

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR 5415-N-36]

Capacity Building for Community Development and Affordable Housing Grants

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice of Funding Availability (NOFA).

SUMMARY: This NOFA announces the availability of \$49.5 million in Fiscal Year (FY) 2010 funding to carry out the eligible activities related to affordable housing and community development for the Section 4 capacity building program, of which at least \$5 million shall be made available for rural capacity building activities. In addition to the application requirements set forth in this document, applicants must also comply with applicable requirements established in the Notice of HUD's Fiscal Year (FY) 2010 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2010 NOFAs Discretionary Programs FR-5415-N-01. Applicants should take particular note that they must follow the application submission instructions contained in this NOFA.

FOR FURTHER INFORMATION: Questions regarding program requirements should be directed to Paul DiIonno at 202-402-3226 (this is not a toll-free number). Questions regarding the FY2010 General Section should be directed to the Office of Departmental Grants Management and Oversight at 202-708-0667 (this is not a toll-free number) or the NOFA Information Center at 1-800-HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Relay Service at 1-800-877-8339. The NOFA Information Center is open between the hours of 10:00 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

OVERVIEW INFORMATION

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

B. Funding Opportunity Title: Capacity Building for Community Development and Affordable Housing Grants.

C. Announcement Type: Initial Announcement.

D. Funding Opportunity Number: FR-5414-N-36.

E. Catalog of Federal Domestic Assistance (CFDA) Number: 14.252.

F. Dates: The application deadline date is **January 27, 2011**. Applications must be received by www.grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date.

All information required to complete the application is in the General Section and this NOFA. Applicants may download the application and instructions from the Grants.gov website at http://www07.grants.gov/applicants/apply_for_grants.jsp. Please carefully read the Notice of HUD's Fiscal Year (FY) 2010 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2010 NOFAs for Discretionary Programs, posted on Grants.gov on

June 7, 2010. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Please allow time for this process to ensure that you meet the timely receipt requirements. See Section IV of the General Section regarding application submission procedures and timely filing requirements.

G. Additional Overview Information: The competition is limited to the organizations identified in the Consolidated Appropriations Act, 2010 (Pub. L. 111-117). The eligible organizations are: Enterprise Community Partners, Inc. (formerly The Enterprise Foundation), the Local Initiatives Support Corporation (LISC), and Habitat for Humanity International. Applicants must review applicable requirements contained in the General Section, as amended, along with the information listed in this NOFA. Application submission information is provided in Section IV of this NOFA. Approximately \$49.5 million is available. A 3:1 match of private resources to federal funds is required, as outlined in section 4(c) of the HUD Demonstration Act of 1993.

FULL TEXT OF ANNOUNCEMENT

I. Funding Opportunity Description

A. Program Description. Through funding of national intermediaries, the Section 4 capacity building program enhances the capacity and ability of community development corporations (CDCs) and community housing development organizations (CHDOs) to carry out community development and affordable housing activities that benefit low-income families.

B. Authority. The capacity building program is authorized by section 4 of the HUD Demonstration Act of 1993 (Pub. L. 103-120, 107 Stat. 1148, 42 U.S.C. 9816 note), as amended.

II. Award Information

A. Available Funds. Approximately \$49.5 million in FY2010 funding is available to carry out the eligible activities related to affordable housing and community development for the Section 4 capacity building program, of which at least \$5 million shall be made available for rural capacity building activities.

B. Performance Period. Awards will be for a period of 48 months from the date of execution of the grant agreement.

C. Terms of Award. HUD will enter into a grant agreement with selected applicants for the performance period.

III. Eligibility Information

A. Eligible Applicants.

1. The competition is limited to the organizations identified in the Consolidated Appropriations Act, 2010 (Pub. L. 111-117). These organizations are: Enterprise Community Partners, Inc. (formerly The Enterprise Foundation), the Local Initiatives Support Corporation (LISC), and Habitat for Humanity International. Specifically, the only applicants eligible for this competition are the three organizations located at the following addresses:

- Enterprise Community Partners, Inc., 10227 Wincopin Circle, Suite 500, Columbia, MD 21044.
- Local Initiatives Support Corporation, 501 Seventh Avenue, 7th Floor, New York, NY 10018.
- Habitat for Humanity International, 121 Habitat Street, Americus, GA 31709.

Affiliates and local offices of these organizations and their community partners are not eligible to compete either directly or independently for capacity building grants under this notice, but rather may seek funding from the above organizations.

2. To be eligible for HUD to rate and rank your application, all applicants must also meet the threshold requirements at Section III.C.2.d of the General Section, including the Civil Rights threshold.

3. Eligible applicants may propose assistance using in-house staff, subcontractors, subrecipients, and local organizations that have the requisite experience and capabilities.

B. Match Requirement. Section 4(c) of the HUD Demonstration Act of 1993 requires that each dollar awarded must be matched by three dollars in cash or in-kind contribution obtained from private sources. To receive funding under this NOFA, each of the organizations funded under this competition will be required at the time the organization enters into a grant agreement to document its share of matching resources. The types of documentation accepted by HUD will be determined at the time that the organization enters into a grant agreement. All match funds, including in-kind contributions, shall conform to the requirements of 24 CFR 84.23.

C. Other

1. Eligible Activities and Priorities. Funds may be used to provide the following services:

a. Training, education, support, and advice to enhance the technical and administrative capabilities of CDCs and CHDOs, including the capacity to participate in consolidated planning, as well as, in fair housing planning and continuum-of-care homeless assistance efforts that help ensure community-wide participation in assessing area needs; consulting broadly within the community; cooperatively planning for the use of available resources in a comprehensive and holistic manner; and assisting in evaluating performance under these community efforts and in linking plans with neighboring communities in order to foster regional planning;

b. Loans, grants, development assistance, predevelopment assistance, or other financial assistance to CDCs and CHDOs to carry out community development and affordable housing activities that benefit low-income families and persons, including the acquisition, construction, or rehabilitation of housing for low-income families and persons, and community and economic development activities that create jobs for low-income persons; and,

c. Such other activities as may be determined by the grantees in consultation with the Secretary or his or her designee. Activities undertaken as part of, or as a result of, capacity building efforts described in this section shall support the implementation of other HUD programs, including but not limited to the Community Development Block Grant (CDBG), Neighborhood Stabilization Programs, HOME Investment Partnerships, Housing Opportunities for Persons With AIDS (HOPWA), homeless programs, issues related to sustainability, and comprehensive neighborhood revitalization activities. Through these activities, grantees are encouraged to align with and support projects that create opportunities for transformative revitalization and investments focused on job growth, economic recovery, and neighborhood revitalization; this may include leveraging existing place-based investments. Additionally, grantees are encouraged to consider how CDCs and CHDOs may align investments with regional planning for sustainable economic development if such efforts are underway in the jurisdiction.

Grantees may also be asked to align with place-based strategies that address national priorities and that link Section 4 to other HUD and federal programs in community and economic development and affordable housing. This may include specific alignment in jurisdictions where the Office of CPD has entered into special technical assistance agreements, including but not limited to jurisdictions that have signed a Memorandum of Agreement with HUD. Grantees would be asked to work on projects that address capacity building needs in specific cities or regions to be determined by HUD.

In addition, activities should support HUD's Strategic Plan and priorities as described in Section I. of the General Section.

2. DUNS Requirement. Refer to the General Section for information regarding the Data Universal Numbering System (DUNS) requirement. A DUNS number is required to receive an award from HUD. The DUNS number on the application must be the same DUNS number for the organizational entity receiving the award. For more information on the DUNS requirement, applicants may consult Section III.C.2. of the General Section.

3. Central Contractor Registration Requirement. To receive an award of funds or to receive award payments from HUD, the applicant/grantee must have an active registration in CCR (24 CFR 5.1004). See HUD Federal Register Notice FR-530-I-01, published July 15, 2010 (75 FR 41087.)

4. Other Eligibility Requirements. All applicants requesting funding under this NOFA must be in compliance with the threshold requirements found in the General Section, including the Civil Rights threshold requirements. Applicants must also meet the additional fair housing, other civil rights, and affirmatively furthering fair housing requirements found in Section III.C.5 of the General Section.

5. False Statements. An applicant's false statement in an application is grounds for denial or termination of an award and grounds for possible punishment, as provided in 18 U.S.C. 1001.

6. Environmental Review. Individual project sites to be funded by awards under this NOFA may not be known at the time the individual grant agreements are awarded and also may not be known when some of the individual subgrants are made. Therefore, in accordance with 24 CFR 50.3(h), the application and the grant agreement must provide that no commitment or expenditure of HUD or private funds to a HUD-assisted project may be made until HUD has: (1) completed an environmental review to the extent required under applicable regulations; and, (2) given notification of its approval, in accordance with 24 CFR 50.3(h).

7. Fair Housing and Equal Opportunity. Applicants must comply with the fair housing and civil rights requirements outlined in Section III.C.5 of the General Section. Applicants must certify that the applicant and all subgrantees shall comply with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments Act of 1972, and the Americans with Disabilities Act, and will affirmatively further fair housing.

8. Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency (LEP)." Executive Order 13166 seeks to improve access to federally assisted programs and activities for individuals who, as a result of national origin, are limited in their English proficiency. Applicants obtaining federal financial assistance from HUD shall take reasonable steps to ensure meaningful access to their programs and activities to LEP individuals. As an aid to recipients, HUD published *Final Guidance to Federal Financial Assistance Recipients: Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons* (LEP Guidance) in the Federal Register on January 22, 2007 (72 FR 2732). For assistance and information regarding LEP obligations, go to http://www.justice.gov/crt/lep/guidance/HUD_guidance_Jan07.pdf. For more information on LEP, please visit <http://www.hud.gov/offices/fheo/promotingfh/lep.cfm>.

9. Section 3 of the Housing and Urban Development Act of 1968. Applicants must certify that the applicant and all subgrantees shall comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) and HUD's implementing regulations at 24 CFR part 135, which require recipients to ensure, to the greatest extent feasible, that

training, employment and contracting opportunities will be directed to low and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low and very low income persons in the area in which the project is located.

Applicants must also ensure that their subgrantees have a feasible Section 3 plan to direct new employment and contracting opportunities created during the expenditure of covered financial assistance to Section 3 residents and Section 3 business concerns, and that their grantees demonstrate compliance with the requirements of Section 3 by reporting their activities in the Section 3 Annual Summary Report (Form HUD60002).

IV. Application and Submission Information

A. Addresses to Request Application Package. Applications from the three eligible applicants must be received and validated by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Please carefully read the General Section timely receipt requirements which include instructions on HUD's grace period.

If you receive a waiver to the electronic application, the approval notification will indicate the time the application has to be received and the location for receipt. See the General Section for application submission and timely receipt procedures and for instructions on how to request a waiver. Paper applications will not be accepted, unless the applicant has received a waiver of the electronic submission requirement.

B. Content and Form of Application Submission. A complete application under this NOFA must contain the information below. All forms required for application submission can be found in the application and instruction downloads for Section 4 Capacity Building on the program website at: <http://www.hud.gov/offices/cpd/about/capacitybuilding.cfm>.

1. Page Limitation. Narratives addressing Factors 1 through 5 are limited to no more than 30 typed pages. That is, reviewers will not review more than 30 pages for all five factors combined, except that the page limit does not include the form HUD96010, Program Logic Model.

2. Prohibition on Materials Not Required. Materials other than what is requested in this NOFA are prohibited. Reviewers will not consider resumes, charts, letters, or any other documents attached to the application, which are not specified in this NOFA.

3. Checklist for Application Submission. The following checklist is provided as a guide to help ensure that applicants submit all the required elements. The paper submission must be in the order provided below. All applicants should enter the applicant name, DUNS number, and page numbers on the narrative pages of the application. See General Section IV.B.7.

___ Application for Federal Assistance (form SF424) (Note: Applicants must enter the legal name of their organization in box 8.a. and DUNS number in box 8.c. of the SF424 as it appears in the Central Contractor Registration (CCR). See Section IV.B.2. of the General Section regarding CCR Registration.

___ Faith-Based EEO Survey (SF424 Supplement, Survey for Ensuring Equal Opportunity for Applicants);

___ Narrative addressing Factors 1 through 5;

___ Program Outcome Logic Model (HUD96010);

___ Grant Application Detailed Budget (HUD424CB);

___ Disclosure of Lobbying Activities (SFLLL) (if applicable);

__ Applicant/Recipient Disclosure/Update Report (HUD2880);
 __ Acknowledgment of Application Receipt (HUD2993) (applicable to paper applications only); and
 __ HUD Facsimile Transmittal (HUD96011, Third Party Documentation Facsimile Transmittal (for electronic applications only).

C. Receipt Date and Times. The application deadline date is January 27, 2011. Unless you received a waiver to the electronic application submission requirement, your completed application must be submitted through http://www.grants.gov/applicants/apply_for_grants.jsp and must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. (Refer to Section VI of the General Section for further information on the delivery and receipt of applications.)

D. Intergovernmental Review. Intergovernmental review is not applicable to capacity building applications.

E. Funding Restrictions. No fee or profit may be paid to any recipient or subrecipient of an award under this capacity building NOFA.

F. Other Submission Requirements.

1. The Grants.gov website offers a simple, unified application process. There are several registration steps applicants need to complete. Further information is contained in the General Section posted at www.Grants.gov on June 7, 2010.

2. Electronic Signature. Applications submitted through Grants.gov constitute submission as an electronically signed application. Instructions on how to submit electronically are outlined in HUD's FY2010 General Section and the Grants.gov website.

3. Waiver of Electronic Submission Requirement. Applicants interested in applying for funding under this NOFA must submit their applications electronically or request a waiver from the electronic submission process. Waiver requests must be submitted in writing by email. Waiver requests must be submitted no later than 15 days prior to the application deadline date and should be sent to Paul DiIonno at a.paul.diiionno@hud.gov. If you are granted a waiver from the electronic submission process, your application must be received by HUD no later than 4:00 p.m. eastern time on the application deadline date. See the General Section for additional information.

4. Proof of Timely Submission.

Applicants must submit their applications via Grants.gov http://www.grants.gov/applicants/apply_for_grants.jsp in by 11:59:59 p.m. eastern time on the application deadline date of January 27, 2011. Applications go through a validation at Grants.gov and may be rejected. Please see HUD's General Section for timely receipt requirements and what to do if your application is rejected. Validation can take up to 48 hours. Applicants are also advised to submit their application and monitor the application status to ensure that they can meet HUD timely receipt requirements. To check the status of your application, Click on the "Track My Application" link at www.grants.gov. You can enter up to five grant application tracking numbers and grants.gov system will provide you with a status report for each tracking number. If you do not receive an automated tracking number from the grants.gov system upon submission, or the Track My Application link does not provide a tracking report, you will need to resubmit the application. Applicants should allow time to be able to track and monitor the receipt of the application or to be able to call the help desk to determine why your application is not uploading to the Grants.gov system. The Grants.gov help

desk is open 24 hours a day, 7 days a week, except federal holidays. (Refer to the General Section for specific procedures regarding timely receipt and proof of submission.)

G. Affirmatively Furthering Fair Housing. Consistent with the instructions in the General Section, applicants must submit with their application a description of how their proposed activities will further fair housing. In developing their plans, applicants shall review the Analyses of Impediments to fair housing choice in the jurisdictions in which the activities will take place. Examples of activities that may address impediments to fair housing choice include training, education, support and advice that promote fair housing planning and affirmative fair housing marketing, or through assisting organizations that will carry out community development and affordable housing activities that further fair housing through innovative housing design or construction to increase access for persons with disabilities, language assistance services to persons with limited English proficiency, or location of new or rehabilitated housing in a manner that provides greater housing choice or mobility for persons in classes protected by the Fair Housing Act. The proposed activities must address at least one of the following objectives: (1) help overcome any impediments to fair housing choice related to the assisted program or activity itself; (2) promote racially, ethnically, and socioeconomically diverse communities; or, (3) promote housing-related opportunities that overcome the effects of past discrimination because of race, color, national origin, religion, sex, disability, and familial status. Also, the application will include a description of how records will be maintained on such programs or activities and their results. For more information, see Section III.C.5.b of the General Section.

V. Application Review Information

A. Criteria. The maximum number of points to be awarded for a capacity building application is 100. The minimum score for an application to be considered for funding is 75. The Section 4 capacity building program is not subject to the bonus points described in the General Section.

Points are assigned based on applicant responses to five factors. When addressing Factors 2 through 5, applicants should discuss the activities that will be carried out during the term of the grant agreement. Submissions should provide relevant examples to support the proposal, where appropriate. Submissions should also be specific when describing the communities, populations, and organizations that they propose to serve and the specific outcomes expected as a result of the activities.

1. Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (10 points)

Factor 1 relates to the capacity of the applicant and its relevant organizational experience. Rating of the “applicant” or the “applicant’s organization and staff” includes in-house staff and any subcontractors and subrecipients who are firmly committed to the project. In responding to Factor 1, applicants should specify the experience, knowledge, skills, and abilities of the applicant’s organization and staff, and of any persons and organizations firmly committed to the project. Please do not include the Social Security Numbers of any staff.

a. (5 points) Recent and successful experience of the applicant’s organization in building the capacity and ability of CDCs and CHDOs to develop affordable housing and community development activities.

In rating this factor, HUD will consider the extent to which the application demonstrates successful experience of the applicant, its staff, consultants and subcontractors, within the last 4 years, in providing technical and administrative expertise to build the capacity of CDCs and CHDOs, including managing multiple capacity building tasks, to multiple entities, and in more

than one geographic area.

b. (5 points) Knowledgeable key personnel skilled in providing one or more of the eligible activities for the Section 4 program; a sufficient number of staff, or ability to procure qualified experts or professionals, with the knowledge, skills, and abilities to deliver the proposed level of services in the proposed service area in a timely and effective fashion; and an ability to provide capacity building in urban and rural settings.

In rating this factor, HUD will consider the extent to which the application demonstrates that the organization has an adequate number of key staff or the ability to procure individuals with the knowledge of effective capacity building approaches, knowledge of developing affordable housing and community development activities, and subject matter expertise.

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

Sound and extensive understanding of need for capacity building in relation to the eligible activities and priorities listed in Section III.C. of this NOFA, as demonstrated by objective information and/or data, such as information from current census data, the American Housing Survey, or other relevant data sources. Applicants must demonstrate sound and extensive understanding of high-priority needs, including the foreclosure crisis, in urban and rural settings for CHDOs and CDCs, as demonstrated by objective information and/or data.

In rating this factor, HUD will evaluate the extent to which the application demonstrates an understanding of the specific needs for capacity building and supports the description of need with reliable, program-specific, quantitative information.

3. Rating Factor 3: Soundness of Approach (40 points)

a. (17 points) A sound approach for addressing the need for eligible capacity building activities in relation to the priorities listed in Section III.C. of this NOFA that will result in positive outcomes.

In rating this factor, HUD will evaluate the extent to which the application presents and supports a detailed, feasible, and practical approach for addressing capacity building needs; including techniques, time frames, goals, and intended beneficiaries, and the likelihood that these activities will be cost-effective and will result in the ability of the organization receiving technical assistance to commence work on specific housing and community development activities by the end of the performance period.

b. (9 points) A feasible work plan for designing, organizing, managing, and carrying out the proposed capacity building activities. The work plan should be as specific as possible in describing the design, organization and management of the proposed activities.

In rating this factor, HUD will evaluate the extent to which the application demonstrates the efficiency of the design, organization, and management of the proposed activities.

c. (9 points) An effective assistance program to specific disadvantaged communities, populations, and/or organizations that previously have been underserved and have the potential to participate in the Section 4 program (such as neighborhoods identified as high risk foreclosure areas, the Neighborhood Revitalization Strategy Areas designated by HUD, Colonias, Appalachia's distressed counties, the lower Mississippi Delta region, or locally designated community development target areas).

In rating this factor, HUD will evaluate the extent to which the applicant: (1) has identified and documented, using reliable data, specific communities, populations, or organizations that lack access to economic, educational, social or housing opportunity; and, (2) has developed an effective strategy for engaging the participation of those communities, populations, or organizations in the capacity building program to promote equal access to

economic, educational, social or housing opportunity locally and/or across regions.

d. (3 points) Applicants may receive up to a total of three points for demonstrating their willingness to align with place-based strategies that result in joint projects involving the Section 4 grantees, HUD, other federal agencies and partners, and cities and their community partners. This may include specific alignment in jurisdictions where the Office of CPD has entered into special technical assistance agreements, including but not limited to jurisdictions that have signed a Memorandum of Agreement with HUD. HUD asks that applicants certify that they will allocate 10-15 percent of the Section 4 award to address capacity building needs in sites to be determined by HUD. These points will be awarded on a scale from 0-3 based upon total percentage of funds allocated for place-based strategies.

e. (2 points) Applicants may receive up to a total of two points for pursuing Section 4 eligible activities that meet HUD's Strategic Plan and policy priorities as described in the General Section I.A. In order to receive points, applicants must address Sustainability. The applicant must describe how their program will: (1) increase the capacity of CDCs and CHDOs to provide consumers more information about the true cost of living by incorporating the combined cost of housing and transportation costs into measures of affordability; and/or, (2) increase the capacity of CDCs and CHDOs to improve residents' health and safety, particularly that of children and other vulnerable populations, by adopting green and healthy design, construction, rehabilitation, and maintenance of housing and communities; and/or, (3) increase the capacity of CDCs and CHDOs to support and promote an energy efficient, green, and healthy housing market by retrofitting existing housing, supporting energy efficient new construction, improving home energy labeling, and promoting financing products that reduce the carbon footprint of non-HUD supported residential buildings. This may also include aligning investments to regional plans for sustainable economic development if such efforts are accessible in the jurisdiction. Performance outcomes for this priority are: (1) an increase in the number of CDCs and CHDOS that can develop methods to reduce the share of household income spent on combined costs of housing and transportation in projects receiving assistance through the Section 4 program; and, (2) an increase in the number of CDCs and CHDOs that are able to develop green and cost effective energy projects.

4. Rating Factor 4: Leveraging Resources (10 points)

This factor evaluates the applicant's ability to leverage (secure) public and/or private sector resources (such as financing, supplies, or services) from sources other than Section 4 that can be added to Section 4 funds to perform eligible activities and sustain the applicant's proposed project. Applicants that achieve a leverage ratio of at least ten-to-one shall be awarded the maximum ten points. Applicants achieving a lesser ratio shall be awarded the points proportionate to their documented leverage. To document leveraging for the FY2010 NOFA, applicants should report their actual results in leveraging Section 4-assisted projects in Federal Fiscal Year 2009 (October 1, 2008 – September 30, 2009).

Applicants must note that leveraging resources are considered additional resources beyond and above the statutorily required 3:1 matching resource requirement and cannot be counted towards the statutory match requirement.

5. Rating Factor 5: Achieving Results and Program Evaluation (20 points)

a. (10 points) An effective, quantifiable evaluation plan for measuring performance using the Logic Model (form HUD96010, "Program Outcome Logic Model") with specific outcome measures and benchmarks, and performance improvements.

In rating this factor, HUD will evaluate the extent to which the application has an

evaluation plan that includes outcomes that are specific, measurable, and appropriate in relation to the activities proposed. HUD is committed to ensuring that programs result in the achievement of HUD's strategic mission. To support this effort, grant applications submitted for HUD programs will be rated on how well they tie proposed outcomes to HUD's policy priorities and annual goals and objectives, as well as the quality of the applicant's proposed evaluation and monitoring plans. HUD's strategic framework establishes the goals and objectives for the Department. Please refer to the General Section V.B.1.

The application should, at a minimum, discuss those performance indicators that have been developed for use by HUD and the Office of Management and Budget (OMB) in evaluating the Section 4 program. These measures include: (1) the annual number of homes renovated, preserved, or newly constructed; (2) the annual number of trainings created and provided to CDCs; (3) the long-term total development cost estimate of community development projects funded by CDCs; and, (4) the efficiency measure of per-unit cost of capacity building for housing units developed or renovated.

Applicants should also outline any other short- or long-term outcomes that are indicators of their program's performance.

b. (10 points) Successful past performance in administering HUD's Section 4 Capacity Building program. This rating factor reflects HUD's goal to embrace high standards of ethics, management, and accountability. Applicants should include, as applicable, increases in Community Planning and Development (CPD) or affordable housing and community development program accomplishments as a result of capacity building (e.g., number of affordable housing units developed, number of trainings delivered to CDCs and CHDOs, growth of CDC and CHDO capacity over time, efficiency or effectiveness of administration of CPD or community development programs, timeliness of use of CPD or community development program funds, and project development investment and leveraging efficiencies). Applicants should discuss how their work plan activities contributed to, or resulted in, the achievement of program goals and outcomes.

In rating this factor, HUD will evaluate the extent to which the applicant demonstrates successful past performance that was timely, cost-effective, and resulted in positive outcomes in the delivery of capacity building for affordable housing and community development. HUD will also consider past performance of current Section 4 grantees, including financial and other information in HUD's files.

B. Review and Selection Process

1. Review Types. Two types of reviews will be conducted. First, HUD will review each application to determine whether it meets threshold eligibility requirements. Second, HUD will review and assign scores to eligible applications using the Factors for Award noted under Criteria, Section V.A.

2. Ranked Order. Once rating scores are assigned, rated applications will be listed in ranked order. After HUD has rated and ranked the applications, applicants within the fundable range of 75 or more points will be funded in ranked order up to the amount requested, or in a lesser amount if sufficient funds are not available. HUD reserves the right to adjust funding to meet urgent policy priorities.

3. Threshold Eligibility Requirements. All applicants must be in compliance with the threshold requirements found in the General Section and the eligibility requirements listed in Section III of this NOFA in order to be reviewed, scored, and ranked. Applications that do not meet these requirements, and applications that were received after the deadline (see Section

IV.C. of the General Section) will be considered ineligible for funding.

VI. Award Administration Information

A. Award Notices. HUD will send written notifications to both successful and unsuccessful applicants. A notification sent to a successful applicant is not an authorization to begin performance or to incur costs.

After selection for funding, each grantee will submit to HUD a specific work and funding plan for each community it proposes to serve, showing when and how the federal funds and matching funds will be used. Applicants will be given the opportunity to amend their logic models according to the grant award, prior to entering into the grant agreement. The work plan must be sufficiently detailed, including budget and match information, for monitoring purposes and must identify the performance goals and objectives to be achieved. HUD will approve the work plan or notify the grantee of matters that need to be addressed prior to approval. Work plans may be developed for less than the full dollar amount and term of the award, but no HUD-funded costs may be incurred for any activity until the work plan is approved by HUD. All activities are also subject to the environmental requirements in Section III.C.6. of this notice.

Consistent with Section III.C.2. of the General Section and 24 CFR 84.42, after selection, but prior to award, applicants selected for funding will be required to provide HUD with a written Code of Conduct. An applicant who previously submitted an application and included a copy of its code of conduct will not be required to submit another copy if the applicant is listed on <http://www.hud.gov/offices/adm/grants/codeofconduct/cconduct.cfm> and the information has not been revised.

B. Administrative and National Policy Requirements.

1. OMB Circulars and Governmentwide Regulations Applicable to Financial Assistance Programs. Awards under this NOFA will be governed by 24 CFR part 84 (Uniform Administrative Requirements), 2 CFR 230 (formerly OMB Circular A-122) (Cost Principles for Non-profit Organizations), and OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). The regulations may be obtained from the CFR Website at <http://www.gpoaccess.gov/cfr/retrieve.html>. Copies of OMB Circulars may be obtained from the Executive Office of the President's (EOP) Publications Office, Room 2200, New Executive Office Building, Washington, DC 20503, telephone number (202) 395-3080 (this is not a toll-free number) or (800) 877-8339 (a toll-free number for the TTY Federal Relay Service, for hearing- or speech impaired persons). Information also may be obtained from the OMB website at <http://www.whitehouse.gov/omb/circulars/index.html>.

2. Lead-Based Paint. The Lead Safe Housing Rule (specifically 24 CFR 35, subparts A, B, J, and R) applies to rehabilitation of pre-1978 housing, and the Environmental Protection Agency's Renovation, Repair and Painting Rule, found within 40 CFR 745 (see <http://www.epa.gov/lead/pubs/renovation.htm>), also applies to pre-1978 housing and child-occupied facilities when renovation, repair or painting work is conducted. The Lead Disclosure Rule (24 CFR 35, subpart A) applies to the sale or lease of pre-1978 housing.

3. General. See Section III.C. of the General Section regarding additional applicable requirements.

C. Reporting.

1. Grantees will be required to report to HUD, as specified in the grant agreement. Performance reports shall include reports on both performance and financial progress under work plans and shall include reports on the commitment and expenditure of private matching resources utilized

through the end of the reporting period. Reports shall conform to the reporting requirements of 24 CFR part 84. As part of the required performance report to HUD, grant recipients must include a completed Program Outcome Logic Model (form HUD96010), which identifies output and outcome achievements.

2. Additional information or increased frequency of reporting may be required by HUD at any time during the grant agreement, if HUD finds such reporting to be necessary for monitoring purposes or to comply with government-wide reporting requirements. Additional reporting requirements may be required by the General Section in conjunction with selected HUD policy priorities selected under Rating Factor 3.d.
3. To further the consultation process and share the results of progress to date, the Secretary may require grantees to present and discuss their performance reports at annual meetings in Washington, DC, during the life of the award.
4. The performance reports must contain the information required under 24 CFR part 84, including a comparison of actual accomplishments with the objectives and performance goals of the work plans. In the work plans, each grantee will identify performance goals and objectives or policy priorities established for each community in which it proposes to work and appropriate measurements under the work plan, such as the number of housing units and facilities each CDC or CHDO produces annually during the grant period and the average cost of such units. The performance reports will also include a discussion of the reasonableness of the unit costs, the reasons for slippage if established objectives and goals are not met, and additional pertinent information.
5. A final performance report, in the form described in paragraph (d) immediately above, shall be provided to HUD by each grantee within 90 days after the completion date of the award.
6. Federal Financial Reports (SF425) shall be submitted quarterly.
7. **FFATA Reporting.** Applicants selected for funding should also be aware that they will be required to report first sub-grant award and executive compensation information, where both their initial award is \$25,000 or greater, as required by the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282). The prime grant awardees will have until the end of the month plus one additional month after an award or sub-grant is obligated to fulfill the reporting requirement. The Federal Funding Accountability and Transparency Act (FFATA) of 2006 calls for the establishment of a publicly available web site to disclose the use of Federal finance assistance. The Act requires the reporting of the following data for first-tier sub-grants of \$25,000 or more:
 - a. Name of entity receiving award
 - b. Amount of award
 - c. Funding agency
 - d. NAICS code for contracts / CFDA program number for grants
 - e. Program source
 - f. Award title descriptive of the purpose of the funding action
 - g. Location of the entity (including congressional district)
 - h. Place of performance (including congressional district)
 - i. Unique identifier of the entity and its parent; and,
 - j. Total compensation and names of top five executives (same thresholds as for primes)
 The Transparency Act also requires the reporting of the Total Compensation and Names of the top five executives in either the prime awardee or a sub-awardee's organization if:

- a. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually; and
- b. Compensation information is not already available through reporting to the SEC. The statute exempts from reporting any sub-awards less than \$25,000 made to individuals or to an entity whose annual expenditures are less than \$300,000. OMB has published Interim Final Guidance to agencies regarding the FFATA subrecipient reporting requirements in the Federal Register on September 14, 2010 (75 FR 55663.)

8. Race and Ethnic Data Reporting. HUD requires grantees that provide HUD program benefits to individuals or families to report data on the race and ethnicity of those receiving such benefits. Grantees that provide benefits to individuals during the period of performance, whether directly, through subrecipients, or through contractual arrangements, must report the data using form HUD27061, Race and Ethnic Data Reporting Form. HUD will provide instructions to grantees on how the form is to be submitted.

VII. Agency Contacts

For Assistance. Applicants may contact Paul DiIonna at 202-402-3226 (this is not a toll-free number). Persons with hearing and speech impairments may access the above numbers via TTY (text telephone) by calling the Federal Relay Service at (800) 877-8339 (this is a toll-free number). Information may also be obtained through the HUD website at www.hud.gov.

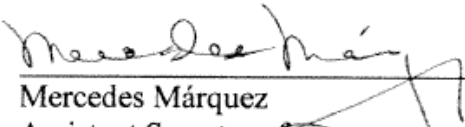
VIII. Other Information

A. Paperwork Reduction Act. The provisions of the Paperwork Reduction Act, 44 U.S.C. 3501-3520, do not apply because there are fewer than 10 respondents; only three applicants are eligible for this program.

B. Environmental Impact. A Finding of No Significant Impact with respect to the environment has been made, in accordance with the Department's regulations at 24 CFR part 50, which implements section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332), in addition to other federal requirements. The Finding of No Significant Impact is available for public inspection between 7:30 a.m. and 5:30 p.m. weekdays at the Office of the Rules Docket Clerk, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10276, Washington, DC 20410.

C. Accessible Housing and Other Facilities. Housing and other facilities constructed or rehabilitated using funds under this NOFA are subject to Federal accessibility requirements under Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, the Fair Housing Act, and the Architectural Barriers Act. All products and tools for capacity building must be accessible in accordance with Section 504 of the Rehabilitation Act of 1973 (see, for example, 24 CFR 8.6, on effective communications). All grant recipients and subrecipients must use training facilities and services that are physically accessible to persons with disabilities. Where physical accessibility is not achievable, recipients and subrecipients must give priority to alternative methods of product delivery that offer programs and activities to qualified individuals with handicaps in the most integrated setting appropriate in accordance with Section 504 of the Rehabilitation Act of 1973 and Title III of the Americans with Disabilities Act. HUD encourages selected providers to make electronically-accessed products and tools accessible in accordance with the requirements of Section 508 of the Rehabilitation Act.

Dated: NOV 23 2010



Mercedes Márquez
Assistant Secretary for
Community Planning and Development

[FR-5415-N-36]