippi, or Texas or in areas impacted by the displacement of persons as a result of Hurricane Katrina.

(iv) If you are submitting an application under the PEI Subprime Lending Component, you must demonstrate experience in conducting fair-lending enforcement in the subprime market. Such experience includes: pending complaints, investigations, or litigation alleging discriminatory, subprime lending practices; past litigation alleging subprime lending discrimination; fair-lending testing of subprime lenders; published reports that include analysis the applicant has done on racial patterns in subprime lending; and any past or pending investigation or litigation involving discriminatory, predatory lending. Applicant may use this funding for: steering to subprime loans, providing different terms based on prohibited bases, as well as assist with pending complaints, investigation, or litigation alleging discriminatory subprime or predatory lending; or support new fair lending investigations or litigation of discriminatory predatory lending, or other discrimination in the subprime market.

(v) If you are submitting an application under the EOI Subprime Lending Component, you must show that you have the ability to plan public events at a regional/local level which educates consumers on fair housing, financial literacy, credit management and how to avoid high-cost loans and abusive lending practices that violate the Fair Housing Act. Applicants must address in their project: (1) abusive

lending practices and the fair housing implications to minority neighborhoods; and (2) legal approaches to confronting abusive lending practices, especially those linked to racial targeting and other potential violations of applicable fair housing laws. In responding to this sub-factor, the applicant must describe the extent to which its and/or subcontractor's past activities have resulted in public events that have reached and impacted a large number of persons. Applicant must also show that it has experience in developing and implementing innovative strategies resulting in positive public response.

c. *Performance on past project(s).* (10 Points for current FHIP grantees; 0 Points for new applicants. HUD will assess your organization's past performance in conducting activities relevant to your application. For current FHIPs, past performance will be assessed based on your most recent performance assessment received from your HUD Government Technical Representative (GTR) for the past two (2) complete fiscal years (FY 2003 and FY2004).

This information will be provided to the Technical Evaluation Panel (TEP) by HUD staff. Based on past performance, the following points will be deducted from your score under this rating sub-factor:

- (1) 10 points out of 10 possible points will be deducted if you received a "fair performance" assessment;
- (2) 5 points out of 10 possible points will be deducted if you received a "good performance" assessment; and
- (3) 0 points will be deducted if you received an "excellent performance" assessment.

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

This factor addresses the extent to which there is a need for funding the proposed activities to address documented fair housing problems in target area(s). You will be evaluated on the information that you submit that describes the fair housing need in the geographic area you propose to serve, its urgency and how your project is responsive to that need. Applicants should document and use the Housing Discrimination Study 2000 (HDS2000) sponsored by the Department of Housing and Urban Development and conducted by the Urban Institute in their applications, if applicable. HDS2000 is the third national paired-testing study sponsored by HUD to measure patterns of racial and ethnic discrimination in U.S. housing markets.

a. *Documentation of Need.* To justify the need for your project, PEI and EOI applicants must describe the following:

- (1) The fair housing need, including:
 - (a) Geographic area to be served and your proximity and experience within the area;
 - (b) Populations that will be served—your project must serve all persons protected by the Act; and
 - (c) The presence of housing discrimination, high segregation indices or other evidence of discrimination prohibited by the Act within the project area.

(2) The urgency of the identified need. For example:

- (a) The potential consequences to persons if your application is not selected for funding;
- (b) The extent to which other organizations provide the services identified in your application;
- (c) Other sources that support the need and urgency for this project. (Do not include these sources within your application.) Please provide website information where these sources may be found. Applicants that provide detailed studies, including detailed consolidated plans for their referenced project area will have points deducted from this factor based upon the ten page submission requirement. For example, make reference to reports, statistics, or other data sources that you used that are sound and reliable, including but not limited to, HUD or other Federal, State or local government reports analyses, relevant economic and/or demographic data including those that show segregation, foundation reports and studies, news articles, and other information that relate to the identified need. Provide the Web site where these reports may be found for reference.

Chapter V of the *Fair Housing Planning Guide, Vol. 1* has other suggestions for supporting documentation. You may access the Guide from the HUD Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

For all applicants: You must use sound data sources to identify the level of need and the urgency in meeting the need and provide Web site addresses for each data source (ex. Analysis of Impediments to Fair Housing Choice (AI), fair housing studies, etc.) For you to receive maximum points for this factor, there must be a direct relationship between your proposed activities, the outcomes to be accomplished, and the community or communities' fair housing needs, including your knowledge of and your proximity to the targeted area, and the purpose of the program funding.

To the extent possible, the data you use should be specific to the area where the proposed activity will be carried out. For example, if you propose to test in areas impacted by Hurricane Katrina in the states of Louisiana, Mississippi, Alabama or Texas you should document the number of displaced persons relocated to those areas and the impact of the numbers of displaced persons upon existing fair housing services. You should document needs as they apply to the specific area(s) where activities will be targeted and your proximity to the target area, rather than the entire locality or State. If the data presented does not specifically represent your target area, you should discuss why the target area was proposed.

(3) The link between the need and your proposed activities:

(a) How the proposed activities augment or improve upon on-going efforts by public and private agencies, grass-roots faith-based and other community-based organizations and other organizations and institutions in the target area, and/or

(b) Why, in light of other on-going efforts, the additional funding you are requesting is necessary.

b. *In addition*, with respect to Documentation of Need, the following apply to specific FHIP Initiatives or Components:

EOI-Disability Component. Your project must focus on persons with disabilities, however, you must serve all persons protected by the Act.

EOI-Subprime Lending Component. Your project must document and describe your understanding of the problem and its pervasiveness and an understanding of how to plan public events used to address the need.

PEI Subprime Lending Component. Your project must document that funds were used to assist private fair-lending enforcement efforts to address discrimination in the sub-prime mortgage market. Applicant should also document the need to: Assist with pending complaints, investigation, or litigation alleging discriminatory subprime lending; or support new fair lending investigations or litigation of discrimination in the subprime market.

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

You must describe your project in detail, demonstrate how your project activities will support HUD's goals, propose suggested performance measures/outcomes in support of these goals, and identify current baseline conditions and target levels of the performance measures that you plan to achieve. Attach a Statement of Work

(SOW) and budget. Your proposed activities must support HUD's policy priorities as referenced in the General Section.

a. *Support of Policy Priorities (8 Points).* Describe how your proposed project will further and support HUD's policy priorities for FY 2006. HUD encourages applicants to undertake specific activities that will assist the Department in implementing its policy priorities and which will help the Department achieve its goals and objectives in FY 2006. HUD will evaluate the extent to which a program will further and support HUD's priorities. The quality of the responses provided to one or more of HUD's priorities will determine the score an applicant can receive. Applicants must describe how each policy priority selected will be addressed.

Applicants that just list a priority will receive no points. Each policy priority addressed must discuss the geographic area to be served in relation to the project's purpose, the persons to be served and the methodology for carrying out these activities. Each policy priority has a point value of one point, with the exception of the policy priority to remove regulatory barriers to affordable housing which has a point value of up to 2 points; and, for EOI applicants only, promoting participation by grassroots faith-based and other community-based organizations, or partnering with an organization promoting participation in grassroots faith-based and other community-based organizations, which has a point value of up to 4 points. It is up to the applicant to determine which of the policy priorities to address to receive the available 8 points. To secure the possible 2 points for efforts to remove regulatory barriers to affordable housing, an applicant must submit the completed questionnaire (HUD 27300), and provide the required documentation. Please see the General Section for further information on Removal of Regulatory Barriers to Affordable Housing. The questionnaire is part of the electronic application package and is also found in the Appendix to the General Section. For the full list of each policy priority, please refer to the General Section.

b. *Proposed Statement of Work (SOW) and Information Requirements (17 Points).* The SOW and budget are attachments that will not count toward the ten (10) page limit on the narrative response to this factor. However, points will be assigned based on the relevance of proposed activities to stated needs, attention to implementation steps, proposed activities consistent with

organizational expertise and capacity and accuracy of the SOW and budget.

Statement of Work—Submit a proposed SOW that comprehensively outlines in chronological order the administrative and program activities and tasks to be performed during the grant period. Your outline should identify all activities and tasks to be performed and by whom (e.g., you, a subcontractor, or partner), and the products that will be provided to HUD and when. You should also include a schedule of your activities and products (with interim implementation steps), staff allocation over the term of the project; staff acquisition and training; and activities of partners and/or subcontractors. Applicants should provide numbers on the projected clients to be served. Do not provide ranges or percentages, but a specific number of clients. These numbers should represent individuals to be served entirely with HUD FHIP funding. For the EOI Fair Housing Awareness Component, HUD anticipates that products will be available in at least seven languages plus English. The languages will include French, Korean, Laotian, Vietnamese, Chinese, Arabic, and Spanish. For the EOI Subprime Lending Component, deliverables may include brochures, Public Service Announcements (PSAs) for radio in both majority and minority markets and posters and other graphic materials. Graphic materials may include but are not limited to enlarged reproductions of existing HUD printed PSAs and HUD materials. Provide information on media markets coverage with specific protected class focus, as well as those with Limited English Proficiency and a method for distribution of the finished product.

c. *The Budget Form and the Budget Information (10 Points).* HUD will also assess the soundness of your approach by evaluating the quality, thoroughness, and reasonableness of the budget and financial controls of your organization, including information on your proposed program cost categories. As part of your response, you must prepare a budget that is:

- (1) Reasonable in achieving the goals identified in your proposed SOW;
- (2) Relate tasks in the SOW to the proposed budget costs;
- (3) Cost-effective, and includes a brief discussion of the extent to which your proposed program is cost effective in achieving the anticipated results of the proposed activities in the targeted area. Applicants seeking funding to conduct activities in an area other than the applicant's State or locality must discuss the cost effectiveness of where

the activities will be conducted in relation to the location of the organization. HUD will look at the cost effectiveness of your travel to and from your location to the targeted area(s), personnel expenses for out-stationed personnel, contracts and sub-grantees, and other direct costs, which may include relocation expenses, and telecommunications expenses. Also, indicate how the proposed project is quantifiable based on the needs identified in Rating Factor 2.

(4) Quantifiable based on the need identified in Factor 2, and

(5) Justifiable for all cost categories in accordance with the cost categories indicated in the HUD-424 CB (see General Section Grant Application Detailed Budget). If you are awarded a grant or cooperative agreement under FHIP, staff will request that you include your approved indirect cost rate as part of your negotiations with HUD. If you do not have a Federally approved indirect cost rate and HUD is the cognizant agency, HUD will submit a request within 30 days after award to establish a rate. For information on indirect cost rates, you can review HUD's training on <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

(6) *Financial Management Capacity*. Describe your organization's financial management system and your Board's contribution to the organization. In addition, discuss your capabilities in handling financial resources, dissemination to subcontracting affiliates, and maintenance of adequate accounting and internal control procedures.

(7) *Grant Application Detailed Budget Worksheet (HUD-424-CBW)*. The HUD-424-CBW must show the total cost of the project and indicate other sources of funds that will be used for the project. While the costs are based only on estimates, the budget narrative work plan may include information obtained from various vendors, or you may rely on historical data. Applicants must round all budget items to the nearest dollar.

A written budget narrative work plan must accompany the proposed budget explaining each budget category listed and must explain each cost category. Failure to provide a written budget narrative work plan will result in 2 points being deducted from your application. It must explain each cost category you list. Where there are travel costs for subcontractors/consultants, you must show that the combined travel costs (per diem rates) are consistent with Federal Travel Regulations (41 CFR 301.11) and travel costs for the applicant's subcontractors and/or

consultants do not exceed the rates and fees charged by local subcontractors and consultants. The narrative (which does not count toward the ten page limit) must address the Grant Application Detailed Budget.

4. Rating Factor 4: Leveraging Resources (5 Points)

This factor addresses your ability to secure additional resources to support your project. Points will be awarded on the basis of the percentage of non-FHIP resources you have identified and how firm the commitment is for those resources.

a. *Firm Commitment of Leveraging*. HUD requires you to secure resources from sources other than what is requested under this FHIP NOFA. Community resources may include funding or in-kind contributions, such as workspace or services or equipment, allocated to the purpose(s) of your proposal. Contributions from affiliates, subsidiaries, divisions, or employees of the applicant do not qualify as in-kind contributions. Resources may be provided by governmental entities (including other HUD programs if such costs are allowed by statute), public or private non-profit organizations, faith-based organizations, for-profit or civic private organizations, or other entities willing to work with you. In order to secure points you must establish leveraging of resources by identifying sources of contributors who have already provided to you letters of firm commitment from the organizations and/or individuals who will support your project. Each letter of firm commitment must:

(1) Identify the organization and/or individual committing resources to the project and identify any affiliation with the applicant,

(2) Identify the sources and amounts of the leveraged resources (the total FHIP and non-FHIP amounts must match those in your proposed budget submitted under Factor 3), and

(3) Describe how these resources will be used under your SOW. The letter must be signed by the individual or organization official legally able to make commitments for the organization. If the resources are in-kind or donated goods, the commitment letter must indicate the fair market value of those resources and describe how this fair market value was determined. (Do not include indirect costs within your in-kind resources). In-kind matching and leveraging contributions, as well as Program Income must comply with 24 CFR 84.23 and 84.24 requirements. FHIP funds cannot be used for in-kind or donated services (for example, a current staff

person on a FHIP-funded project). No points will be awarded for general letters of support endorsing the project from organizations, including elected officials on the local, State, or national levels, and/or individuals in your community. See General Section for instructions on how third party documents are to be submitted to HUD via the electronic submission process. For PEI and EOI, if your project will not be supported by non-FHIP resources, then you will not receive any points under this factor. Points will be assigned for each Initiative based on the following scale:

One point will be awarded if less than 5% of the projects total costs come from non-FHIP resources.

Two points will be awarded if between 5% and 10% of the project's total costs are from non-FHIP resources.

Three points will be awarded if between 11% and 20% of the project's total costs are from non-FHIP resources.

Four points will be awarded if between 21% and 30% of the project's total costs are from non-FHIP resources.

Five points will be awarded if at least 31% of the project's total costs are from non-FHIP resources.

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

a. In evaluating this factor, HUD will assess the extent to which you demonstrate how you will measure success or results to be achieved that represent the work of your organization as set out in your budget. Applicants must select from the list of activities and outcomes detailed in the Logic Model for the Initiative applied for and should determine from these selections, their specific methods and measures to assess progress, evaluate program effectiveness, and identify program changes necessary to improve performance. This will ensure that performance measures are met and that grantees are establishing achievable realistic goals. Applicants who have identified outputs and outcome measurements and include means for assessing these measurements, tracking and monitoring performance goals and achievements against these commitments made in the application, will receive higher points than those that do not. To meet this Factor requirement, you must submit HUD's Logic Model.

Instructions and a Microsoft Excel™ form are provided in the forms appended to the Instruction Download on www.Grants.gov/APPLY. Applicants that do not have access to Microsoft Excel™ may obtain a copy of the form in HTML fillable format along with a

text format of the Master Logic Model listing, from HUD's Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

A narrative response is not required for this factor as all applicants must use the Logic Model Form to respond to this Factor. Applicants that submit narrative responses rather than use the Logic Model Form will receive no points under this subfactor. Applicants should also review the Logic Model training which can be found at <http://www.hud.gov/offices/adm/grants/training/training.cfm>.

b. In evaluating this Factor:

(1) HUD will review the activities/ outputs and outcomes units of measurement you selected and in relation to the needs of your intended audience or target populations;

(2) Output. The direct products of the applicant's activities that lead to the ultimate achievement of outcomes. Examples of activities and outputs for PEI and EOI applicants can be found at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>. Applicants must select one or more activities from the listing of "Fair Housing Services Provided" that will be undertaken by your organization. Applicants who do not select from the list "Fair Housing Services Provided" or those who wish to add additional services to the list will not receive any points under this Factor.

(3) Outcome. Demonstrate ability to measure outcomes so the major outcome is to increase awareness of fair housing laws and enforce the fair housing act. Outcomes are benefits provided to all protected class members as a result of education and outreach or fair housing enforcement activities; and, performance indicators the applicant expects to achieve or goals it hopes to meet over the term of the proposed grant. The Logic Model has a prepared list of activities, outcomes and indicators associated with Fair Housing. Applicants must choose from this list of "Short-Term, Intermediate-Term, or Long-Term" outcomes that are provided as part of the FHIP NOFA. Applicants who do not select from the list "Outcomes and Indicators" will not receive any points under this Factor. You should assess progress and track performance in meeting the goals and objectives outlined in the work plan.

Accountability can be achieved using specific measurement tools to assess the impact of your solutions. Examples include:

- Intake Instrument;
- Pre/Post Tests;
- Customer/Client Satisfaction Survey;
- Follow-up Survey;

- Observational Survey;
- Functioning scale; or
- Self-sufficiency scale.

For the EOI-Disability Component, you should also demonstrate how the activities will assist the Department in implementing the New Freedom Initiative (see General Section).

B. Reviews and Selection Process

1. *Rating and Ranking.* Although all rating factors are organized the same way for all FHIP initiatives, there are differences in application requirements and rating criteria, which are indicated throughout the Rating Factor instructions. Your application for funding will be evaluated competitively against all other applications submitted under one of the following Initiatives or Components:

a. Private Enforcement Initiative (PEI)—

(1) General Component (PEI-GC);

(2) Performance Based Funding Component (PBFC);

(3) Subprime Lending Component (PEI-SL);

(4) Hurricane Katrina Enforcement Component (PEI-EC).

b. Education and Outreach Initiative (EOI)—

(1) General Component (EOI-GC);

(2) Disability Component (EOI-DC);

(3) Fair Housing Awareness Component—(EOI-FHAC);

(4) Subprime Lending Component—(EOI-SL).

For all initiatives, all eligible applications will be reviewed and points awarded based upon:

1. Narrative responses to the Factors for Award and accompanying materials, and

2. RC/EC/EZ—II's bonus points, as applicable. Ineligible applications will not be ranked. The maximum number of points to be awarded for the Rating Factors is 100. See the General Section for information on Bonus Points.

Only applications with a score of seventy-five (75) points or more will be considered of sufficient quality for funding. Generally, applications of sufficient quality for funding will be selected in rank order under each Initiative or Component.

PBFC applicants will be evaluated competitively against other PBFC applicants who apply and have received two years of excellent performance reviews for FHIP PEI awards made in any two consecutive years from FY 2002 through FY 2004, as well as scoring a 95 on their most current performance review. These applicants will then be rated by the Technical Evaluation Panel and ranked by score. Only those applicants who receive a minimum final

score of 95 or above from the TEP will be considered for funding under this Component.

2. *Tie Breaking.* When two or more applications have the same total overall score, the application with the higher score under Rating Factor 3 will be ranked higher. If this does not break the tie, the application with the higher score under Rating Factor 1 will be ranked higher. If this does not break the tie, the application requesting the lower amount of FHIP funding will be ranked higher. Finally, if this does not break the tie, the application with the higher score under Rating Factor 2 will be rated higher.

For the PBFC, the tie breaking provision does not apply.

3. *Achieving Geographic Diversity of Awards. PEI and EOI:* HUD reserves the right to apply geographic diversity, to ensure that, to the extent possible, applications from more States for each Initiative or Component are selected for funding. If the Selecting Official exercises this discretion, there will be two determinants used: (1) Geography and (2) score. Geographic diversity shall be applied to all qualified applications (applications of sufficient quality for funding—applications that received a score of 75 or more points) in each Initiative or Component in which the Selecting Official applies geographic diversity. The geographic diversity provision will be applied as follows: when there are two or more applications of sufficient quality from the same State, the application(s) with the lower score(s) will be moved to the end of the qualified queue. The applications moved to the end of the qualified queue will retain their geographic rank order. If sufficient funds remain, it is possible that applications moved to the end of the queue may be selected for award.

For the PBFC, the geographic diversity provision does not apply.

4. *Adjustments to Funding.* As provided in the General Section, HUD may approve an application for an amount lower than the amount requested, fund only portions of the application, withhold funds after approval, reallocate funds among activities and/or require that special conditions be added to the grant agreement, in accordance with 24 CFR 84.14, the requirements of the General Section, or where:

a. HUD determines the amount requested for one or more eligible activities is unreasonable or unnecessary;

b. An ineligible activity is proposed in an otherwise eligible project;

c. Insufficient amounts remain to fund the full amount requested in the

application, and HUD determines that partial funding is a viable option;

d. The past record of key personnel warrants special conditions; or,

e. Training funds are not reserved for FHIP training.

5. *Reallocation of Funds.* If after all applications within funding range have been selected or obligations are completed in an Initiative and funds remain available, the Selecting Official or designee will have the discretion to reallocate leftover funds in rank order among Initiatives as follows:

a. For EOI, any remaining funds from any component will be reallocated first within the Initiative; if after reallocating funds within the Initiative left over funds remain, they shall be reallocated to PEI;

b. For PEI, any remaining funds from any component will be reallocated first within the Initiative, if after reallocating funds within the Initiative left over funds remain, they shall be reallocated to EOI.

C. Anticipated Announcement and Award Dates

For planning purposes, anticipate an announcement date of September 23, 2006 and an award date of September 29, 2006.

VI. Award Administration Information

A. Award Notices

1. Applicant Notification and Award Procedures.

a. *Notification.* No information about the review and award process will be available during the period of HUD evaluation, which begins on the application deadline date under this NOFA and lasts approximately 90 days thereafter. However, you will be advised, in writing or by telephone, if HUD determines that your application is ineligible or has technical deficiencies which may be corrected as described in the General Section. HUD will communicate only with persons specifically identified in the application on the SF-424. HUD will not provide information about the application to third parties such as subcontractors.

b. *Negotiations.* If you are selected, HUD will require you to participate in negotiations to determine the specific terms of your cooperative or grant agreement. HUD will follow the negotiation procedures described in the General Section. The selection is conditional and does not become final until the negotiations between the applicant and the Department are successfully concluded and the grant or cooperative agreement is signed and executed. HUD will negotiate only with

the person identified in the application as the Director of the organization or if specifically identified in the application as the Project Director. HUD will not negotiate with any third party (*i.e.*, a subcontractor, etc.). Grantees awarded funding who have had a 'poor performance' rating in years prior to FY 2003, will be required to provide documentation of the agency's improved performance status during negotiations. The Grant Officer and Government Technical Representative will determine on a case-by-case basis if technical assistance or special conditions are required.

Performance Based Funding Component-Applicants selected for funding under the PBFC will be required to submit a SOW that projects the agency's activities for a period of three years commensurate with the level of funding.

c. *Applicant Debriefing.* After awards are announced, applicants may receive a debriefing on their application as described in the General Section.

Materials provided during the debriefing will be the applicant's final scores for each rating factor and final evaluator comments for each rating factor. Applicants requesting a debriefing must send a written request to Annette Corley, Grant Officer, U.S. Department of Housing and Urban Development, FHIP/Support Division, 451 7th Street SW., Room 5224, Washington, DC 20410. HUD will not release the names of applicants or their scores to third parties.

B. Administrative and National Policy Requirements

1. *Accessibility Requirements.* All activities, facilities, and materials funded by this Program must be accessible to persons with disabilities (24 CFR 8.2, 8.4, 8.6, and 8.54).

2. *Protected Classes.* All FHIP-funded projects must address housing discrimination based upon race, color, religion, sex, disability, familial status, or national origin.

3. *Environmental Requirements.* In accordance with 24 CFR 50.19(b)(3), (4), (9), (12), and (13) of HUD regulations, activities assisted under this program are categorically excluded from the requirements of the National Environmental Policy Act and are not subject to environmental review under related laws and authorities.

4. *Procurement of Recovered Materials.* State agencies (FHAP agencies) and agencies of a political subdivision of a State that are using assistance under a HUD program NOFA for procurement, and any person contracting with such an agency with

respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. See General Section for details.

5. *Product Information.* Press releases and any other product intended to be disseminated to the public must be submitted to the Government Technical Representative (GTR) two weeks before release for approval and acceptance.

6. *Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Women Owned Businesses.* (See General Section).

7. *Payment Contingent on Completion.* Payment of FHIP funds is made on a reimbursement basis. Payments are contingent on the satisfactory and timely completion of your project activities and products as reflected in your grant or cooperative agreement. Requests for funds must be accompanied by financial and progress reports.

8. *Copyright Materials.* You may copyright any work that is eligible for copyright protection subject to HUD's right to reproduce, publish, or otherwise use your work for Federal purposes, and to authorize others to do so as required in 24 CFR 84.36.

9. *Complaints Against Awardees.* Each FHIP award is overseen by a HUD Grant Officer (See <http://www.hud.gov> for list of Grant Officers per region). Complaints from the public against FHIP grantees should be forwarded to the Grant Officer. The Grant Officer's name and contact information is provided in the grant agreement. If, after notice and consideration of relevant information, the Grant Officer concludes that there has been inappropriate conduct, such as a violation of FHIP program requirements, terms or conditions of the grant, or any other applicable statute, regulation or other requirement, HUD will take appropriate action in accordance with 24 CFR 84.62. Such action may include: written reprimand; consideration of past performance in awarding future FHIP applications; repayment to HUD of funds received under the grant; or temporary or permanent denial of participation in the FHIP in accordance with 24 CFR part 24.

10. *Double Payments.* If you are awarded funds under this NOFA, you (and any subcontractor or consultant) may not charge or claim credit for the activities performed under this project under any other Federally assisted project.

11. *Performance Sanctions.* A grantee or subcontractor failing to comply with

the requirements set forth in its grant agreement will be liable for such sanctions as may be authorized by law, including repayment of improperly used funds, termination of further participation in the FHIP, and denial of further participation in programs of HUD or any Federal agency.

C. Reporting

1. HUD requires that funded recipients collect racial and ethnic beneficiary data. It has adopted the Office of Management and Budget's Standards for the Collection of Racial and Ethnic Data. In view of these requirements, you should use Form HUD-27061, Racial and Ethnic Data Reporting Form (and instructions for its

use), found on <http://www.HUDclips.org>, a comparable program form, or a comparable electronic data system for this purpose. Quarterly and as your project ends, you must report meaningful data derived from client feedback on how they benefited from your project's activities.

2. Listed below is a sample-reporting document of activities and tasks to be performed by a FHIP Grantee.

ADMINISTRATIVE ACTIVITIES

Activities	Tasks	Submitted by	Submitted to
1. Complete HUD-22081 Race and Ethnic Data Reporting Form.	45 Days	GTR/GTM
2. Complete HUD-28807 Disclosure Statements	Submit Disclosure Statement. If no changes occur, submit statement of no change with final report.	When changes occur	GTR/GTM
3. Complete SF-269A Financial Status Report and Written Quarterly Status Reports on All Activities.	Submit SF-269A and Copy of Written Report	Quarterly	GTR/GTM
4. Voucher for Payment	Submit payment request to LOCCS	Per Payment Schedule	GTR/GTM
5. Complete Listing of Current or Pending Grants/Contracts/Other Financial Agreements.	Submit listing for recipient and any contractors	45 Days and At end of Grant.	GTR/GTM
6. Prepare and Submit Draft of Final Report, including HUD 96010.	Submit Draft of Report. Report your eLogic Model Reporting your short- and intermediate term outputs and outcomes as contained in the eLogic Model submitted and approved in your grant agreement. Your report and eLogic Model should identify results and benefits to date of the work accomplished under the FHIP award. In addition, the eLogic Model should include an attachment that addresses the management questions applicable to your work program. Complaint and testing activities should provide data on complaints received and tests conducted by basis, issues, and outcomes. This should include number of credible, legitimate complaints filed with HUD, a State or local Fair Housing Agency, Department of Justice or private litigator; and types of relief/results.	One month before end of grant term.	GTR/GTM
7. Complete Final Report and Provide Copies of All Final Products Not Previously Submitted.	Submit a copy of the Final Report, including a final Logic Model with all outputs and outcomes identified, and management questions responded to. Submit all Final Products not previously submitted to GTR and GTM.	Within 90 days after end of grant term.	GTR/GTM
8. Submit 2 copies of Final Report and all final program products produced under the Grant (with diskette, where feasible) to HUD.	Submit detailed description of items submitted to GTR and GTM.	Within 90 days after end of grant term.	GTR/GTM

VII. Agency Contacts

You may contact Myron P. Newry or Denise L. Brooks, of the Office of Fair Housing and Equal Opportunity's FHIP Support Division, at 202-708-0800 (this is not a toll-free number). Persons with hearing or speech impairments may contact the Division by calling 1-800-290-1617 (this is a toll-free number).

VIII. Other Information

1. *Paperwork Reduction Act.* The information collection requirements

contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2529-0033. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to a collection of information unless the collection displays a currently valid OMB control number. Public reporting burdens for the collection of information is

estimated to average 100 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data for the application, semi-annual reports and final report. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

BILLING CODE 4210-01-P