

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-5415-N-07]**

**HUD's Fiscal Year (FY) 2010 NOFA for the HOPE VI Revitalization Grants Program**

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Notice of HUD's Fiscal Year (FY) 2010 Notice of Funding Availability for HUD's HOPE VI Revitalization Grants Program.

**SUMMARY:** Today's publication is governed by the information and instructions found in the Notice of HUD's Fiscal Year (FY) 2010 Notice of Funding Availability (NOFA), Policy Requirements and General Section (General Section) to HUD's FY 2010 NOFAs for Discretionary Programs, posted to Grants.gov on June 7, 2010, followed by a notice of web availability on Grants.gov published in the Federal Register (FR-5415-N-01).

**FOR FURTHER INFORMATION CONTACT:** Questions regarding specific program requirements should be directed to the agency contact identified in this program NOFA. Questions regarding the 2010 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 (800) HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (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.

**SUPPLEMENTARY INFORMATION:**

Through today's publication, HUD is making available approximately \$124 million in assistance through the FY2010 HOPE VI Revitalization grant program.

The NOFA published today provides the statutory and regulatory requirements, threshold requirements, and rating factors applicable to funding being made available today (through the HOPE VI Revitalization NOFA). Applicants for the HOPE VI NOFA must also refer to the 2010 General Section for important application information and requirements, including submission requirements, as indicated in this NOFA.

In FY2010, HUD is continuing its requirement that applicants submit their applications electronically through <http://www.grants.gov>. If applicants have questions concerning the registration process, registration renewal, assigning a new Authorized Organization Representative, or have a question about a NOFA requirement, please contact HUD staff identified in this program NOFA. HUD staff cannot help you write your application, but can clarify requirements that are contained in the General Section, this Notice, and in the Grants.gov registration materials. New applicants should note that they are required to complete a five-step registration process in order to submit their applications electronically. HUD's General Section provides step-by-step instructions for applicants who must register with Grants.gov and also provides renewal/update instructions for those who have previously registered.

Application materials and instructions are posted to Grants.gov as soon as HUD finalizes them. HUD encourages applicants to subscribe to the Grants.gov free notification service at [http://www.grants.gov/applicants/email\\_subscription.jsp](http://www.grants.gov/applicants/email_subscription.jsp). By doing so, applicants will receive an email notification as soon as items are posted to the website. By joining the notification service, if a modification is made to the NOFA, applicants will receive notification that a change has been made.

HUD encourages applicants to carefully read the General Section and all parts of this HOPE VI Revitalization NOFA. Carefully following the directions provided can make the difference in a successful application submission.

Pursuant to government-wide policy, all applicants must have a DUNS number and be registered in the Central Contractor Registration (CCR) to receive an award of funds from HUD. Applicants applying via Grants.gov already meet this requirement by completing the Grants.gov registration requirements. Applicants who receive a waiver to submit a paper application, if any, must also comply with the requirement for a DUNS number and registration in the CCR. Failure to meet the requirement will prohibit you from receive a grant award.

In FY2010, as done in FY 2009, HUD is posting the full NOFA on the Grants.gov website rather than the Federal Register. The Federal Register publication is merely a notice of where to the find the NOFA and application forms. The NOFA posted to Grants.gov is the official version of the Notice and if there is a discrepancy between information posted to Grants.gov and other websites, the Grants.gov information prevails.

#### **OVERVIEW INFORMATION:**

**A. Federal Agency Name.** Department of Housing and Urban Development, Office of Public and Indian Housing.

**B. Funding Opportunity Title.** Revitalization of Severely Distressed Public Housing HOPE VI Revitalization Grants Fiscal Year 2010.

**C. Announcement Type.** Initial announcement.

**D. Funding Opportunity Number.** The Federal Register number for this NOFA is FR-5415-N-07. The OMB approval number for this program is: 2577-0208.

**E. Catalog of Federal Domestic Assistance (CFDA) Number.** The CFDA number for this NOFA is 14.866, "Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI)."

#### **F. Dates.**

Application Deadline Date: The application deadline date is **November 22, 2010**. Electronic applications must be received by 11:59:59 p.m. eastern time on the deadline date. See this NOFA for application submission, faxing instructions, and timely receipt requirements, including Section IV.C, which provides detailed information on what qualifies as "received." See HUD's 2010 General Section for application submission, faxing instructions, and timely receipt requirements, unless otherwise noted in this NOFA. Note: Grants.gov now uses Adobe Reader 9.3.2. HUD recommends that applicants download either of these two readers to prepare and transmit the application to Grants.gov. HUD will not accept an entire application submitted by fax.

#### **G. Additional Overview Content Information**

1. **Available Funds.** This NOFA announces the availability of approximately \$124 million in FY 2010 funds for HOPE VI Revitalization Program grants.

2. The maximum amount of each grant award is \$22 million. It is anticipated that five or six grant awards will be made.

3. All non-troubled public housing authorities (PHAs) with severely distressed public housing are eligible to apply, subject to the requirements under Section III of this NOFA. PHAs that manage only a Housing Choice Voucher (HCV) program, tribal PHAs, and tribally designated housing entities are not eligible. Nonprofit organizations, for-profit organizations, private citizens and entrepreneurs are not eligible to apply.

4. A match of at least 5 percent is required.

5. Application materials may be obtained from [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). Notification of any technical corrections will be published in the Federal Register and posted to Grants.gov. Frequently asked questions will be posted on HUD's website at <http://www.hud.gov/offices/pih/programs/ph/hope6/> and [http://portal.hud.gov/portal/page/portal/HUD/program\\_offices/administration/grants/fundsavail](http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/grants/fundsavail).

## **FULL TEXT OF ANNOUNCEMENT**

### **I. Funding Opportunity Description**

**A. Program Description.** In accordance with Section 24(a) of the United States Housing Act of 1937 (42 U.S.C. 1437v) (1937 Act), the purpose of HOPE VI Revitalization grants is to assist PHAs to:

1. Improve the living environment for public housing residents of severely distressed public housing projects through the demolition, rehabilitation, reconfiguration, or replacement of obsolete public housing projects (or portions thereof);
2. Revitalize sites (including remaining public housing dwelling units) on which such public housing projects are located and contribute to the improvement of the surrounding neighborhood;
3. Provide housing that will avoid or decrease the concentration of very low-income families; and
4. Build sustainable communities.

### **B. Authority**

1. The funding authority for HOPE VI Revitalization grants under this HOPE VI NOFA is provided by the Consolidated Appropriations Act, 2010 (Public Law 111-117, approved December 16, 2009).
2. The program authority for the HOPE VI program is Section 24 of the 1937 Act, as amended by the Consolidated Appropriations Act, 2010 (Public Law 111-117, approved December 16, 2009).

### **C. Definitions**

1. **Public Housing Project.** A public housing project is a group of assisted housing units that has a single Project Number assigned by the Director of Public Housing of a HUD Field Office and has, or had (in the case of previously demolished units) housing units under an Annual Contributions Contract. If a PHA had two distinct projects, with different project numbers, under its original ACC, and those projects were combined into a single project number in PIC for the purposes of implementing HUD's project-based budgeting requirements using Asset Management Project (AMP) numbers, the applicant should use the original project number to identify the public housing project targeted by the HOPE VI application. Applicants should be clear throughout their application as to the project they are targeting.
2. **Replacement Housing.** Under this HOPE VI NOFA, a HOPE VI replacement housing unit shall be deemed to be any combination of public housing rental units, eligible homeownership units under Section 24(d)(1)(J) of the 1937 Act, and HCV assistance that does not exceed the number of units demolished and disposed of at the targeted severely distressed public housing project. Please note however that there is a threshold requirement specific to a Public Housing Replacement Requirement. See section III.C.2.b of this NOFA.
3. **Revitalization Plan.** Under this HOPE VI NOFA, your HOPE VI Revitalization Plan is the plan (e.g., programs, units, properties, financing, schedule, etc.) identified in your HOPE VI Revitalization grant application. The Revitalization Plan may only include activities that, as of the application deadline date, are proposed for the future or underway but not yet complete. Activities that were completed before the application deadline date will not be considered as part

of the Revitalization Plan unless otherwise indicated in the NOFA. Thus you must present your Revitalization Plan clearly and consistently throughout the application (narratives and attachments), as it is the Revitalization Plan identified in the application that will be evaluated under the threshold requirements and rating factors, as applicable. If something is identified in the application as part of your Revitalization Plan, it will be subject to the threshold requirements and rating factors, as applicable.

#### 4. **Severely Distressed**

a. In accordance with Section 24(j)(2) of the 1937 Act, the term “severely distressed public housing” means a public housing project (or building in a project) that:

(1) Requires major redesign, reconstruction, or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems, and other deficiencies in the physical plant of the project;

(2) Is a significant contributing factor to the physical decline of, and disinvestment by public and private entities in, the surrounding neighborhood;

(3) (a) Is occupied predominantly by families who are very low-income families with children, have unemployed members, and are dependent on various forms of public assistance; (b) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area; or (c) is lacking in sufficient appropriate transportation, supportive services, economic opportunity, schools, civic and religious institutions, and public services, resulting in severe social distress in the project;

(4) Cannot be revitalized through assistance under other programs, such as the Capital Fund and Operating Fund programs for public housing under the 1937 Act, or the programs under sections 9 or 14 of the 1937 Act (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, approved October 21, 1998)), because of cost constraints and inadequacy of available amounts; and

(5) In the case of an individual building that currently forms a portion of the public housing project targeted by the application to this NOFA:

(a) Is sufficiently separable from the remainder of the project of which the building is part, such that the revitalization of the building is feasible; or

(b) Was part of the targeted public housing project that has been legally vacated or demolished, but for which HUD has not yet provided replacement housing assistance (other than tenant-based assistance). “Replacement housing assistance” is defined as funds that have been furnished by HUD to perform major rehabilitation on, or reconstruction of, the public housing units that have been legally vacated or demolished.

b. A severely distressed project that has been legally vacated or demolished (but for which HUD has not yet provided replacement housing assistance, other than tenant-based assistance) must have met the definition of physical distress not later than the day the demolition application approval letter was dated by HUD.

5. **Targeted Project.** The targeted project is an existing public housing project, or the site of a public housing project that was legally demolished, proposed to be revitalized with funding from this NOFA. The targeted project may include more than one public housing project or be a part of a public housing project. See Section III.C.2 of this NOFA for thresholds related to eligibility of multiple public housing projects and separability of a part of a public housing project.

6. **Temporary Relocation.** While there are no provisions for “temporary relocation” under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42

U.S.C. 4601), the URA regulations recognize that there are circumstances where a person will not be permanently displaced but may need to be moved from a project for a short period of time. See Section III.C.5.h, “Real Property Acquisition and Relocation” of the General Section and Handbook 1378, Chapter 2, Paragraph 2-7 for additional information on temporary relocation under URA regulations and HUD policy. The Handbook can be located on HUD’s Real Estate Acquisition and Relocation website at <http://www.hud.gov/relocation>.

## **II. Award Information**

### **A. Availability of HOPE VI Funds**

1. **Revitalization Grants.** Approximately \$124 million of the FY 2010 HOPE VI appropriation has been allocated to fund HOPE VI Revitalization grants and will be awarded in accordance with this NOFA. There will be approximately five or six awards.
2. **Requested Amount.** The maximum amount you may request in your application for grant award is limited to \$22 million or the sum of the amounts in Section IV.E.3, whichever is lower. HCV assistance is in addition to this amount.
3. **Housing Choice Voucher (HCV) Assistance.** Housing choice voucher (HCV) assistance is available from the tenant protection voucher fund to successful applicants that receive the Revitalization grant awards. The dollar amount of HCV assistance is in addition to the \$22 million maximum award amount and will be based upon resident relocation needs. Applicants must prepare their HCV assistance applications for the targeted project in accordance with the requirements of Notice PIH 2007-10 (and any reinstatement of or successor to that Notice) and submit it in its entirety with the HOPE VI Revitalization Application. HUD will process the HCV assistance applications for funded HOPE VI applicants. If you are not funded by this NOFA, the HCV application will not be processed. The notice can be found on the Internet at <http://www.hud.gov/offices/adm/hudclips/notices/pih/07-10PIH.doc>
4. **Grant term.** The period for completion of construction shall not exceed 54 months from the date the NOFA award is executed by HUD, as described in the grant agreement. See Section IV.E.1. for statutory time limits related to the grant and expenditure of funds.
5. A **false statement** in an application is grounds for denial or termination of an award and grounds for denial or termination of an award and possible punishment, as provided in 18 U.S.C. 1001.
6. **Grant Recapture.** If you are selected for funding, and if you propose to make significant changes to your revitalization plan, compared to what was presented in this application, HUD reserves the right to recapture the grant.
7. **Relation to FY 2010 Choice Neighborhoods Initiative.** HUD will issue a separate NOFA for the **FY 2010 Choice Neighborhoods Initiative**. Public housing project(s) included in a FY 2010 HOPE VI Revitalization application may not be the subject of a FY 2010 Choice Neighborhoods grant. However, an applicant may apply for a Choice Neighborhoods Implementation Grant for a housing project in the same neighborhood as a public housing project for which a public housing authority is applying for a FY 2010 HOPE VI Revitalization Grant.

## **III. Eligibility Information**

### **A. Eligible Applicants**

1. Only PHAs that have severely distressed housing in their inventory and that are otherwise in conformance with the threshold requirements provided in Section III.C.2 of this NOFA are eligible to apply. This is considered a threshold requirement under Section III.C.2 of this NOFA.
2. **HCV Programs Only, Tribal Housing Agencies, and Others.** PHAs that administer only HCV/Section 8 programs, tribal housing agencies and tribally designated housing entities, are

not eligible to apply. Nonprofit organizations, for-profit organizations, private citizens and entrepreneurs are not eligible to apply.

3. **Troubled Status.** This is considered a threshold requirement under Section III.C.2 of this NOFA. If HUD has designated your PHA as troubled pursuant to section 6(j)(2) of the 1937 Act, HUD will use documents and information available to it to determine whether you qualify as an eligible applicant. In accordance with section 24(j) of the 1937 Act, the term "applicant" means:

- a. Any PHA that is not designated as "troubled" pursuant to section 6(j)(2) of the 1937 Act;
- b. Any PHA for which a private housing management agent has been selected, or a receiver has been appointed, pursuant to section 6(j)(3) of the 1937 Act; and
- c. Any PHA that is designated as "troubled" pursuant to section 6(j)(2) of the 1937 Act and that:
  - (1) Is designated as troubled principally for reasons that will not affect its capacity to carry out a revitalization program;
  - (2) Is making substantial progress toward eliminating the deficiencies of the agency that resulted in its troubled status;
  - (3) Has not been found to be in noncompliance with fair housing or other civil rights requirements; or
  - (4) Is otherwise determined by HUD to be capable of carrying out a revitalization program.

## **B. Cost Sharing or Matching**

### **1. Match Requirements**

a. **Revitalization Grant Match.** HUD is required by the 1937 Act (42 U.S.C. 1437v(c)(1)(A)) to include the requirement for matching funds for all HOPE VI-related grants. You are required to have in place a match in the amount of 5 percent of the requested grant amount in cash or in-kind donations. Applications that do not demonstrate the minimum 5 percent match will not be considered for funding. This is considered a threshold requirement under Section III.C.2 of this NOFA.

### **b. Additional Community and Supportive Services (CSS) Match**

(1) In accordance with the 1937 Act (42 U.S.C. 1437v(c)(1)(B)), in addition to the 5 percent Revitalization grant match in section a above, you may be required to have in place a CSS match. Funds used for the Revitalization grant match cannot be used for the CSS match.

(2) If you are selected for funding through this NOFA, you may use up to 15 percent of your grant for CSS activities. However, if you propose to use more than 5 percent of your HOPE VI grant for CSS activities, you must have in place funds (cash or in-kind donations) from sources other than HOPE VI that match the amount between 5 and 15 percent of the grant that you will use for CSS activities. These resources must be NEW commitments in order to be counted for match. This is considered a threshold requirement under Section III.C.2 of this NOFA.

c. **No HOPE VI Funding in Match.** In accordance with section 24(c) of the Act, for purposes of calculating the amount of matching funds required by Sections a and b above, you **may NOT** include amounts from HOPE VI program funding, including HOPE VI Revitalization, HOPE VI Demolition, HOPE VI Neighborhood Networks or HOPE VI Main Street grants. You may include funding from other public housing sources (e.g., Capital Funds, Resident Opportunities and Self-Sufficiency (ROSS) funds), other federal sources, any state or local government source, and any private contributions. You may also include the value of donated material or buildings,

the value of any lease on a building, the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs provided.

d. For match resource and documentation requirements that must be followed, see section III.C.3.kk, Program Requirements that Apply to Match and Leverage.

e. It is important to note that the following Office of Management and Budget (OMB) circulars are applicable, and particular attention should be given to the provisions concerning the use of federal funds for matching requirements.

(1) OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments) establishes consistency and uniformity among federal agencies in the management of grants and cooperative agreements with state, local, and federally recognized Indian tribal governments. The circular provides that state and local administration of federal funds must include fiscal and administrative requirements that are sufficiently specific to ensure that funds are used in compliance with all applicable federal statutory and regulatory provisions, costs are reasonable and necessary for operating these programs, and funds are not to be used for general expenses required to carry out other responsibilities of a state or its subrecipients. HUD's implementation of OMB Circular A-102 is found at 24 CFR part 85.

(2) OMB Circular A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations) sets forth standards for obtaining consistency and uniformity among federal agencies in the administration of grants and agreements with institutions of higher education, hospitals, and other nonprofit organizations. This circular specifies the conditions for which funds may be used for cost sharing or matching and provides that federal funds shall not be accepted as cost sharing or matching, except where authorized by federal statute to be used for cost sharing or matching. HUD's implementation of OMB Circular A-110 is found at 24 CFR part 84.

(3) OMB Circular A-87 (2 CFR Part 225) (Cost Principles for State, Local, and Indian Tribal Governments) establishes principles and standards for determining costs for federal awards carried out through grants, cost reimbursement contracts, and other agreements with state and local governments and federally recognized Indian tribal governments (governmental units). This circular provides that an allowable cost under a federal award does not include a cost sharing or matching requirement of any other federal award in the applicable funding period, except as specifically provided by federal law or regulation.

(4) OMB Circular A-122 (2 CFR part 230) (Cost Principles for Non-Profit Organizations) establishes principles for determining costs of grants, contracts, and other agreements with nonprofit organizations. This circular provides, similar to OMB Circular A-87, that an allowable cost under a federal award in the applicable funding period does not include a cost sharing or matching requirement of any other federally financed program.

(5) NOTE: Applicants for funding under HUD's FY2010 NOFA are reminded of the importance of confirming that any federal grant funds that they intend to use as a cost sharing or matching share are available to be used as matching funds under applicable statutes and regulations.

### **C. Other**

1. **Eligible Revitalization Activities.** HOPE VI Revitalization grants may be used for activities to carry out revitalization programs for severely distressed public housing in accordance with Section 24(d) of the 1937 Act. Revitalization activities approved by HUD must be conducted in accordance with the requirements of this NOFA. The following is a list of eligible activities.

HOPE VI budget guidance may be found on <http://www.hud.gov/offices/pih/programs/ph/hope6/grants/admin/index.cfm>.

- a. **Relocation.** Relocation, including reasonable moving expenses, for residents displaced as a result of the revitalization of the project. See sections III.C.3. and V.A. of this NOFA for relocation requirements including Section III.C.3.hh which incorporates the Real Property Acquisition and Relocation requirements from Section III.C.5.h of the General Section.
- b. **Demolition.** Demolition of dwelling units or non-dwelling facilities, in whole or in part, although demolition is not a required element of a HOPE VI revitalization plan.
- c. **Disposition.** Disposition of a severely distressed public housing site, by sale or lease, in whole or in part, in accordance with section 18 of the 1937 Act and implementing regulations at 24 CFR part 970. A lease of one year or longer that is not incident to the normal operation of a project is considered a disposition that is subject to section 18 of the 1937 Act.
- d. **Rehabilitation and Physical Improvement.** Rehabilitation and physical improvement of:
  - (1) Public housing; and
  - (2) Community facilities, provided that the community facilities are primarily intended to facilitate the delivery of community and supportive services for residents of the public housing project and residents of off-site replacement housing, in accordance with 24 CFR 968.112(b), (d), (e), and (g)-(o), and 24 CFR 968.130 and 968.135(b) and (d) or successor regulations, as applicable.
- e. **Development.** Development of:
  - (1) Public housing replacement units; and
  - (2) Other units (e.g., market-rate units), provided a need exists for such units and such development is performed with non-public housing funds.
- f. **Homeownership Activities.** Assistance involving the rehabilitation and development of homeownership units. Assistance may include:
  - (1) Down payment or closing cost assistance;
  - (2) Hard or soft second mortgages; or
  - (3) Construction or permanent financing for new construction, acquisition, or rehabilitation costs related to homeownership replacement units.
- g. **Acquisition.** See Program Requirements, section III.C.3.e.
- h. **Management Improvements.** Necessary management improvements, including transitional security activities.
- i. **Administration, Planning, Etc.** Administration, planning, technical assistance, and other activities (including architectural and engineering work, program management, and reasonable legal fees) that are related to the implementation of the revitalization plan, as approved by HUD. See Cost Control Standards in Section III.C.3.v. of this NOFA.
- j. **Community and Supportive Services (CSS).**
  - (1) The CSS component of the HOPE VI program encompasses all activities that are designed to promote upward mobility, self-sufficiency, and improved quality of life for the residents of the targeted public housing project.
  - (2) CSS activities. CSS activities may include, but are not limited to:
    - (a) Educational activities that promote learning and serve as the foundation for young people from infancy through high school graduation, helping them to succeed in academia and the professional world. Such activities, which include early childhood education, after-school programs, mentoring, youth leadership development and tutoring, must be created with strong partnerships with public and private educational institutions.



(b) Adult educational activities, including remedial education, literacy training, tutoring for completion of secondary or postsecondary education, assistance in the attainment of certificates of high school equivalency, and English as a Second Language courses, as needed.

(c) Readiness and retention activities, which frequently are key to securing private sector commitments to provide jobs.

(d) Employment training activities that include results-based job training, preparation, counseling, development, placement, and follow-up assistance after job placement.

(e) Programs that provide entry-level, registered apprenticeships in construction, construction-related, maintenance, or other related activities. A registered apprenticeship program is one that has been registered with either a State Apprenticeship Agency recognized by the Department of Labor's (DOL) Office of Apprenticeship Training, Employer and Labor Services (OATELS) or, if there is no recognized state agency, by OATELS. See also DOL regulations at 29 CFR part 29.

(f) Training on topics such as parenting skills, consumer education, family budgeting, and credit management.

(g) Homeownership counseling that is scheduled to begin promptly after grant award so that, to the maximum extent possible, qualified residents will be ready to purchase new homeownership units when they are completed. The Family Self-Sufficiency program can also be used to promote homeownership, providing assistance with escrow accounts and counseling.

(h) Coordinating with health care providers or providing on-site space for health clinics, doctors, wellness centers, dentists, community health worker initiatives, and other health-related initiatives (e.g., With Every Heart Beat Is Life initiative, which is part of the National Heart, Lung, and Blood Institute's (NHLBI's) Educational Resources to Address Health Disparities initiative).etc., that will primarily serve the public housing residents. HOPE VI funds may not be used to provide direct medical care to residents.

(i) Substance and alcohol abuse treatment and counseling.

(j) Activities that address domestic violence treatment and prevention.

(k) Child care services that provide sufficient hours of operation to facilitate parental access to education and job opportunities, serve appropriate age groups, and stimulate children to learn.

(l) Transportation, as necessary, to enable all family members to participate in available CSS activities and to commute to their places of employment.

(m) Entrepreneurship training and mentoring, with the goal of establishing resident-owned businesses.

k. **Leveraging.** Leveraging other resources, including additional housing resources, supportive services, job creation, and other economic development uses on or near the project that will benefit future residents of the site.

**2. Threshold Requirements.** Applications, and the Revitalization Plan proposed in it (see Definitions in Section I.C for that and other definitions), must meet all threshold requirements of this NOFA in order to be rated and ranked. The threshold requirements of this NOFA include certain threshold requirements of section III.C.2. of the General Section and threshold requirements specific to the HOPE VI program. If an application does not meet all threshold requirements, HUD will not consider the application as eligible for funding and will not rate and rank it. HUD will screen for technical (not substantive) deficiencies and administer a cure period. Examples of curable (correctable) technical deficiencies include, but are not limited to, inconsistencies in the funding request, failure to submit the proper certifications (e.g., form

HUD-2880), and failure to submit a signature and/or date of signature on a certification. The subsection entitled, “Corrections to Deficient Applications,” in section V.B. of the General Section is incorporated by reference and applies to this NOFA unless otherwise stated. Clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within 5 calendar days of the date of receipt of the HUD notification. (If the deadline date falls on a Saturday, Sunday, or federal holiday, your correction must be received by HUD on the next day that is not a Saturday, Sunday, or federal holiday.) If an applicant does not cure all its technical deficiencies that relate to threshold requirements within the cure period, HUD will consider the threshold(s) in question to be failed, will not consider the application as eligible for funding, and will not rate and rank it. **Applicants MUST review and follow documentation requirements provided in this Thresholds Requirements Section and the Program Requirements of Section III.C.3.** Required forms, certifications and assurances must be included in the HOPE VI application and will be available on the Internet at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp).

a. **Curable Thresholds.** The following thresholds may be cured in accordance with the criteria above.

(1) **Severe Distress of Targeted Project.** The targeted public housing project must be severely distressed. See section I.C. of this NOFA for the definition of “severely distressed.” If the targeted project is not severely distressed, your application will not be considered for funding. Applicants must use the severe distress certification form provided with this NOFA and place it in their attachments. The certification must be signed by an engineer or architect licensed by a state licensing board. The license does not need to have been issued in the same state as the severely distressed project. The engineer or architect must include his or her license number and state of registration on the certification. The engineer or architect may not be an employee of the housing authority or the city. See Section IV.B.3.c. of the General Section for information on submitting third party documents. This threshold is only curable in regards to the certification form itself, e.g., if it were missing a signature.

(2) **Land Use.** Your application must include a certification from the appropriate local official (not the Executive Director) documenting that all required land use approvals for developed and undeveloped land, whether **on the original public housing project site targeted by the application site OR off-site**, have been secured for any housing and other proposed uses, or that the request for such approval(s) is on the agenda for the next meeting of the appropriate authority in charge of land use. In the case of the latter, the certification must include the date of the meeting. You must include this certification in your attachments.

(3) **Selection of Developer.** You must assure that:

(a) By the application deadline date, you have initiated a request for qualifications (RFQ) for the competitive procurement of a developer for your first phase of construction, in accordance with 24 CFR 85.36 and 24 CFR 941.602(d) (as applicable), or you already have a developer procured/Master Development Agreement in place. If you change developers after you are selected for funding, HUD reserves the right to rescind the grant; or

(b) You will act as your own developer for the proposed project. If you change your plan and procure an outside developer after you are selected for funding, HUD reserves the right to rescind the grant.

(c) You must demonstrate compliance with this threshold through completion and inclusion of the Assurances for HOPE VI Application document.

(4) **Relocation Plan Assurance.**

(a) If you have not yet relocated residents, you must assure that:

(i) A HOPE VI Relocation Plan was completed as of the application deadline date. To learn more about HOPE VI Relocation Plans, applicants may review Handbook 1378 and Notice CPD 02-08, “Guidance on the Application of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as Amended, in HOPE VI Projects” and Notice 04-02, “Revision to Notice CPD 02-08, Guidance on the Application of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as Amended, in HOPE VI Projects;” These notices can be found at <http://www.hud.gov/offices/adm/hudclips/notices/cpd/04-2c.doc> and <http://www.hud.gov/offices/adm/hudclips/notices/cpd/02-8c.doc>

(ii) That it conforms to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) requirements; and

(iii) That it implements HOPE VI relocation goals, as described in section V.A.7. of this NOFA. This means your plan must describe how the HOPE VI Relocation Plan incorporates the HOPE VI relocation goals contained in section V.A.7.

(b) If relocation was completed (i.e., the targeted public housing site is vacant) as of the application deadline date, rather than certifying that the HOPE VI Relocation Plan has been completed, you must assure that the relocation was completed in accordance with URA and/or section 18 requirements (depending on which of these requirements applied to the demolition in question).

(c) You must demonstrate compliance with this threshold through completion and inclusion of the Assurances for HOPE VI Application document.

(5) **Resident Involvement in the Revitalization Program Assurance.** You must assure that you have involved affected public housing residents at the beginning and during the planning process for the revitalization program, prior to submission of your application. If you have not included affected residents in the planning process, your application will not be considered for funding. You **MUST** follow the Resident and Community Involvement requirements listed in the Program Requirements section, section III.C.3. of this NOFA. You must demonstrate compliance with this threshold through completion and inclusion of the Assurances for HOPE VI Application document.

(6) **Standard Forms and Certifications.** The last part of your application will be comprised of standard certifications common to many HUD programs. For the HOPE VI application, the required standard forms and certifications are located in Section IV.B. of this NOFA.

(7) **HOPE VI Revitalization Applicant Certifications.** You must include in your application a certification from the Chairman of your Board of Commissioners to the requirements listed in the HOPE VI Revitalization Applicant Certifications. You must include this certification in your attachments.

(8) **Capital Fund Financing Program (CFFP).** This threshold applies to **any** PHA with an approved CFFP proposal or CFFP proposal submitted and under review by HUD before the announcement of FY 2010 HOPE VI Revitalization grant awards. As the pledges of Capital Funds are general in nature and not project-specific, this threshold applies to **all** CFFP proposals approved or submitted and under review by HUD for the PHA’s public housing portfolio, not just the public housing site targeted by this HOPE VI application. HOPE VI Revitalization applications may not be from PHAs that have CFFPs approved or in process, **unless:**

(a) The PHA includes in the application an opinion from (and signed by) its legal counsel that the activities proposed under the HOPE VI Revitalization application are permitted under the financing documents (as approved or, if under review, as currently drafted), or to the extent required, any approvals required under the financing documents have been obtained; and

(b) The PHA includes in the application a certification from (and signed by) its Executive Director that, to the extent HUD determines that the Capital Fund projections in its CFFP Proposal did not accurately or completely incorporate the reduction in public housing units that would be caused by the HOPE VI activity, if it receives the HOPE VI Revitalization grant, and prior to undertaking the HOPE VI activity, it will use Capital Funds, or other eligible funds to defease, redeem, or otherwise prepay the CFFP financing. The PHA **must make this certification** even if the proposal has already been approved, or the PHA does not think they will have the need to defease, redeem, or otherwise prepay the CFFP financing, in the event HUD makes such a determination at a later time. This prepayment must be sufficient to maintain the same debt coverage ratio in the year immediately following any reduction in Annual Contribution Contract (ACC) Units related to the HOPE VI grant (based on the then-current year's capital fund allocation, but giving effect to the change in ACC Units in a manner acceptable to HUD) as existed prior to any reductions occurring as a result of the HOPE VI Revitalization grant.

(c) HUD will consult internal CFFP records to verify which applicants have pending or approved CFFP proposals.

(9) **PHA or MTW Plan.** You must demonstrate in your application that you have incorporated the revitalization plan described in your application into your most recent PHA plan or MTW Annual plan (whether approved by HUD or pending approval). In order to qualify as “incorporated” under this threshold, your PHA or MTW plan must indicate the intent to pursue a HOPE VI Revitalization grant and the public housing development for which it is targeted. Provide in the attachments section a copy of the page from your PHA or MTW Plan that demonstrates the above.

(10) **Evaluation.** You must work with your local university(ies), other institutions of learning, foundations, or others to evaluate the performance and impact of your HOPE VI revitalization plan over the life of the grant. The proposed methodology must measure success against goals you set at the outset of your revitalization activities. Evaluators must establish baselines and provide ongoing interim reports that will allow you to make changes as necessary as your project proceeds. Where possible, you are encouraged to form partnerships with Minority-Serving Institutions (MSIs), Historically Black Colleges and Universities (HBCUs); Hispanic-Serving Institutions (HSIs); Community Outreach Partnership Centers (COPCs); the Alaskan Native/Native Hawaiian Institution Assisting Communities Program (as appropriate); and others in HUD's University Partnerships Program for the purpose of assisting HUD in a long-term look at the impacts of the HOPE VI program on residents and the community at large. Please note that the evaluation, if the grant is awarded, must reflect the initiatives the applicant committed to in their application and undertook (e.g., Early Childhood Education program, Green Development and Energy Efficiency Strategies, etc.). In your application, you must include a signed letter(s) or other commitment document(s) from an institution(s) of higher learning, foundations, or other organization that specializes in research and evaluation, that:

(a) Provides a commitment to work with you to evaluate your program and describes its proposed approach to carry out the evaluation if your application is selected for funding.

(b) Provides the extent of the commitment and involvement, the extent to which you and the local institution of higher learning will cooperate, and the proposed approach, which builds upon information already being collected by HUD in reports submitted by the grantee.

(c) Indicates how the following key areas for evaluation will be addressed:

- (i) The impact of your HOPE VI effort on the lives of the residents;
- (ii) The nature and extent of economic development generated in the community;
- (iii) The effect of the revitalization effort on the surrounding community, including spillover revitalization activities, property values, etc.; and
- (iv) Your success at integrating the physical and CSS aspects of your strategy.

(11) **Site Control.** If you propose to develop units (the threshold does not apply to the usage of project-based vouchers, second mortgage assistance, and Section 32) off-site (off-site is any land other than the original public housing project site targeted by the application; see “Targeted Project” under Definitions) housing in ANY phase of your proposed revitalization plan (regardless of financing type), you **MUST** provide evidence in your application that you as the PHA, your PHA’s instrumentality, or your developer (including when any of these three entities are part of a partnership that will own the property(ies)), have site control of **EVERY** property as of the application deadline date. For the developer to count, the developer must be under a contract, or some equivalent form of predevelopment agreement, with you that dedicates the off-site property(ies) for the uses proposed in your revitalization plan. Such developer relationship must be demonstrated in your narrative. If you propose to develop off-site housing and you do not provide acceptable evidence of site control, your **ENTIRE** application will be disqualified from further consideration for funding.

(a) Site control documentation may only be contingent upon:

- (i) The receipt of the HOPE VI grant;
- (ii) Satisfactory compliance with the environmental review requirements of this NOFA;

and

(iii) The site and neighborhood standards in section III.C.3. of this NOFA.

(b) If you demonstrate site control through an option to purchase, the option must extend for at least 180 days after the application deadline date.

(c) Evidence may include, but is not limited to, an option to purchase the property, a sales agreement or sales contract, a land swap, a deed, a title or a ground lease. Evidence must be valid as of the application deadline date. Evidence, however, may NOT include a letter from the mayor or other official (including the PHA’s Executive Director), letters of support from members of the relevant municipal entities, a resolution evidencing the PHA’s intent to exercise its power of eminent domain, or a memorandum of understanding.

(d) If one or more of your off-site parcels are a public housing property (e.g., a former public housing development), you still must provide evidence of site control for those properties. A letter from the PHA’s Executive Director certifying that the PHA has site control is not sufficient.

(e) You must include documented evidence of site control in your attachments.

**b. Non-Curable Thresholds.** The following thresholds may **NOT** be cured in accordance with the criteria referenced at the beginning of Section III.C.2. above.

(1) **Eligible Applicants.** This section incorporates as a threshold requirement the Eligible Applicants requirement from Section III.A.1 of the NOFA.

(2) **Troubled Status.** This section incorporates as a threshold requirement the Troubled Status Requirements from Section III.A.3 of the NOFA.

(3) **Match.** This section incorporates as a threshold requirement the Match Requirements from Section III.B.1 of the NOFA.

(4) **Number of Applications.** Each applicant may submit a maximum of one HOPE VI Revitalization application, in accordance with the criteria of this NOFA. The application must target a severely distressed public housing project, in accordance with the Contiguous, Single, and Scattered-Site Projects threshold requirement below. If HUD receives electronically multiple versions of the application, HUD will rate and rank the last version of the application **received** by Grants.gov that meets the timely receipt requirements. All other applications (i.e., prior versions) will not be considered eligible. If applicants find after submitting an application that they want to amend or adjust their application and it is prior to the deadline date, applicants should be aware that they **must resubmit the entire** application, including all fax transmissions previously sent, to ensure that HUD gets a complete application. HUD also recommends that fax transmissions associated to resubmitted applications be sent following validation by Grants.gov using the fax transmittal cover sheet (form HUD-96011) associated to the application. Submitting the fax transmittal after validation will ensure that your faxes will be associated to the most recent application and not a previously submitted application. HUD's system matches faxes as they come into the system and if a previous application exists prior to the new application arriving, the fax will be associated to the application already in HUD's system. HUD cannot re-associate faxes once they have been attached to an application. See Section IV.B for further instruction on submission requirements, including incorporation of the General Section.

(a) HUD will not consider applications sent entirely by facsimile (See the General Section).

(b) HUD will not accept for review or evaluation any videos submitted as part of the application or appendices.

(c) HUD will not consider any application that does not meet the timely receipt requirements for electronic applications, in accordance with the criteria of the General Section "Receipt Dates and Times."

(5) **Appropriateness of Proposal.** In accordance with section 24(e)(1) of the 1937 Act, each application must demonstrate the appropriateness of the proposal (revitalization plan) in the context of the local housing market **relative to other alternatives**. You must discuss other possible alternatives in the local housing market and explain why the housing envisioned in the application is more appropriate (e.g., "We considered X, Y, Z other alternatives, but they were not the optimal alternatives A, B, C reasons"). This is a statutory requirement and an application threshold. If you do not demonstrate the appropriateness of the proposal (revitalization plan) in the context of the local housing market relative to other alternatives, your application will not be considered for funding. Applicants must demonstrate compliance with this threshold in their narrative. Examples of alternative proposals may include:

(a) Rebuilding or rehabilitating an existing project or units at an off-site location that is in an isolated, non-residential, or otherwise inappropriate area;

(b) Proposing a range of incomes, housing types (rental, homeownership, market-rate, public housing, townhouse, detached house, etc.), or costs that cannot be supported by a market analysis; or

(c) Proposing to use the land in a manner that is contrary to the goals of your PHA.

(6) **Contiguous, Single, and Scattered-Site Projects.** Except as provided in sections (a) and (b) below, each application must target one severely distressed public housing project (see Definitions). The targeted project(s) may already be vacated and/or demolished as of the

application deadline date. However, the targeted project(s) may not be already redeveloped as of the application deadline date (The Department wishes to fund grants for targeted project(s) that are in most need of HOPE VI funding and that have not completed revitalization of the targeted project through other means). You must provide a city map at a scale sufficient to illustrate the current targeted site(s), whether contiguous, single, or scattered-site projects. In addition to the information below, see the instructions for the city map in Section IV.B.

(a) Contiguous Projects. Each application may request funds for more than one project if those projects are immediately (i) adjacent to one another or (ii) within a quarter-mile of each other. If you include more than one project in your application, you must provide a map that clearly indicates that the projects are either adjacent or within a quarter-mile of each other. If HUD determines that they are not, your application will not be considered for funding.

(b) Scattered Site Projects. Your application may request funds to revitalize a scattered site public housing project. The sites targeted in an application proposing to revitalize scattered sites (regardless of whether the scattered sites are under multiple project numbers) must fall within an area with a one-mile radius. You may identify a larger site if you can show that all of the targeted scattered site units are located within the hard edges (e.g., major highways, railroad tracks, lakeshore, etc.) of a neighborhood. If you propose to revitalize a project that extends beyond a one-mile radius or is otherwise beyond the hard edges of a neighborhood, your application will not be considered for funding. If you propose to revitalize a scattered site public housing project, you must provide a map that clearly indicates that the projects fall within an area with a one-mile radius or, if larger, are located within the hard edges (e.g., major highways, railroad tracks, lakeshore, etc.) of a neighborhood.

#### (7) Sites Previously Funded.

(a) You may submit a FY 2010 HOPE VI Revitalization application that targets part of a project that is being, or has been, revitalized or replaced under a HOPE VI Revitalization grant or a Capital Fund Recovery Competition (CFRC) grant (funding from the American Recovery and Reinvestment Act of 2009) that were awarded in previous years, subject to the following criteria. You may not apply for FY 2010 HOPE VI Revitalization funds for units in that project that were funded by the HOPE VI Revitalization or CFRC grant that was awarded in previous years, even if those funds are/were inadequate to pay the costs to revitalize or replace all of the targeted units. For example, if a project has 700 units and you were awarded a HOPE VI Revitalization grant to address 300 of those units, you may submit an FY 2010 HOPE VI Revitalization application to revitalize the remaining 400 units. You may **not** apply for FY 2010 HOPE VI Revitalization funds to supplement work on the original 300 units. If you request funds to revitalize/replace the units not funded by the HOPE VI Revitalization grant or CFRC grant that was awarded previously, you must provide a listing of which units were funded by the previous grant and which units are being proposed for funding under the FY 2010 HOPE VI Revitalization grant application. **You must discuss compliance with this threshold in your narrative. If you need to provide a listing of units as described above, this may be done in the attachments section (see Section IV.B).** If you request funds to revitalize units or buildings that have been funded by a HOPE VI Revitalization grant or CFRC grant that was awarded previously, your application will not be considered for funding.

(b) You may not request FY 2010 HOPE VI Revitalization grant funds for units currently under construction or already completed as of the application deadline, in accordance with the section IV(E), Funding Restrictions. **You must demonstrate compliance with this threshold in your narrative.**

(8) **Separability.** In accordance with section 24(j)(2)(A)(v) of the 1937 Act, if you propose to target only a portion of a project for revitalization, in your narrative you must: (1) Demonstrate to HUD's satisfaction that the severely distressed public housing is sufficiently separable from the remainder of the project, of which the building is a part, to make use of the building feasible for revitalization. Separations may include a road, berm, catch basin, or other recognized neighborhood distinction; and (2) Demonstrate that the site plan and building designs of the revitalized portion will provide defensible space for the occupants of the revitalized building(s) and that the properties that remain will not have a negative influence on the revitalized buildings(s), either physically or socially. You must demonstrate compliance with this threshold in your narrative. If you do not propose to target only a portion of a project for revitalization, you may indicate, "n/a," for not applicable, in your narrative.

(9) **Default.** Existing HOPE VI Revitalization Grantees that are in default of the HOPE VI Revitalization grant agreement as of the application deadline date are not eligible for funding under this NOFA. A grantee is in default if it has received a letter from HUD indicating its default status and has not resolved the issues to HUD's satisfaction.

(10) **Dun and Bradstreet Data Universal Numbering System (DUNS) Number Requirement.** This threshold is hereby incorporated from the General Section (Section III.C.2.b.).

(11) **Resolution of Outstanding Civil Rights Matters.** This threshold is hereby incorporated from the General Section (Section III.C.2.d.).

(12) **Delinquent Federal Debts.** This threshold is hereby incorporated from the General Section (Section III.C.2.g.).

(13) **Debarment and Suspension.** This threshold is hereby incorporated from the General Section (Section III.C.2.e.).

(14) **Affirmatively Furthering Fair Housing (AFFH).**

(a) Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act in its housing and urban development programs. Accordingly, HUD requires recipients of HUD funds, including those awarded and announced under HUD's FY 2010 funding notices not specifically exempted, to take affirmative steps to further fair housing. In order for your application to meet the AFFH threshold requirement of this NOFA, the following criteria must be met:

(i) Your application must discuss how you are going to carry out your proposed activities in a manner that affirmatively furthers fair housing.

(ii) Your application must indicate the impediments to fair housing choice that are identified in the "Analysis of Impediments to Fair Housing Choice" (AI) produced by the state and/or local government(s) in which your program activities occur, the effects of those impediments, and any other impediments in housing or urban development activities relevant to your application. Note: State and local governments are required to certify to affirmatively furthering fair housing as a condition of receipt of certain HUD funds. This certification includes an AI, a copy of which must be made available for inspection by the public. (See, for example, HUD regulations at 24 C.F.R. §§ 91.5; 91.225(a)(1); 91.325(a)(1)).

(iii) Your proposed activities must address at least one of the following objectives: (A) help overcome any impediments to fair housing choice related to the assisted program or activity itself; (B) promote racially, ethnically, and socioeconomically diverse communities; or (C) promote housing-related opportunities that overcome the effects of past discrimination because of race, color, national origin, religion, sex, disability, and familial status.



(b) For programs, such as HOPE VI Revitalization, that focus on new construction/rehabilitation of housing and social services, examples of activities that affirmatively further fair housing include, but are not limited to, those that:

- (i) Integrate housing development with access to effective schools, job training, child care, financial services, health care services, social services or public transportation;
- (ii) Increase economic and racial and ethnic diversity within the neighborhood;
- (iii) Provide existing residents with the choice to remain in their current neighborhood or pursue housing choices in areas of greater racial, ethnic and income or diversity and in areas that provide improved housing opportunities;
- (iv) Ensure that housing is sited in a manner to enhance racial or ethnic diversity;
- (v) Ensure that housing units are affordable to persons of low, very-low-and moderate-income;
- (vi) Ensure that buildings and housing units are accessible and visitable by persons with disabilities; and
- (vii) Ensure that existing residents relocated to facilitate construction are afforded preference or first right of refusal for the new units.

(15) **Site Selection (Site and Neighborhood Standards).** You must provide a narrative in your application that explains how you will ensure compliance with the Site Selection (Site and Neighborhood Standards) described in Section III.C.3.o of this NOFA.

(16) **Public Housing Replacement Requirement.** HUD believes that there should be a reasonable number of replacement public housing for public housing units that are demolished and/or disposed of. For purposes of the NOFA, a public housing unit is considered to be one of the following: public housing rental, public housing/LIHTC rental, public housing/other rental, affordable lease/purchase homeownership with HOPE VI and/or public housing funds, affordable fee simple homeownership with HOPE VI and/or public housing funds, second mortgage only with HOPE VI and/or PH funds, and operating subsidy only units. Project-based voucher units will not be counted for this threshold since that is section 8 funding, not public housing funding. Applicants should be sure to calculate their TDC/Grant Limitation (Attachment 9) using these unit types. Attachment 9 (including item 6(c)) should be consistent with Attachment 4 (“Proposed Unit Mix Post-Revitalization”), and Attachment 5 (“Application Data Form: Units, Accessibility, and Concentration”) of the application. Applicants must demonstrate in their application that they meet this threshold requirement. Specifically, the application must demonstrate that, if funded, the applicant will build a minimum number of public housing units that is equivalent to the total grant amount (minus the amount of grant funds the applicant is requesting for CSS) divided by the applicable average Total Development Cost (TDC) limit per unit. MTW agencies that have alternate TDC limits must describe this in their narrative. The calculation must be done without any adjustments for demolition costs or extraordinary site costs.

For example, if an applicant requests a total grant amount of \$10,000,000 and \$500,000 in grant funds will be used for CSS, then the applicant would subtract \$500,000 from \$10,000,000 to get \$9,500,000. If the average TDC limit per unit is \$100,000, then the applicant would divide \$9,500,000 by \$100,000 to get a total of 95 public housing units that the PHA must build, as a minimum, if awarded the HOPE VI Revitalization grant. For this threshold, to calculate the average TDC limit per unit, take the TDC limit, unadjusted (this is item 6(d) of Attachment 9) and divide by the total unit count from item 6(c) of Attachment 9, (this number should be equal to the total number of units in the following categories from Attachment 5:

public housing rental, public housing/LIHTC rental, public housing/other rental, affordable lease/purchase homeownership with HOPE VI and/or public housing funds, and affordable fee simple homeownership with HOPE VI and/or public housing funds and second mortgage only with HOPE VI and/or PH funds), and operating subsidy only units. This will provide the average TDC limit per unit. (Note: The methodology described in this threshold requirement, including its reference to TDC, is to be used only for purposes of this threshold requirement; it does not alter the statutory basis of TDC).

**3. Program Requirements.** This Section III.C.3 contains HOPE VI program requirements, administrative and national policy requirements, and other program priorities. Applicants **MUST** review this section and ensure they comply with the requirements, as relevant.

**a. Demolition.**

(1) You may not carry out nor permit others to carry out the demolition of the targeted project or any portion of the project until HUD approves, in writing, one of the following ((a) – (c)), and until HUD has also: (i) approved a Request for Release of Funds submitted in accordance with 24 CFR part 58, or (ii) if HUD performs an environmental review under 24 CFR part 50, has approved the property for demolition, in writing, following its environmental review:

(a) Information regarding demolition in your HOPE VI Revitalization Application, along with Supplemental Submissions requested by HUD after the award of the grant. Section 24(g) of the 1937 Act provides that severely distressed public housing that is demolished pursuant to a revitalization plan is not required to be approved through a demolition application under section 18 of the 1937 Act or regulations at 24 CFR part 970. If you do not receive a HOPE VI Revitalization grant, the information in your application will not be used to process a request for demolition;

(b) A demolition application under section 18 of the 1937 Act. While a section 18 approval is not required for HOPE VI related demolition, you will not have to wait for demolition approval through your supplemental submissions, as described in section (a) above; or

(c) A section 202 Mandatory Conversion Plan, in compliance with regulations at 24 CFR part 971 and other applicable HUD requirements, if the project is subject to Mandatory Conversion (section 202 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, Pub. L. 104-134, approved April 26, 1996). A Mandatory Conversion Plan concerns the removal of a public housing project from a PHA's inventory.

**b. Development.**

(1) For any standard (non-mixed finance) public housing development activity (whether on-site reconstruction or off-site development), you must obtain HUD approval of a standard development proposal submitted under 24 CFR part 941 (or successor part).

(2) For mixed-finance housing development, you must obtain HUD approval of a mixed finance proposal, submitted under 24 CFR part 941, subpart F (or successor part and subpart).

(3) For new construction of community facilities primarily intended to facilitate the delivery of community and supportive services for residents of the project and residents of off-site replacement housing, you must comply with 24 CFR part 941 (or successor part). Information required for this activity must be included in either a standard or mixed finance development proposal, as applicable.

**c. Disposition.**

(1) Disposition of a severely distressed public housing site, by sale or lease, in whole or in part, may be done in accordance with section 18 of the 1937 Act and implementing regulations at 24 CFR part 970.

(2) The Grantee will comply with the provisions of section 18 of the 1937 Act, 24 CFR part 970, as may be modified or amended from time to time, and the provisions of its approved disposition application (the approved "Disposition Application"), unless otherwise modified in writing by HUD. The Grantee will also comply with procedures for processing dispositions associated with mixed-finance projects as set forth by HUD.

(3) A lease of one year or more that is not incident to the normal operation of a development is considered to be a disposition that is subject to section 18 of the 1937 Act.

**d. Homeownership.**

(1) For homeownership replacement units developed under a revitalization plan, you must obtain HUD approval of a homeownership proposal. Your homeownership proposal must conform to either:

(a) Section 24(d)(1)(J) of the 1937 Act; or

(b) Section 32 of the 1937 Act (see 24 CFR part 906). Additional information on this option may be found at [www.hud.gov/offices/pih/centers/sac/homeownership](http://www.hud.gov/offices/pih/centers/sac/homeownership).

(2) The homeownership proposal must be consistent with the Section 8 Area Median Income (AMI) limitations (80 percent of AMI) and any other applicable provisions under the 1937 Act. (HUD publishes AMI tables for each family size in each locality annually. The income limit tables can be found at <http://www.huduser.org/datasets/il/il06/index.html>.)

**e. Acquisition.**

(1) Acquisition Proposal. Before you undertake any acquisition activities with HOPE VI or other public housing funds, you must obtain HUD approval of an acquisition proposal that meets the requirements of 24 CFR 941.303.

(2) Rental Units. For acquisition of rental units in existing or new apartment buildings, single family subdivisions, etc., with or without rehabilitation, for use as public housing replacement units, you must obtain HUD approval of a Development Proposal in accordance with 24 CFR 941.304 (conventional development) or 24 CFR 941.606 (mixed-finance development).

(3) Land for Off-Site Replacement Units. For acquisition of land for public housing or homeownership development, you must comply with 24 CFR part 941 or successor part.

(4) Land for Economic Development-Related Activities.

(a) Acquisition of land for this purpose is eligible only if the economic development-related activities specifically promote the economic self-sufficiency of residents.

(b) Limited infrastructure and site improvements associated with developing retail, commercial, or office facilities, such as rough grading and bringing utilities to (but not on) the site, are eligible activities with prior HUD approval.

(c) Grant funds may **not** be used to pay hard development costs or to buy equipment for retail, commercial, or office facilities.

f. **Access to Services.** For both on-site and any off-site units, your overall Revitalization plan must result in increased access to municipal services, jobs, mentoring opportunities, transportation, and educational facilities; i.e., the physical plan and self-sufficiency strategy must be well-integrated and strong linkages must be established with the appropriate federal, state, and local agencies, nonprofit organizations, and the private sector to achieve such access.

**g. Building Standards.** As indicated in HUD's FY2010-2015 Strategic Plan (i.e., Goal 3 and Goal 4) and the General Section, sustainability is a policy priority of the Department. Recognizing the fundamental role that HUD's investments play in defining the physical form of communities and quality of life for residents, HUD encourages its grantees to help communities embrace a more sustainable future. To HUD, sustainability means, among other things (as indicated in the General Section), that the land that we build on is clean or will be clean and the buildings we invest in are energy efficient and healthy. HUD encourages activities that actively promote sustainability through energy-efficient, environmentally-friendly, healthy design, including elements of visitability and universal design.

(1) Building Codes. All activities that include construction, rehabilitation, lead-based paint removal, and related activities must meet or exceed local building codes. You are encouraged to visit HUD's website on Accessibility Analysis of Model Building Codes at <http://www.hud.gov/offices/fheo/disabilities/modelcodes/>. All new construction and substantial rehabilitation developments must also comply with Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR part 8, the Fair Housing Act, Title II of the Americans with Disabilities Act and the Architecture Barriers Act. You are encouraged to read the "Report of HUD Review of the Fair Housing Accessibility Requirements in the 2006 International Building Code," published by the International Code Council (ICC), which can be accessed from the webpage above, along with other valuable information on model codes and fair housing accessibility guidelines.

(2) Deconstruction. HUD encourages you to design programs that incorporate sustainable construction and demolition practices, such as the dismantling or "deconstruction" of public housing units, recycling of demolition debris, and reusing of salvage materials in new construction. "A Guide to Deconstruction: An Overview of Destruction with a Focus on Community Development Opportunities" can be found at <http://www.huduser.org/publications/destech/decon.html>.

(3) Energy Efficiency and Green Building Standards. HUD is encouraging grantees to take specific energy-saving actions in furtherance of HUD's Strategic Plan and its Energy Action Plan described in the August 2006 Report to Congress entitled: "Promoting Energy Efficiency at HUD in a Time of Change," submitted under section 154 of the Energy Policy Act of 2005 (Pub. L. 109-58). (A copy of the report can be obtained at <http://www.huduser.org/publications/destech/energyefficiency.html>.) HUD's wide-ranging Energy Action Plan for improving energy efficiency in all program areas can be found at <http://www.hud.gov/energy/energyactionplan.pdf>.

(a) New construction or rehabilitation must comply with the International Energy Conservation Code (IECC) 2006, or in the case of multifamily high rises, ASHRAE Standard 90.1-2004, or applicable successor codes.

(b) HUD encourages you to set higher standards, where cost effective, for energy and water efficiency in HOPE VI new construction, which can achieve utility savings of 30 to 50 percent with minimal extra cost.

(c) HUD also encourages the utilization of recognized green rating programs for new construction or substantial rehabilitation, including such programs as Enterprise Green Communities Criteria; the National Association of Home Builders (NAHB) Green Building Guidelines; Leadership in Energy and Environmental Design (LEED) for Homes (for single family) or LEED New Construction (for multifamily); or Earthcraft in the design and construction of their project.

(d) Applicants constructing, rehabilitating, or maintaining housing or community facilities are encouraged to promote and adopt energy efficiency in design and operations. They

are urged especially to purchase and use Energy Star-labeled products. Applicants providing housing assistance or counseling services are encouraged to promote and adopt Energy Star building by homebuyers and renters. Program activities can include developing Energy Star promotional and information materials, outreach to low- and moderate-income renters and buyers on the benefits and savings when using Energy Star products and appliances, and promoting the designation of community buildings and homes as Energy Star-compliant. For further information about Energy Star, see <http://www.energystar.gov> or call 888-STAR-YES (888-782-7937), or, for the hearing-impaired, call 888-588-9920 TTY.

(e) You are encouraged to negotiate with your local utility company to obtain a lower rate. Utility rates and tax laws vary widely throughout the country. In some areas, PHAs are exempt or partially exempt from utility rate taxes. Some PHAs have paid unnecessarily high utility rates because they were billed at an incorrect rate classification.

(f) Local utility companies may be able to provide grant funds to assist in energy efficiency activities. States may also have programs that will assist in energy efficient building techniques.

(g) You must use new technologies that will conserve energy and decrease operating costs, where cost effective. Examples of such technologies include:

- (i) Geothermal heating and cooling;
- (ii) Placement of buildings and size of eaves that take advantage of the directions of the sun throughout the year;
- (iii) Photovoltaics (technologies that convert light into electrical power);
- (iv) Extra insulation;
- (v) Smart windows;
- (vi) Energy Star appliances;
- (vii) Concentrated solar power;
- (viii) Right sized and efficient HVAC and other systems; and
- (ix) Demand side management applications (e.g. “smart meters”).

(4) Universal Design. In addition to any applicable required accessibility feature under Section 504 of the Rehabilitation Act of 1973 or the design and construction requirements of the Fair Housing Act, the Department encourages applicants to incorporate the principles of universal design when developing housing, community facilities, and electronic communication mechanisms, or when communicating with community residents at public meetings or events. Universal design is the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design. The intent of universal design is to simplify life for everyone by making products, communications, and the built environment more usable by as many people as possible at little or no extra cost to the user. A universal design benefits people of all ages and abilities. Examples include designing wider doorways, installing levers instead of doorknobs, and putting bathtub/shower grab bars in all units. Computers and telephones can also be set up in ways that enable as many residents as possible to use them. HUD believes that to address affordable housing needs effectively, it is necessary to provide affordable housing that is accessible to all regardless of ability or age. Likewise, creating places where people work, train, and interact that are usable and open to all residents increases opportunities for economic and personal self-sufficiency. More information on universal design is available at <http://www.universaldesign.org/> and from the Center for Universal Design at <http://www.design.ncsu.edu/cud/> or the Resource Center on Accessible Housing and Universal Design at

<http://www.abledata.com/abledata.cfm?pageid=113573&top=16029&sectionid=19326>. The Department has a publication that contains a number of ideas about how the principles of Universal Design can benefit persons with disabilities. To order a copy of Strategies for Providing Accessibility and Visitability for HOPE VI and Mixed Finance Homeownership, go to the publications and resource page of the HOPE VI website at <http://www.huduser.org/portal/publications/pubasst/strategies.html>. More information about visitability is available at (<http://www.visitability.org/>).”

(5) Lead-Based Paint. You must comply with lead-based paint evaluation and reduction requirements in pre-1978 housing as provided for under the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et seq.). You also must comply with regulations at 24 CFR part 35, 24 CFR 965.701, and 24 CFR 968.110(k), and the EPA’s renovation, repair, and painting (RRP) rule in 40 CFR 745 (see <http://www.epa.gov/lead/pubs/renovation.htm>), as they may be amended or revised from time to time. Unless otherwise provided, you will be responsible for lead-based paint evaluation and reduction activities. The National Lead Information Hotline is (800) 424-5323.

#### **h. Requirements and Services for Persons with Disabilities.**

(1) Accessibility Requirements. HOPE VI developments are subject to the accessibility requirements contained in several federal laws, as listed under the Building Standards section above. All applicable laws must be read together and followed. PIH Notice 2006-13, available at <http://www.hud.gov/offices/adm/hudclips/notices/pih/06pihnotices.cfm>, and subsequent updates or successor notices, provide an overview of all pertinent laws and implementing regulations pertaining to HOPE VI. All HOPE VI multifamily housing projects, whether they involve new construction or rehabilitation, are subject to the section 504 accessibility requirements described in 24 CFR part 8. HUD applies the Uniform Federal Accessibility Standards (UFAS) through its regulations under part 8. See, in particular, 24 CFR 8.20-8.24. In addition, under the Fair Housing Act, all new construction of covered multifamily dwellings must contain certain features of accessible and adaptable design. Covered multifamily dwellings means all dwellings consisting of four or more dwelling units if such buildings have one or more elevators, and ground floor units in other buildings consisting of four or more dwelling units. The relevant accessibility requirements are provided on HUD’s Fair Housing and Equal Opportunity (FHEO) website at [http://portal.hud.gov/portal/page/portal/HUD/program\\_offices/fair\\_housing\\_equal\\_opp](http://portal.hud.gov/portal/page/portal/HUD/program_offices/fair_housing_equal_opp).

(2) Fair housing and other civil rights authorities that pertain to persons with disabilities include, but are not limited to those indicated in the Building Standards section above.

(3) Accessible Technology. Section III.C.5.f of the General Section, concerning Accessible Technology, is hereby incorporated.

**i. Federal Labor Standards.** Federal labor standards are applicable to HOPE VI grants. These labor standards involve the payment of not less than prevailing wage rates, and may include overtime requirements (premium pay for hours worked over 40 in a workweek), and recordkeeping and reporting requirements.

(1) Davis-Bacon wage requirements apply to the development of any public housing rental units or homeownership units developed with HOPE VI grant funds. The PHA must obtain the appropriate Davis-Bacon wage decision, which sets forth the minimum wage rates that may be paid to construction laborers and mechanics. This wage decision and provisions requiring compliance with federal labor standards must be included in any bid specifications and construction contracts. Development work undertaken directly by the PHA, with its own employees, is also subject to Davis-Bacon wage requirements.

(2) HUD-determined wage rates are applicable to all maintenance laborers and mechanics engaged in the operation of revitalized housing.

(3) Exclusions. Under Section 12(b) of the 1937 Act, prevailing wage requirements do not apply to individuals who:

(a) Perform services for which they volunteered;

(b) Do not receive compensation for those services or are paid expenses, reasonable benefits, or a nominal fee for the services; and

(c) Are not otherwise employed in the work involved (24 CFR Part 70).

(4) If other federal programs are used in connection with HOPE VI activities, federal labor standards requirements apply to the extent required by the other federal programs on portion of the project that are not subject to Section 12 of the 1937 Act.

**j. Operation and Management Principles and Policies, and Management Agreement.**

HOPE VI Revitalization grantees will be required to develop Management Agreements that describe their operation and management principles and policies for their public housing units. You and your procured property manager, if applicable, must comply (to the extent required) with the provisions of 24 CFR part 966 in planning for the implementation of the operation and management principles and policies described below.

(a) Rewarding work and promoting family stability by promoting positive incentives such as income disregards and ceiling rents;

(b) Instituting a system of local preferences adopted in response to local housing needs and priorities, e. g., preferences for victims of domestic violence, residency preferences, working families, and disaster victims. Note that local preferences for public housing must comply with Fair Housing requirements at 24 CFR 960.206;

(c) Encouraging self-sufficiency by including lease requirements that promote involvement in the resident association, performance of community service, participation in self-sufficiency activities, and transitioning from public housing;

(d) Implementing site-based waiting lists that follow project-based management principles for the redeveloped public housing. Note that site-based waiting lists for public housing must comply with Fair Housing requirements at 24 CFR 903.7(b)(2);

(e) Instituting strict applicant screening requirements such as credit checks, references, home visits, and criminal records checks;

(f) Strictly enforcing lease and eviction provisions;

(g) Improving the safety and security of residents through the implementation of defensible space principles and the installation of physical security systems such as surveillance equipment, control engineering systems, etc.;

(h) Enhancing ongoing efforts to eliminate drugs and crime from neighborhoods through collaborative efforts with federal, state, and local crime prevention programs and entities.

**k. Non-Fungibility for Moving To Work (MTW) PHAs.** Funds awarded under this NOFA are not fungible under MTW agreements and must be accounted for separately, in accordance with the HOPE VI Revitalization grant Agreement, the requirements in OMB Circulars A-87, “Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments;” A-133, “Audits of States, Local Governments, and Non-Profit Organizations;” the regulations 24 CFR part 85, “Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Government” and generally accepted accounting principles (GAAP).

**l. Resident and Community Involvement.**

(1) General. You are required to involve the affected public housing residents, state and local governments, private service providers, financing agencies, and developers in the planning process, proposed implementation, and management of your revitalization plan. This involvement must be continuous from the beginning of the planning process through the implementation and management of the grant, if awarded.

(2) Resident Training Session. You must conduct at least one training session for residents of the severely distressed project on the HOPE VI development process. HUD does not prescribe the content of this meeting.

(3) Public Meetings.

(a) You must conduct at least three public meetings with residents and the broader community, in order to involve them in a meaningful way in the process of developing the revitalization plan and preparing the application. One of these meetings must have taken place at the beginning of the planning process.

(b) These three public meetings must take place on **different days** from each other and from the resident training session.

(c) During these three meetings, you must address the issues listed below (i.e., all issues need not be addressed at each meeting):

(i) The HOPE VI planning and implementation process;

(ii) The proposed physical plan, including site and unit design, and whether the unit design is in compliance with Fair Housing Act and Uniform Federal Accessibility Standards (UFAS) standards;

(iii) The extent of proposed demolition;

(iv) Planned community and supportive service activities;

(v) Other proposed revitalization activities;

(vi) Relocation issues, including relocation planning, mobility counseling, relocation benefits, and maintaining the HOPE VI community planning process during the demolition and reconstruction phases, where temporary relocation, i.e., relocation for a reasonable period (less than one year), is involved;

(vii) Reoccupancy plans and policies, including site-based waiting lists and return priority; and

(viii) Economic Opportunities for Low- and Very Low-Income Persons, including efforts by the recipient, in accordance with Section 3 of the Housing and Urban Development Act of 1968 (Section 3) to ensure, to the greatest extent feasible, that training, employment, and other economic opportunities (including contracting) 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. See the Section 3 regulations at 24 CFR Part 135.

(4) Physical Accessibility. All training sessions and meetings must be held in facilities 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 disabilities in the most integrated setting appropriate in accordance with HUD's implementing regulations for Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and its implementing regulations at 24 CFR Part 8. In addition, all notices of and communications during all training sessions and public meetings shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities or provide other means of accommodation for



persons with disabilities consistent with Section 504 of the Rehabilitation Act of 1973 and HUD's Section 504 regulations. See 24 CFR. Section 8.6.

(5) Limited English Proficiency. Successful applicants must take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964. This may mean providing language assistance services to ensure meaningful resident involvement for persons with LEP as a result of their nationality. The Department published *Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons* (72 Fed. Reg. 2732; January 22, 2007) to assist recipients of HUD assistance in identifying language assistance needs and developing language assistance plans.

(6) Allowable Time Period for Training and Meetings.

(a) At least one public meeting, which included representation from both the affected public housing residents and the community, must have been held at the beginning of the revitalization planning period;

(b) At least one training session must have been held after the publication date of this NOFA; and

(c) A minimum of two more public meetings must have been held after the publication date of this NOFA.

(d) The above minimum number of training sessions and meetings is required to meet the Resident Involvement threshold in section III.C.2. of this NOFA. Additional meetings and training sessions will be counted in the rating factors toward demonstration of continual inclusion of the residents and community.

#### **m. CSS Program Requirements**

(1) Term Period. CSS programs and services must last for the life of the grant and must be carefully planned so that they will be sustainable after the HOPE VI grant period ends.

(2) Allowed Funding Mechanisms:

(a) Maximum CSS grant amount. Consistent with sections 24(d)(1)(L) and 24(j)(3) of the 1937 Act, you may use up to 15 percent of the total HOPE VI grant to pay the costs of CSS activities. See section III.B.1. of this NOFA for CSS grant matching requirements. You may spend additional sums on CSS activities using donations; other HUD funds made available for that purpose; and other federal, state, local, PHA, or private-sector donations (leverage).

(b) CSS Endowment Trust. Consistent with section 24(d)(2) of the 1937 Act, you may deposit up to 15 percent of your HOPE VI grant (the maximum amount of the award allowable for CSS activities) into an endowment trust to provide CSS activities. In order to establish an endowment trust, you must first execute with HUD a HOPE VI Endowment Trust Addendum to the grant agreement. When reviewing your request to set up an endowment trust, HUD will take into consideration your ability to pay for current CSS activities with HOPE VI or other funds and the projected long-term sustainability of the endowment trust to carry out those activities.

(3) CSS Team and Partners.

(a) The term "CSS Team" refers to PHA staff members and any consultants who will have the responsibility to design, implement, and manage your CSS program.

(b) The term "CSS Partners" refers to the agencies and organizations that you will work with to provide supportive services for residents. A partner could be a local service organization such as a Boys or Girls Club that donates its building and staff to the program, or an agency such

as the local Temporary Assistance for Needy Families (TANF) agency that works with you to ensure that their services are coordinated and comprehensive.

(c) Partner Agreements. There are several relationships that you may have with your partners including subgrant agreements, contracts, memoranda of understanding (MOUs), memoranda of agreement (MOAs), and/or informal relationships.

(4) Tracking and Case Management. If selected, the grantee is responsible for tracking and providing CSS programs and services to residents currently living on the targeted public housing site and residents already relocated from the site. It is imperative that case management services begin immediately upon award so that residents who will be relocated have time to participate in and benefit from CSS activities before leaving the site, and that residents who have already been relocated are able to participate in and benefit from CSS activities.

(5) CSS Strategy and Objectives Requirements

(a) Transition to Housing Self-Sufficiency. One of HUD's major priorities is to assist public housing residents in their efforts to become financially self-sufficient and less dependent on direct government housing assistance. Your CSS program must include a well-defined, measurable endeavor that will enable public housing residents to transition to other affordable housing programs and to regular market housing. Family Self-Sufficiency (FSS) and CSS activities that are designed to increase education and income levels are considered a part of this endeavor.

(b) Neighborhood Networks. All FY2010 Revitalization grantees will be required as part of their Revitalization Plan to establish a Neighborhood Networks Center (NNC) and to promote the inclusion of infrastructure that permits unit-based access to broadband Internet connectivity in all new and replacement public housing units. The Neighborhood Networks program provides residents with on-site access to computer and training resources that create knowledge and experience with computers and the Internet as tools to increase access to CSS, job training, and the job market. Grantees may use HOPE VI funds to establish NNCs and to provide unit-based broadband Internet connectivity. More information on the requirements of the NNC program is available on the Neighborhood Networks website at <http://www.hud.gov/offices/hsg/mfh/nnw/aboutphnn.cfm>. There will not be a separate FY2010-funded NOFA for HOPE VI Neighborhood Networks programs.

(c) Quantifiable Goals. The objectives of your CSS program must be results-oriented, with quantifiable goals and outcomes that can be used to measure progress and make changes in activities as necessary.

(d) Appropriate Scale and Type.

(i) CSS activities must be of an appropriate scale, type, and variety to meet the needs of **all** residents (including adults, seniors, youth ages 16 to 21, and children) of the severely distressed project, including residents remaining on-site, residents who will relocate permanently to other PHA units or HCV-assisted housing, residents who will relocate temporarily during the construction phase, and new residents of the revitalized units.

(ii) Non-public housing residents may also participate in CSS activities, as long as the primary participants in the activities are residents as described in section (i) above.

(e) Coordination.

(i) CSS activities must be consistent with state and local welfare reform requirements and goals.

(ii) Your CSS activities must be coordinated with the efforts of other service providers in your locality, including nonprofit organizations, educational institutions, and state and local programs.

(iii) CSS activities must be well-integrated with the physical development process, both in terms of timing and the provision of facilities to house on-site service and educational activities.

(f) Your CSS program must provide appropriate community and supportive services to residents prior to any relocation.

**n. CSS Partnerships and Resources.** The following are examples of the kinds of organizations and agencies (local, state, and federal) that can provide you with resources necessary to carry out and sustain your CSS activities.

(1) Local Boards of Education, public libraries, local community colleges, institutions of higher learning, nonprofit or for-profit educational institutions, and public/private mentoring programs that will lead to new or improved educational facilities and improved educational achievement of young people in the revitalized development, from birth through higher education.

(2) Temporary Assistance for Needy Families (TANF) agencies/welfare departments for TANF and non-TANF in-kind services, and non-TANF cash donations, e.g., donation of TANF agency staff time.

(3) Job development organizations that link private sector or nonprofit employers with low-income prospective employees.

(4) Workforce Development Agencies.

(5) Organizations that provide residents with job readiness and retention training and support.

(6) Economic development agencies such as the Small Business Administration, which provide entrepreneurial training and small business development centers.

(7) National corporations, local businesses, and other large institutions such as hospitals that can commit to provide entry-level jobs. Employers may agree to train residents or commit to hire residents after they complete jobs preparedness or training programs that are provided by you, other partners, or the employer itself.

(8) Programs that integrate employment training, education, and counseling, and where creative partnerships with local boards of education, state charter schools, TANF agencies, foundations, and private funding sources have been or could be established.

(9) Sources of capital such as foundations, banks, credit unions, and charitable, fraternal, and business organizations.

(10) Nonprofit organizations.

(11) Civil rights and fair housing organizations.

(12) Local area agencies on aging.

(13) Local agencies and organizations serving persons with disabilities.

(14) Grassroots faith-based and other community-based organizations. HUD encourages you to partner or subgrant with nonprofit organizations, including grassroots faith-based and other community-based organizations, to provide CSS activities. See HUD's Center for Faith-Based and Community Initiatives website at [www.hud.gov/offices/fbci/index.cfm](http://www.hud.gov/offices/fbci/index.cfm).

(15) Federal agencies and their community and supportive service-related programs, including youth-related programs and health-related programs. For example, many federal agencies have youth-related programs such as the Department of Justice's Weed and Seed

program; the Department of Agriculture's 4-H program; the Department of Labor's Youthbuild program; and programs within the Department of Health and Human Services. Findyouthinfo.gov is a federal website that provides interactive tools and other resources to help organizations plan, implement, and participate in effective programs for youth, including information on the Positive Youth Development approach, afterschool programs, etc. Another example is the With Every Heart Beat is Life initiative, which is part of the National Heart, Lung, and Blood Institute's (NHLBI's) Educational Resources to Address Health Disparities initiative (<http://www.nhlbi.nih.gov/health/healthdisp/index.htm>).

**o. Site Selection (Site and Neighborhood Standards).**

(1) Site and Neighborhood Standards for Replacement Housing. You must comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, and implementing regulations thereunder (including 24 CFR 1.4(b)(3) and 24 CFR 941.202). In determining the location of any replacement housing, you must comply with either the site and neighborhood standards regulations at 24 CFR 941.202 (b)-(d) or with the standards outlined in this NOFA. Because the objective of the HOPE VI program is to alleviate distressed conditions at the development and in the surrounding neighborhood, replacement housing under HOPE VI must be located on the site of the existing development, in its surrounding neighborhood, and/or outside of the surrounding neighborhood (see (e) below). The term "surrounding neighborhood" means the neighborhood within a 3-mile radius of the site of the existing development.

(a) HOPE VI Goals Related to Site and Neighborhood Standards. You are expected to ensure that your revitalization plan will expand assisted housing opportunities outside low-income areas and areas of minority concentration and will accomplish substantial revitalization in the project and its surrounding neighborhood. You are also expected to ensure that eligible households of all races and ethnic groups will have equal and meaningful access to the housing.

(b) Objectives in Selecting HUD-Assisted Sites. The fundamental goal of HUD's fair housing policy is to make full and free housing choice a reality. Housing choice requires that all households may choose the type of neighborhood where they wish to reside; that minority neighborhoods are no longer deprived of essential public and private resources; and that stable, racially mixed neighborhoods are available as a meaningful choice for all. To make full and free housing choice a reality, sites for HUD-assisted housing investment should be selected so as to advance two complementary goals:

(i) Expand assisted housing opportunities in non-minority neighborhoods, opening up choices throughout the metropolitan area for all assisted households; and

(ii) Reinvest in minority neighborhoods, improving the quality and affordability of housing there to represent a real choice for assisted households.

(c) Nondiscrimination and Equal Opportunity Requirements. In determining the location of any replacement housing, you must comply with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and implementing regulations.

(d) Replacement housing located on-site or in the surrounding neighborhood. HUD will consider the scope and impact of the proposed revitalization to alleviate severely distressed conditions at the targeted public housing project and its surrounding neighborhood, in assessing the application to be funded under this NOFA.

(e) Off-Site Replacement Housing Located Outside the Surrounding Neighborhood. Unless you demonstrate that there are already significant opportunities in the metropolitan area for assisted households to choose non-minority neighborhoods (or that these opportunities are under development), HOPE VI replacement housing not covered by section (d) above may not

be located in an area of minority concentration (as defined in paragraph (f) below) without the prior approval of HUD. Such approval may be granted if you demonstrate to the satisfaction of HUD that:

- (i) You have made determined and good faith efforts, and found it impossible with the resources available, to acquire an appropriate site(s) in an area not of minority concentration; or
- (ii) The replacement housing, taking into consideration both the CSS activities or other revitalizing activities included in the revitalization plan, and any other revitalization activities in operation or firmly planned, will contribute to the stabilization or improvement of the neighborhood in which it is located, by addressing any serious deficiencies in services, safety, economic opportunity, educational opportunity, and housing stock.

(f) Area of Minority Concentration. The term "area of minority concentration" is any neighborhood in which:

- (i) The neighborhood's percentage of persons in a particular racial or ethnic minority is at least 20 percentage points higher than the percentage of that particular racial or ethnic group in the housing market area; i.e., the Metropolitan Statistical Area (MSA) in which the proposed housing is to be located;
- (ii) The neighborhood's total percentage of minority persons is at least 20 percentage points higher than the total percentage of all minorities for the MSA as a whole; or
- (iii) In the case of a metropolitan area, the neighborhood's total percentage of minority persons exceeds 50 percent of its population.

#### **p. Relocation Requirements**

(1) Requirements.

(a) You must carry out relocation activities in compliance with a relocation plan that conforms to the following statutory and regulatory requirements, as applicable:

(i) Relocation or temporary relocation carried out as a result of **rehabilitation** under an approved revitalization plan is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), the URA regulations at 49 CFR part 24, and regulations at 24 CFR 968.108 or successor part.

(ii) Relocation carried out as a result of **acquisition** under an approved revitalization plan is subject to the URA and regulations at 24 CFR 941.207 or successor part.

(iii) Relocation carried out as a result of **disposition** under an approved revitalization plan is subject to section 18 of the 1937 Act, as amended.

(iv) Relocation carried out as a result of **demolition** under an approved revitalization plan is subject to the URA regulations at 49 CFR part 24.

(b) You must ensure that each person required to relocate as a result of revitalization activities under your revitalization plan is relocated to suitable, accessible, decent, safe and sanitary housing. Pursuant to URA regulations, any person (including individuals, partnerships, corporations, or associations) who moves from real property or moves personal property from real property as a direct result of (1) a written notice to acquire real property, in whole or in part, or (2) the acquisition of the real property, in whole or in part, for a HUD-assisted activity, may qualify as a displaced person entitled to relocation assistance. For more information, consult the acquisition policies and procedures and the relocation requirements of the URA, the implementing government-wide regulation at 49 CFR part 24 and HUD Handbook 1378. These relocation requirements cover any person who moves permanently from real property or moves personal property from real property directly because of acquisition, rehabilitation, or demolition for an activity undertaken with HUD assistance.

(2) Relocation Plan. Each applicant must complete a HOPE VI Relocation plan, in accordance with the requirements stated in section III.C.2. of this NOFA.

(a) The HOPE VI Relocation plan is intended to ensure that PHAs adhere to the URA and that all residents who have been or will be temporarily or permanently relocated from the site are provided with CSS activities such as mobility counseling and direct assistance in locating housing. Your HOPE VI Relocation plan must serve to minimize permanent displacement of current residents of the public housing site who **wish to remain in or return to** the revitalized community. Your HOPE VI Relocation plan must also furnish alternative permanent housing for current residents of the public housing site who **do not** wish to remain in or return to the revitalized community. Your CSS program must provide for the delivery of community and supportive services to residents prior to any relocation, temporary or permanent.

(b) You are encouraged to involve HUD-approved housing counseling agencies, including faith-based, nonprofit, and other organizations, and individuals in the community to which relocatees choose to move, in order to ease the transition and minimize the impact on the neighborhood. HUD will view favorably innovative programs such as community mentors, support groups, and the like.

(c) If applicable, you are encouraged to work with surrounding jurisdictions to assure a smooth transition if residents choose to move from your jurisdiction to the surrounding area.

**q. Design.** HUD is seeking excellence in design. You must carefully select your architects and planners, and enlist local affiliates of national architectural and planning organizations such as the American Institute of Architects, the American Society of Landscape Architects, the American Planning Association, the Congress for the New Urbanism, and the department of architecture at a local college or university to assist you in assessing qualifications of design professionals or in participating on a selection panel that results in the procurement of excellent design services. You should select a design team that is committed to a process in which residents, including young people and seniors, the broader community, and other stakeholders participate in designing the new community.

Your proposed site plan, new units, and other buildings must be designed to be compatible with and enrich the surrounding neighborhood. Local architecture and design elements and amenities should be incorporated into the new or rehabilitated homes so that the revitalized sites and structures will blend into the broader community and appeal to the market segments for which they are intended. Housing, community facilities, and economic development space must be well integrated. You must select members of your team who have the ability to meet these requirements.

**r. Internet Access.** You must have access to the Internet and provide HUD with email addresses of key staff and contact people.

**s. Non-Public Housing Funding for Non-Public Housing or Replacement Units.** Public housing funds may only be used to develop Replacement Housing. You may not use public housing funds, which include HOPE VI funds, to develop retail or commercial space, economic development space, or housing units that are not Replacement Housing, as defined in this NOFA.

**t. Market-Rate Housing and Economic Development.** If you include market-rate housing, affordable homeownership, economic development, or retail structures in your revitalization plan, such proposals must be supported by a market assessment from an independent third party, credentialed market research firm, or professional. This assessment should describe its assessment of the demand and associated pricing structure for the proposed market-rate housing,

affordable homeownership, economic development or retail structures, based on the market and economic conditions of the project area.

**u. Eminent Domain and Public Use.** Title IV, Section 409 of the Consolidated Appropriations Act, 2010 (Pub.L 111-117, approved December 16, 2009) under which this NOFA is funded, prohibits any use of these funds “to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is used only for a public use.” The term “public use” is expressly stated not “to include economic development that primarily benefits private entities.” Accordingly, applications under this NOFA may not propose mixed-use projects in which housing is complemented appreciably with commercial facilities (i.e., economic development), if eminent domain is used for the site.

**v. Cost Control Standards.**

(1) Your hard development costs must be realistically developed through the use of technically competent methodologies, including cost estimating services, and should be comparable to industry standards for the kind of construction to be performed in the proposed geographic area.

(2) Your cost estimates must represent an economically viable preliminary plan for designing, planning, and carrying out your proposed activities, in accordance with local costs of labor, materials, and services.

(3) Your projected soft costs must be reasonable and comparable to industry standards. Upon award, soft costs will be subject to HUD's "Safe Harbor" cost control standards. For rental units, these safe harbors provide specific limitations on such costs as developer's fees (between 9 and 12 percent), PHA administration/consultant cost (no more than 3 to 6 percent of the total project budget), contractor's fee (6 percent), overhead (2 percent), and general conditions (6 percent). HUD's Cost Control and Safe Harbor Standards can be found on HUD's HOPE VI website.

(4) If you are eligible for funding, HUD will delete any unallowable items from your budget and may reduce your grant accordingly.

**w. Timeliness of Development Activity.** Grantees must proceed in a timely manner, as indicated by the timeframes below. Grantees should also refer to section IV.E, Funding Restrictions, for the required expenditure date for FY 2010 HOPE VI grant funds, which is **September 30, 2016**. The timeframes below apply to applicant's ENTIRE Revitalization Plan (see Definitions), including ALL phases, unit types, and activities whether or not they are funded by HOPE VI grant dollars.

(1) Grantees must submit Supplemental Submissions within 90 calendar days (weekends and holidays ARE NOT excluded) from the date of HUD's written request.

(2) Grantees must submit CSS work plans within 90 calendar days (weekends and holidays ARE NOT excluded) from grant agreement execution.

(3) Grantees must submit the development proposal (i.e., whether mixed-finance development, homeownership development, etc.) for the first phase of construction within 12 months of grant agreement execution (**not the date of grant award**). The program schedule must indicate the date on which the development proposal for EACH PHASE of the revitalization plan will be submitted to HUD. As noted above, all phases of the Revitalization Plan must be included in the program schedule, even if a development proposal is not required to be submitted to HUD.

(4) The closing of the first phase must take place within 15 months of grant **agreement execution** (not grant award). For this purpose, “closing” means all financial and legal

arrangements have been executed and actual activities (construction, etc.) are ready to commence.

(5) Grantees must start construction within 12 months from the date of HUD's approval of the Supplemental Submissions, as requested by HUD. This time period may not exceed 18 months from the date the grant agreement is executed.

(6) Grantees must complete construction within 48 months from the date of HUD's approval of your Supplemental Submissions. This time period for completion may not exceed 54 months from the date the grant agreement is executed.

(7) If awarded grant funds, all other required components of the revitalization plan and any other submissions not mentioned above must be submitted in accordance with the Quarterly Report Administrative and Compliance Checkpoints Report, as approved by HUD.

**x. HOPE VI Endowment Trust Addendum to the Grant Agreement.** This document must be executed between the grantee and HUD in order for the grantee to use CSS funds in accordance with this NOFA.

**y. Revitalization Plan Post Award.** The HOPE VI Revitalization Plan consists of a series of documents and submissions, including your HOPE VI Revitalization grant application, which are reviewed and approved by HUD to govern the revitalization of the Development under this Grant Agreement. After HUD conducts a post-award review of your application and makes a visit to the site, you will be required to submit other documents and information as needed to complete your revitalization plan, as provided in the HOPE VI Revitalization Grant Agreement. These components include, but are not limited to:

- (a) Supplemental Submissions, including a HOPE VI Program Budget;
- (b) A Community and Supportive Services work plan, in accordance with guidance provided by HUD;
- (c) A standard or mixed-finance development proposal, as applicable;
- (d) A demolition and disposition application, as applicable; and
- (e) A homeownership proposal, as applicable.

**z. Providing Full and Equal Access to Grassroots Faith-Based and Other Community-Based Organizations in HUD Program Implementation.** This requirement is hereby incorporated from Section III.C. of the General Section.

**aa. Number of Units in Revitalization Plan.** The number of units that you plan to develop in your Revitalization Plan should reflect your need for replacement units, the need for other affordable units, and the market demand for market units, along with financial feasibility. The number of planned new construction public housing units may not result in a net increase from the number of public housing units owned, assisted, or operated by the PHA on October 1, 1999, including any public housing units demolished as part of any revitalization effort. The total number of units to be developed in the Revitalization Plan may be less than, or more than, the original number of public housing units in the targeted public housing project. HUD will review requests to revitalize projects with small numbers of units on an equal basis with those with large numbers of units.

**bb. Environmental Requirements.**

(1) HUD Approval. HUD notification that you have been selected to receive a HOPE VI grant constitutes only preliminary approval. Grant funds may not be released under this NOFA (except for activities that are excluded from environmental review under 24 CFR part 58 or part 50) until the responsible entity, as defined in 24 CFR 58.2(a)(7), completes an environmental review and you submit and obtain both HUD approval of a request for release of funds and the



responsible entity's environmental certification, in accordance with 24 CFR part 58 (or HUD has completed an environmental review under 24 CFR part 50, where HUD has determined to conduct the environmental review).

(2) Responsibility. If you are selected for funding and an environmental review has not been conducted on the targeted site, the responsible entity must assume the environmental review responsibilities for projects being funded by HOPE VI. If you object to the responsible entity conducting the environmental review, on the basis of performance, timing, or compatibility of objectives, HUD will review the facts and determine who will perform the environmental review. At any time, HUD may reject the use of a responsible entity to conduct the environmental review in a particular case on the basis of performance, timing, or compatibility of objectives, or in accordance with 24 CFR 58.77(d)(1). If a responsible entity objects to performing an environmental review, or if HUD determines that the responsible entity should not perform the environmental review, HUD may designate another responsible entity to conduct the review or may itself conduct the environmental review in accordance with the provisions of 24 CFR part 50. You must provide any documentation to the responsible entity (or HUD, where applicable) that is needed to perform the environmental review.

(3) Phase I and Phase II Environmental Site Assessments. If you are selected for funding, you must have a Phase I environmental site assessment completed in accordance with the ASTM Standards E 1527-05, as amended, for each affected site. A Phase I assessment is required whether the environmental review is completed under 24 CFR part 50 or 24 CFR part 58. The results of the Phase I assessment must be included in the documents that must be provided to the responsible entity (or HUD) for the environmental review. If the Phase I assessment recognizes environmental concerns or if the results are inconclusive, a Phase II environmental site assessment will be required.

(4) Request for Release of Funds. You, and any participant in the development process, may not undertake any actions with respect to the project that are choice-limiting or could have environmentally adverse effects, including demolishing, acquiring, rehabilitating, converting, leasing, repairing, or constructing property proposed to be assisted under this NOFA, and you, and any participant in the development process, may not commit or expend HUD or local funds for these activities, until HUD has approved a Request for Release of Funds following a responsible entity's environmental review under 24 CFR part 58, or until HUD has completed an environmental review and given approval for the action under 24 CFR part 50. In addition, you must carry out any mitigating/remedial measures required by the responsible entity (or HUD). If a remediation plan, where required, is not approved by HUD and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

(5) If the environmental review is completed before HUD approval of the HOPE VI Supplemental Submissions and you have submitted your Request for Release of Funds (RROF), the supplemental submissions approval letter shall state any conditions, modifications, prohibitions, etc., required as a result of the environmental review, including the need for any further environmental review. You must carry out any mitigating/remedial measures required by HUD, or select an alternate eligible property, if permitted by HUD. If HUD does not approve the remediation plan and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

(6) If the environmental review is not completed and you have not submitted the RROF before HUD approval of the supplemental submissions, the letter approving the supplemental submissions will instruct you and any participant in the revitalization process to refrain from undertaking, obligating, or expending HUD or non-HUD funds on physical activities or other choice-limiting actions until HUD approves your RROF and the related certification of the responsible entity (or HUD has completed the environmental review). The supplemental submissions approval letter also will advise you that the approved supplemental submissions may be modified on the basis of the results of the environmental review.

(7) There must not be any open issues or uncertainties related to environmental issues, public policy factors (such as sewer moratoriums), proper zoning, availability of all necessary utilities, or clouds on title that would preclude development in the requested locality. You will certify to these facts when signing the HOPE VI Revitalization Grant Application Certifications.

(8) HUD's environmental website is located at <http://www.hud.gov/offices/cpd/environment/index.cfm>.

**cc. Match Donations and Leverage Resources – Post Award.** After award, during review of grantee mixed-finance, development, or homeownership proposals, HUD will evaluate the nature of Match and Leverage resources to assess the conditions precedent to the availability of the funds to the grantee. HUD will assess the availability of the participating party(ies)'s financing, the amount and source of financing committed to the proposal by the participating party(ies), and the firm commitment of those funds. HUD may require an opinion of the PHA's and the owner entity's counsel (or other party designated by HUD) attesting that counsel has examined the availability of the participating party's financing, and the amount and source of financing committed to the proposal by the participating party(ies), and has determined that such financing has been firmly committed by the participating party(ies) for use in carrying out the proposal, and that such commitment is in the amount required under the terms of the proposal.

**dd. Evidence of Use.** Grantees will be required to show evidence that matching resources were actually received and used for their intended purposes through quarterly reports as the project proceeds. Sources of matching funds may be substituted after grant award, as long as the dollar requirement is met.

**ee. Grantee Enforcement.** Grantees must pursue and enforce any commitment (including commitments for services) obtained from any public or private entity for any contribution or commitment to the project or surrounding area that was part of the match amount.

**ff. LOCCS Requirements.** The grantee must record all obligations and expenditures in LOCCS.

**gg. Final Audit.** Grantees are required to obtain a complete final closeout audit of the grant's financial statements by a certified public accountant, in accordance with generally accepted government audit standards. A written report of the audit must be forwarded to HUD within 60 days of issuance. Grant recipients must comply with the requirements of 24 CFR part 84 or 24 CFR part 85, as stated in OMB Circulars A-110, A-87, and A-122, as applicable.

**hh. General Section References.** The following subsections of section III.C.4 of the General Section are hereby incorporated by reference and must be followed:

- (1) Pre-Award Accounting System Surveys. (III.C.4.a);
- (2) Name Check Review. (III.C.4.b);
- (3) False Statements. (III.C.4.c);
- (4) Compliance with Fair Housing and Civil Rights Laws. (III.C.5.a).

- (5) Executive Order 13166, “Improving Access to Services for Persons With Limited English Proficiency (LEP)” (III.C.5.c);
- (6) Economic Opportunities for Low- and Very Low-Income Persons (section 3) (III.C.5.d);
- (7) Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Women-Owned Businesses (III.C.5.e);
- (8) Executive Order 13279, “Equal Protection of the Laws for Faith-Based and Community Organizations” (III.C.5.g);
- (9) Real Property Acquisition and Relocation (III.C.5.h);
- (10) Conducting Business in Accordance with Core Values and Ethical Standards/Code of Conduct (III.C.5.i);
- (11) Prohibition Against Lobbying Activities. (Section III.C.5.j);
- (12) Procurement of Recovered Materials (III.C.5.k);
- (13) Participation in HUD-Sponsored Program Evaluation (III.C.5.l);
- (14) Salary Limitation for Consultants (III.C.5.m);
- (15) OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs (III.C.5.n);
- (16) Environmental Requirements (III.C.5.o);
- (17) Drug-Free Workplace (III.C.5.p);
- (18) Conflicts of Interest (III.C.5.q);
- (19) Safeguarding Resident/Client Files (III.C.5.r);
- (20) Executive Order, “Intergovernmental Review of Federal Programs.” (III.C.5.s);
- (21) Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282) (Transparency Act) (III.C.5.t); and
- (22) Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), hereafter referred to as “Section 872.” (III.C.5.u).

**jj. Program Requirements that Apply to Match.** See Section III.B.1.

**kk. Program Requirements that Apply to Match and Leverage.** Applicants must follow these requirements in compiling and documenting their match and leverage resources for purposes of the NOFA. **Otherwise, it may not be possible for HUD to count the commitment at the level claimed.**

(1) You must actively enlist other stakeholders who are vested in and can provide significant financial assistance to your revitalization effort, both for match and leverage.

(2) **Types of Resources.** HUD seeks to fund mixed-finance developments that use HOPE VI funds to match funds requested and leverage the maximum amount of other funds, particularly from private sources, that will result in revitalized public housing, other types of assisted and market-rate housing, and private retail and economic development. There are four types of resources: Development, CSS, Anticipatory, and Collateral. Development and CSS match and leverage are program requirements. Anticipatory and Collateral leverage are included only in the Leverage rating factor, but follow the requirements below for purposes of scoring.

(3) **General Requirements.** These general requirements apply to all match and leverage resource commitments.

(a) **Firmly Committed.**

(i) All resources for match and leverage must be firmly committed as of the application deadline date. “Firmly committed” means that the amount of the resource and its dedication to HOPE VI Revitalization activities must be explicit, in writing, and signed by a person authorized

to make the commitment (e.g., the PHA's Executive Director cannot commit the funds of another agency, organization or government body (unless the applicant can demonstrate otherwise in the application)).

(ii) Examples of language that shows firm commitment: "X Agency commits to providing Y..." and "X Agency will provide..."

(iii) Examples of language that does NOT show firm commitment: "X Agency is interested in providing Y resource...", "X Agency will give strong consideration to providing Y resource...", "X Agency commits funds subject to their availability from the city/state...", "X Agency commits funds subject to their approval of ABC application/resolution/other process...", and "This document does not constitute a binding commitment..."

(b) Endorsements or general letters of support from organizations or vendors alone **will not** count as resources and should not be included in the application or on a Resources Summary Form.

(c) **Content.** Commitment letters must detail the dollar amount and term of the commitment. Otherwise, it may not be possible for HUD to count the commitment at the level claimed.

(i) If a commitment letter is for more than one resource/amount (and in the case of CSS, the derivation/calculation), they should be indicated individually in the letter rather than in one lump sum.

(ii) An example of a good physical development commitment: "X Agency commits to providing \$1,000,000 in funds for infrastructure over the life of the FY 2010 HOPE VI Revitalization grant for ABC public housing development."

(iii) In the case of CSS resources, commitment letters or the application must indicate how the dollar amount of the resource commitment was derived/calculated (e.g., the cost of the service multiplied by the quantity/frequency of the service multiplied by the number of residents to receive that service). Resource commitment documents that simply give a dollar figure for proposed services will not be counted. An example of a good CSS commitment: "X Agency commits to providing a total of \$4,500 to the residents of ABC public housing development for its FY 2010 HOPE VI Revitalization grant. This total amount covers 15 job readiness workshops over five years, at a cost of \$300 per workshop, benefiting an estimated 200 residents total." Another example is: "W Agency will provide after school programming to X number of youth from ABC development. The cost of this service is \$Y per day per youth, multiplied by the number of youth, multiplied by the number of days per year the service will be provided, multiplied by the number of years. This calculation results in a total commitment of \$W." If an agency commits in the same letter to providing, for example, both a job readiness workshop and an afterschool program, both derivations/calculations should be present in the letter.

(d) **Signature.** Resource commitments must be written and be signed by a person authorized to make the commitment. For example, the PHA's Executive Director cannot commit the funds of another agency, organization or government body (unless the applicant can demonstrate otherwise in the application).

(e) **Dating.** Match and leverage commitment letters must represent valid and accurate commitments. By including them in the application, the applicant is certifying that they are valid and accurate. Commitment letters must indicate that the commitments are for the FY 2010 HOPE VI Revitalization application round or must be dated after the FY 2010 NOFA publication date. If it is not possible for the resource provider to provide a commitment letter that indicates the commitment is for the FY 2010 HOPE VI Revitalization application round or to provide a

commitment letter dated after the FY 2010 NOFA publication date, then the PHA's Executive Director must provide a cover letter to the commitment letter in question that does address these criteria.

(f) **Letterhead.** Commitment letters must be on letterhead or they will not be accepted.

(g) If the commitment document for any match or leverage funds/in-kind services is not included in the application and provided before the NOFA deadline date, the related match or leverage will not be considered.

(h) The PHA's staff time and benefits are not an eligible match or leverage resource.

(i) Resource commitments may only be counted once.

(j) It is important to note that certain OMB circulars are applicable, and particular attention should be given to the provisions concerning the use of federal funds for matching requirements. See Sections III.B.1 for information on these OMB circulars and administrative requirements.

(k) **Resource Commitments & Choice Neighborhoods Application.** If you are applying for both a FY 2010 HOPE VI Revitalization grant and a FY 2010 Choice Neighborhoods grant (Planning or Implementation), you cannot use the same resource commitment(s) for both applications.

(4) **Development Resources.**

(a) **Types of Development Resources.** Types of Development Resources may include but are not limited to:

(i) Loans and Debt. This includes private mortgage-secured loans, insured loans and other debt.

(A) Where there is both a construction loan and a permanent take-out loan that will replace that construction loan, you must provide documentation of both, but only the value of the permanent loan will be counted.

(B) For rental housing, HUD will accept a commitment where you have obtained a construction loan but not a permanent loan. In such cases, the value of the construction loan will be counted. However, HUD will NOT accept a commitment where you have obtained a construction loan but not a permanent loan and where you plan to pay that construction loan off with tax credit equity or with HOPE VI or other public housing funds.

(C) Your application or commitment letters should include each loan's interest rate and expected term maturity. Otherwise, it may not be possible for HUD to count the commitment at the level claimed.

(D) For privately financed homeownership, acceptable documentation of construction loans only will be considered. Permanent financing will not be counted as a development resource.

(ii) Bonds. This includes tax-exempt bonds and private activity revenue bonds. Your application should include the dollar amount, a description of the use and term, and how the bonds will be repaid. Otherwise, it may not be possible for HUD to count the commitment at the level claimed. HUD will NOT accept a bond commitment where you plan to pay that bond off with HOPE VI or other public housing funds. If you have documentation of funding that will repay the bond, this will be counted instead of the bond.

(iii) Low-Income Housing Tax Credits (LIHTC).

(A) Low-Income Tax Credits are authorized by section 42 of the IRS Code, which allows investors to receive a credit against federal tax owed in return for providing funds to developers

to help build or renovate housing that will be rented only to lower-income households, for a minimum period of 15 years.

(B) There are two types of tax credits, both of which are available over a 10-year period: a 9 percent credit on construction/rehab costs, and a 4 percent credit on acquisition costs and all development costs financed partially with below-market federal loans (e.g., tax-exempt bonds). Tax credits are generally reserved annually through State Housing Finance Agencies, a directory of which can be found at <http://www.ncsha.org/>.

(C) Only LIHTC commitments that have been secured as of the application deadline date will be considered for match/leverage scoring under this NOFA. LIHTC commitments that are not secured (i.e., documentation in the application does not demonstrate they have been reserved by the state or local housing finance agency) will not be counted for match/leverage scoring. Only tax credits that have been reserved specifically for revitalization performed through this NOFA will be counted.

(D) If you propose to include LIHTC equity as a development resource for **any** phase of development, your application must include a LIHTC **reservation** letter from your state or local housing finance agency in order to have the tax credit amounts counted in match/leverage scoring. **This letter must constitute a firm commitment and can only be conditioned on the receipt of the HOPE VI grant.** HUD acknowledges that, depending on the housing finance agency, documentation for 4 percent tax credits may be represented in the form of a tax-exempt bond award letter. Accordingly, it will be accepted for match/leverage scoring purposes under this NOFA if you demonstrate that this is the only available evidence of 4 percent tax credits, and assuming that this documentation clearly indicates that tax-exempt bonds have been committed to the project.

(E) Other resource commitments that are contingent on the receipt of tax credits that have not yet been secured **cannot** be counted.

(iv) Donations and contributions of funds and in-kind services.

(v) Sale of Land and Buildings. Cash proceeds realized as of the application deadline date from the sale of land and/or buildings may be included as a resource. Absent a sales transaction, the value of land may not be counted. HUD will not count the value of public housing land absent a sales transaction.

(vi) Donations of Land and Buildings. Donations of land and/or buildings may be counted as a resource, only if the donating entity owns the land/buildings to be donated. Donating entities may include a city, county/parish, church, community organization, etc. The application must include documentation of this ownership, and the donation of land, signed by the appropriate authorizing official. The dollar amount attributed to the donated land and/or buildings should have been verified through an appraisal by an independent, state-certified appraiser, or other appropriate means, the documentation of which should be kept in the applicant's records.

(vii) Housing trust funds.

(viii) Program income from previous HOPE VI or other public housing projects. Program income must be already earned; projected program income will not be counted.

(ix) Waived government fees. The value of fees for services/activities necessary to the revitalization effort may be counted if they have been waived by the authorizing government entity.

(x) Developer fees. Projected developer fees to be waived or put back into the project will not be counted.

(xi) Lines of credit may be counted, but only if the application evidences that there is a permanent source of funding backing it up. The application should demonstrate the issuer and beneficiary, the amount of the total line of credit, the amount the applicant expects to use, relevant terms and conditions of the line of credit.

(xii) Homeownership down payments from homebuyers will *not* be counted. Down payment assistance may be counted as a physical development resource if it is provided by a third-party entity not related to the homebuyer.

(xiv) Funds committed to build private sector housing in direct connection with the HOPE VI Revitalization plan may be counted.

(xv) Tax Increment Financing (TIF). A TIF will only be considered for match/leverage scoring under this NOFA if, as documented in a letter from the unit of local government responsible for approving the TIF: the TIF district has been formally created; the unit of local government responsible for approving the TIF has issued an approval (as of the application deadline) allowing the TIF to benefit the HOPE VI project; and the letter includes an estimate of the amount of resources anticipated to be generated by the TIF in relation to the HOPE VI.

(xvi) Other Public Housing Funds. Other Public Housing funding sources may be used in your proposal subject to the following criteria. Other Public Housing Funds include HOPE VI Demolition funds, HOPE VI Neighborhood Networks funds, HOPE VI Main Street funds, Capital Fund program funds, Replacement Housing Factor funds, reserves (legally available for use in the HOPE VI project), and proposals to use operating subsidy for debt service. **For Match:** Other Public Housing Funds may be counted for match **EXCEPT FOR** the HOPE VI program funds (HOPE VI Revitalization, HOPE VI Demolition, HOPE VI Neighborhood Networks, and HOPE VI Main Street), which may not be used for match. **For Leverage:** Other Public Housing Funds listed above, INCLUDING the HOPE VI program funds (EXCEPT FOR HOPE VI Revitalization program funds), will be considered in accordance with the criteria in the Anticipatory leverage rating factor. Other Public Housing Funds will NOT be counted for points under CSS, Development, and Collateral leverage.

(xvii) Other Federal Funds. Other federal sources may be counted and may include non-public housing funds provided by HUD, as well as funds from other federal agencies provided the funds are permitted to be used as for match/leverage by the statute or regulation governing the funds, in accordance with Section III.B.

(b) **Sources of Development Resources.** Sources of Development Resources may include, but are not limited to:

- (i) Public, private, and nonprofit entities, including LIHTC purchasers;
- (ii) State and local housing finance agencies;
- (iii) Local governments;
- (iv) The city's housing and redevelopment agency or other comparable agency. HUD will consider this to be a separate entity with which you are partnering if your PHA is also a redevelopment agency or otherwise has citywide responsibilities.

(v) Community Development Block Grant (CDBG) funds. More information about the CDBG program can be found at [www.hud.gov/offices/cpd/index.cfm](http://www.hud.gov/offices/cpd/index.cfm).

(vi) HOME Investment Partnership program. HOME funds may be used for the development of units assisted with HOPE VI funds, but they may not be used for housing assisted with public housing capital funds under section 9(d) of the 1937 Act. Information about the HOME program can be found at [www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm](http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm).

- (vii) Foundations;
- (viii) Government Sponsored Enterprises such as the Federal Home Loan Bank, Fannie Mae, and Freddie Mac;
- (ix) HUD and other federal agencies;
- (x) Financial institutions, banks, or insurers; and
- (xi) Other private funders.

(5) **Community and Supportive Services Resources.**

(a) **General.** HUD seeks to fund mixed-finance developments that use HOPE VI funds to leverage the maximum amount of other resources to support CSS activities in order to ensure the successful transformation of the lives of residents and the sustainability of the revitalized public housing development. Match and leveraging of HOPE VI CSS funds with other funds and services is critical to the sustainability of CSS activities so that they will continue after the HOPE VI funds have been expended. Commitments of funding or in-kind services related to the provision of CSS activities may be counted as CSS resources and toward match and the calculation of CSS leverage, in accordance with the requirements below.

(i) **CSS leverage and match**, include **only** funds/in-kind services that will be **NEWLY GENERATED** for the FY 2010 HOPE VI Revitalization grant activities and residents. Commitments by service providers to continue services they already provide will not be counted. However, if an existing service provider significantly increases the level of services provided at the targeted site, the **increased amount of funds** may be counted, except for TANF cash benefits. HUD will not count any funds that have already been provided on a routine basis, such as TANF cash benefits and in-kind services that have been supporting ongoing CSS-type activities.

(ii) Existing and newly generated TANF cash benefits will not count.

(iii) Newly generated non-cash services provided by TANF agencies **will** count.

(iv) Even though an in-kind CSS contribution may count as a resource, it may not be appropriate to include on the sources and uses attachment. Each source on the sources and uses attachment must be matched by a specific and appropriate use. For example, donations of staff time may not be used to offset costs for infrastructure.

(v) Note that wages projected to be paid to residents through jobs or projected benefits (e.g., health/insurance/retirement benefits) related to projected resources to be provided by CSS partners may not be counted.

(vi) Resources must be for CSS purposes and be directly applicable to the revitalization of the targeted public housing project and the transformation of the lives of residents of the targeted public housing project. Resources that are committed to individuals other than the residents of the targeted public housing development (e.g., the surrounding community in general) cannot be counted.

(b) **Types of Community and Supportive Services Resources.** Types of Community and Supportive Services resources may include, but are not limited to the following. All must be related to the CSS activities of the proposed HOPE VI Revitalization grant.

(i) Materials;

(ii) The value of a building or space in a building donated for CSS purposes;

(iii) The value of a lease on a building or space in a building donated for CSS purposes;

(iv) Other infrastructure for CSS purposes;

(v) Time and services contributed by volunteers;

(vi) Staff salaries and benefits of service providers (PHA staff time may not be counted);



(vii) Supplies;

(viii) The value of supportive services provided by a partner agency, in accordance with the eligible CSS activities described in section III.C.1.

(c) **Sources of Community and Supportive Services Resources.** In order to achieve quantifiable self-sufficiency results, you must form partnerships with organizations that are skilled in the delivery of services to residents of public housing and that can provide commitments of resources to support those services. You must actively enlist as partners other stakeholders who are vested in and can provide commitments of funds and in-kind services for the CSS portion of your revitalization effort. See Section III.C.3.1. for examples of the kinds of organizations and agencies that can provide you with resources necessary to carry out and sustain your CSS activities.

## **II. Conflict of Interest in Grant Activities**

(1) Prohibition. In addition to the conflict-of-interest requirements in 24 CFR part 85, no person who is an employee, agent, consultant, officer, or elected or appointed official of a grantee and who exercises or has exercised any functions or responsibilities with respect to activities assisted under a HOPE VI grant, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

(2) HUD-Approved Exception.

(a) Standard. HUD may grant an exception to the prohibition above on a case-by-case basis when it determines that such an exception will serve to further the purposes of HOPE VI and its effective and efficient administration.

(b) Procedure. HUD will consider granting an exception only after the grantee has provided a disclosure of the nature of the conflict, accompanied by:

(i) An assurance that there has been public disclosure of the conflict;

(ii) A description of how the public disclosure was made; and

(iii) An opinion of the grantee's attorney that the interest for which the exception is sought does not violate state or local laws.

(c) Consideration of Relevant Factors. In determining whether to grant a requested exception as discussed, HUD will consider the cumulative effect of the following factors, where applicable:

(i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the Revitalization plan and demolition activities that would otherwise not be available;

(ii) Whether an opportunity was provided for open competitive bidding or negotiation;

(iii) Whether the person affected is a member of a group or class intended to be the beneficiaries of the Revitalization plan and Demolition plan, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or from the decision-making process, with respect to the specific activity in question;

(v) Whether the interest or benefit was present before the affected person was in a position as described in section (iii) above;

(vi) Whether undue hardship will result either to the grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vii) Any other relevant considerations.

**mm. Flood Insurance.** In accordance with the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), your application may not propose to provide financial assistance for acquisition or construction (including rehabilitation) of properties located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(1) The community in which the area is situated is participating in the National Flood Insurance program (see 44 CFR parts 59 through 79), or less than one year has passed since FEMA notification regarding such hazards; and

(2) Where the community is participating in the National Flood Insurance Program, flood insurance is obtained as a condition of execution of a grant agreement.

**nn. Coastal Barrier Resources Act.** In accordance with the Coastal Barrier Resources Act (16 U.S.C. 3501), your application may not target properties in the Coastal Barrier Resources System.

**oo. OMB Circulars and Administrative Requirements.** You must comply with the following administrative requirements related to the expenditure of federal funds. OMB circulars can be found at [www.whitehouse.gov/omb/circulars/index.html](http://www.whitehouse.gov/omb/circulars/index.html). Copies of the OMB circulars may be obtained from EOP Publications, Room 2200, New Executive Office Building, Washington, DC 20503; telephone (202) 395-7332 (this is not a toll-free number). The Code of Federal Regulations can be found at [www.gpoaccess.gov/cfr/index.html](http://www.gpoaccess.gov/cfr/index.html).

(1) Administrative requirements applicable to PHAs are:

(a) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments), as modified by 24 CFR 941 or successor part, subpart F, relating to the procurement of partners in mixed-finance developments.

(b) OMB Circular A-87 (2 CFR Part 225) (Cost Principles for State, Local, and Indian Tribal Governments); and

(c) 24 CFR 85.26 (audit requirements).

(2) Administrative requirements applicable to nonprofit organizations are:

(a) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations);

(b) OMB Circular A-122 (Cost Principles for Nonprofit Organizations); and

(c) 24 CFR 84.26 (audit requirements).

(3) Administrative requirements applicable to for profit organizations are:

(a) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations);

(b) 48 CFR part 31 (contract cost principles and procedures); and

(c) 24 CFR 84.26 (audit requirements).

#### **IV. Application, Submission and Timely Receipt Information.**

Applications under this NOFA must be received electronically through the Federal website Grants.gov, unless a waiver of this requirement is granted in accordance with the instructions below. The procedures for electronic submission of applications published in HUD's General Section which was posted to Grants.gov on June 7, 2010, followed by a notice of web availability on Grants.gov published in the Federal Register (FR-5415-N-07). Regarding electronic submission of the application, applicants must follow the instructions in this NOFA and in the June 7, 2010 General Section (as indicated in this NOFA), unless a waiver for good cause (e.g., the applicant does not have internet access) in accordance with HUD's waiver policy of 24 CFR 5.1005, to the electronic application requirements is approved by HUD. Applicants

requesting a waiver should submit their waiver requests in writing using e-mail or fax. Waiver requests must contain in the subject line, the name of the applicant and the subject Request for Waiver to Electronic Application for HOPE VI Revitalization. The request must be submitted no later than 15 days prior to the application deadline date and must be submitted to: Ms. Leigh van Rij, at [leigh\\_e.\\_van\\_rij@hud.gov](mailto:leigh_e._van_rij@hud.gov) or fax (202) 401-2370 (this is not a toll-free number). The mailing address is: Office of Public Housing Investments, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4130, Washington, DC 20410-5000; fax (202) 401-2370 (these are not toll-free numbers). If an applicant is granted a waiver of the electronic submission, approval notice will provide instructions for submission.

Applicants **MUST** follow the directions and guidance provided in this NOFA, which incorporates relevant criteria from the General Section, section IV. **Applicants MUST follow the directions and guidance provided in these sections from Section IV of the General Section, unless otherwise noted in this HOPE VI Revitalization NOFA.**

**A. Addresses to Request Application Package.** This section describes how applicants may obtain application forms and request technical assistance. The published NOFA and application forms are made available at Grants.gov at the following website:

[http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp).

#### 1. Technical Assistance and Resources for Electronic Grant Applications

a. **Grants.gov Customer Support.** Grants.gov provides customer support information on its website at <http://www.grants.gov/contactus/contactus.jsp>. Applicants having difficulty accessing the application and instructions or having technical problems can receive customer support from Grants.gov by calling 800-518-GRANTS (this is a toll-free number) or by sending an email to [support@grants.gov](mailto:support@grants.gov). **The customer support center is open twenty-four hours a day, seven days per week, except federal holidays.** The customer service representatives will assist applicants in accessing the information and addressing technology issues, including accessibility problems, in accordance with Section 508 of the Rehabilitation Act (See paragraph 4(h), Accessible Technology). Applicants should ask for a Grants.gov call center ticket number if not provided one by the call center customer service representative. In case of issues, HUD relies on the call center ticket logs as part of the review of records.

b. **HUD's NOFA Information Center.** Applicants that do not have Internet access and need to obtain a copy of a NOFA can contact HUD's NOFA Information Center toll-free at (800) HUD-8929. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at (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.

c. **HUD Staff.** HUD staff will be available to provide you with general guidance and technical assistance about this notice or about individual program NOFAs. However, HUD staff is not permitted to help prepare your application. Following selection of applicants, but before announcement of awards, HUD staff is available to assist in clarifying or confirming information that is a prerequisite to the offer of an award or Annual Contributions Contract (ACC) by HUD. If you have program-related questions, follow the instructions in Section VII of this NOFA entitled "Agency Contact(s)." If you have difficulty in submitting your application, please first contact the Grants.gov Help Desk. The Grants.gov Help Desk can be reached by calling 800-518-GRANTS or emailing [Support@Grants.gov](mailto:Support@Grants.gov). HUD recommends calling the Help Desk rather than emailing, because determining the basis for the problem may take some conversation with the Grants.gov Support Customer Service Representative. Grants.gov can try to assist you

in overcoming technology obstacles, but can only provide assistance with 24 to 48 hours advance notice so it has resources and time to diagnose the problems. Applicants are reminded to retain any Grants.gov Help Desk ticket number(s).

**B. Content and Form of Application Submission.** The following sections from Section IV.B of the General Section are hereby incorporated, as indicated by their title. HUD's FY2010 applications use Adobe Reader. **NOTE: Applicants should also note that Adobe has put out a new version of Adobe Reader compatible with Grants.gov. This version is 9.3.2.**

**Applicants must use this version.**

- 1. Use of Adobe Forms Application Packages.**
- 2. Instructions on How to Register for Electronic Application Submission.**
- 3. Key Terms Used as Part of the Registration Process.**
- 4. Instructions on Completing the Registration Process for New Applicants or Applicants Updating or Renewing Registration.**
- 5. Instructions on How to Download an Application Package and Application Instructions.**
- 6. Instructions on How to Complete the Selected Grant Application Package**
- 7. Steps to Take Before You Submit Your Application.**
- 8. HOPE VI-specific Application and Submission Information.** Applicants must follow the instructions below on content and form of the application submission. These criteria apply to all HOPE VI Revitalization grant applicants and applications, unless otherwise noted.

**a. Application Layout.**

- (1) Double-space your narrative pages. **Single-spaced pages will be counted as two pages;**
- (2) Use 8½ x 11-inch paper.
- (3) All margins should be approximately one inch. If any margin is smaller than ½ inch, the page will be counted as two pages;
- (4) Use 12-point, Times New Roman font;
- (5) Any pages marked as sub-pages (e.g., with numbers and letters such as 75A, 75B, 75C), will be treated as separate pages;
- (6) If a section is not applicable, indicate "N/A" so that there is a clear indication to HUD (do not just leave the section blank);
- (7) Mark each Exhibit and Attachment with the appropriate tab/title page, as listed below. No material on the tab/title page will be considered for review purposes;
- (8) No more than one page of text may be placed on one sheet of paper; i.e., you may not shrink pages to get two or more on a page. Shrunken pages, or pages where a minimized/reduced font are used, will be counted as multiple pages;
- (9) Do not format your narrative in columns. Pages with text in columns will be counted as two pages;
- (10) Any tables included in the narrative sections of the application must also be double spaced or they will be counted twice.
- (11) Narrative pages must be numbered. HUD recommends that applicants consecutively number the pages of the Attachments section to ensure proper assembly of their application if submitted.

**b. Application Page Count.** These criteria apply to all applicants.

- (1) Narrative Exhibits.
  - (a) The first part of your application will be comprised of narrative exhibits. Your narratives will respond to each rating factor in the NOFA and will also respond to threshold

requirements. Among other things, your narratives must describe your overall planning activities, including, but not limited to, relocation, community, and supportive services, and development issues.

(b) Each HOPE VI Revitalization application must contain **no more than 120 pages** of narrative exhibits. Any pages after the first 120 pages of narrative exhibits **will not be reviewed**. Although submitting pages in excess of the page limitations will not disqualify an application, **HUD will not consider the information on any excess pages, which may result in a lower score or failure of a threshold**. Text submitted at the request of HUD to correct a technical deficiency will not be counted in the 120-page limit.

(2) Attachments.

(a) The second part of your application will be comprised of Attachments. These documents will also respond to the rating factors in the NOFA, as well as threshold and mandatory documentation requirements. They will include documents such as maps, photographs, letters of commitment, application data forms, various certifications unique to HOPE VI Revitalization, and other certifications.

(b) Each HOPE VI Revitalization application must contain **no more than 130 pages** of attachments. Any pages after the first 130 pages of attachments **will not be considered**. Although submitting pages in excess of the page limit will not disqualify an application, **HUD will not consider the information on any excess pages, which may result in a lower score or failure to meet a threshold**.

(3) Exceptions to page limits. The documents listed below constitute the **only** exceptions and are not counted in the page limits listed in Sections (1) and (2) above:

(a) Additional pages submitted at the request of HUD in response to a technical deficiency.

(b) Attachments that provide documentation of commitments from Development, CSS, Collateral, and Anticipatory resource providers (Attachments 19-22).

(c) Attachments that provide documentation of site control and site acquisition, in accordance with Section III of this NOFA (Attachment 18).

(d) Narratives and Attachments, as relevant, required to be submitted only by existing HOPE VI Revitalization grantees, in accordance with Sections V.A. of this NOFA (Capacity).

(e) Information required of MTW or existing HOPE VI Revitalization grantee applicants only.

(f) Standard forms (Attachment 3541).

(g) Blank/extra pages generated as part of standard forms.

(h) Tabs/title pages that are blank or display a title/header/ "n/a" indication.

### **c. HOPE VI-Specific Electronic Submission Requirements: Format and Title Instructions in Addition to Those in the General Section**

(1) Exhibits and Exhibit Title Pages. Exhibits are as listed below in Section IV.B.8.e of this NOFA. Each Exhibit should be contained in its own separate file in the application. Each file should contain one title page. **Do NOT** create title pages separately from the document it goes with. HUD will use title pages as tabs when it downloads and prints the application. Provided the information on the title page is limited to the list in this section, the title pages will not be counted when HUD determines the length of each Exhibit, or the overall length of the Exhibits. Each title page should only contain, in the following order:

(a) The name of the Exhibit, as described below in section IV.B.8.e of this NOFA, e.g., "NarrativeExhibitASummaryInfo." **WARNING:** Applications that contain file names which

are longer than 50 characters (HUD recommends using file names with 32 characters or less), or contain spaces or special characters, will result in the file being detected as a virus by the Grants.gov system and the application will be rejected with a “VirusDetect” message;

- (b) The name of the applicant; and
- (c) The name of the file that contains the Exhibit.

(2) Attachments and Attachment Title Pages. Attachments are as listed below in section IV.B.9.e of this NOFA. Each Attachment should be contained in its own separate file in the application. Each Attachment that is not a HUD form should contain one title page. HUD will use title pages as tabs if it downloads and prints the application. Provided the information on the title page is limited to the list in this section, the title pages will not be counted when HUD determines the length of each Attachment or the overall length of the Attachments. HUD forms do not require title pages. Each title page should only contain:

(a) The name of the Attachment, as described below in section IV.B.6 of this NOFA, e.g., “Att10ExtraordinarySiteCostCert.” **WARNING:** Applications that contain file names which are longer than 50 characters (HUD recommends using file names with 32 characters or less), or contain spaces or special characters, will result in the file being detected as a virus by the Grants.gov system and the application will be rejected with a “VirusDetect” message;

- (b) The name of the applicant; and
- (c) The name of the file that contains the Attachment.

**d. Documentation Requirements.** Documentation requirements are provided in the “Threshold Requirements” section (Section III.C.2.), “Program Requirements” section (Section III.C.3), and “Rating Factors” section (Section V.A) of this NOFA. **Applicants must carefully review and follow documentation requirements.**

**e. Instructions on Application Organization and Content.** The following provides instructions on the organization and content of your application. It lists the narrative exhibits, attachments, and instructions for each, that are required as part of the application. Non-submission of any of the items below may lower your rating score or make you ineligible for award under this NOFA. Review the threshold requirements in Section III.C.2 and the Rating Factors of section V.A. for the criteria and to ascertain the effects of non-submission. **Please be advised that not providing information clearly and consistently, and/or not providing exhibits and attachments in accordance with the instructions and documentation requirements in this NOFA, may negatively impact HUD’s ability to determine if your application meets threshold requirements or to score your application. This could result in a determination of threshold non-compliance or a lower score.** HUD forms required by this NOFA are included in the electronic application at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). The narrative exhibits, attachments, and instructions for each are as follows:

(1) **Table of Contents. Form HUD-52800 (Revitalization Application Checklist/Table of Contents).** Applicants should include a completed Table of Contents of the exhibits and attachments.

(2) **Exhibit A.** Verify that you have included information relating to the following exhibits.

(a) **Executive Summary.** Provide an Executive Summary. Describe your Revitalization plan, as clearly and thoroughly as possible. See the definition of Revitalization Plan in Section I.C. Do not argue for the need for the HOPE VI grant, but explain what you would do if you received such a grant. Briefly describe why the targeted project is severely distressed, provide

the number of units, and indicate how many of the units are occupied. Describe specific plans for the revitalization of the site. Include income mix, basic features (such as restoration of streets), and any mixed use or non-housing components. If you are proposing off-site replacement housing, provide the number and type of units and describe the off-site locations. Describe any homeownership components included in your Plan, including the numbers of units. Briefly summarize your plans for community and supportive services. State the amount of HOPE VI funds you are requesting and list the other major funding sources you will use for your mixed-finance development. Identify whether you have procured a developer or whether you will act as your own developer.

(b) Physical Plan. Describe your planned physical revitalization activities:

(i) Rehabilitation of severely distressed public housing units, in accordance with sections I.C and III.C of the NOFA;

(ii) Development of public housing replacement rental housing, both on-site and off-site, in accordance with sections I.C and III.C of the NOFA;

(iii) Indicate whether you plan to use green building, Energy Star or other energy efficiency or green building practices in the construction of replacement housing, in accordance with section III.C.3 of the NOFA;

(iv) Market rate housing units (see sections III.C);

(v) Units to be financed with low-income housing tax credits;

(vi) Replacement homeownership assistance for displaced public housing residents or other public housing-eligible low-income families, in accordance with sections I.C and III.C of the NOFA. Also describe any market-rate homeownership units planned, sources, and uses of funds. Describe the relationship between the HOPE VI activities and costs and the development of homeownership units, both public housing and market rate. If you are selected for funding, you will be required to submit a Homeownership Proposal (homeownership term sheet);

(vii) Rehabilitation or new construction of community facilities primarily intended to facilitate the delivery of community and supportive services for residents of the targeted development and residents of off-site replacement housing, in accordance with sections I.C and III.C. Describe the type and amount of such space and how the facilities will be used in CSS program delivery or other activities;

(viii) Zoning, land acquisition, and infrastructure and site improvements. Note that HOPE VI grant funds may not be used to pay hard development costs or to buy equipment for retail or commercial facilities;

(c) Hazard Reduction. Review sections I.C, III.C, and IV.E of the NOFA. For units to be rehabilitated or demolished, describe the extent of any required abatement of environmentally hazardous materials such as asbestos.

(d) Demolition. Review sections I.C and III.C of the NOFA. Describe your plans for demolition, including the buildings (dwelling and non-dwelling units) proposed to be demolished, the purpose of the demolition, and the use of the site after demolition. If the proposed demolition was previously approved as a section 18 demolition application, state the date the section 18 demolition application was submitted to HUD and the date it was approved by HUD. Indicate whether you plan to implement the concept of Deconstruction, as described in section III.C of the NOFA.

(e) Disposition. Review sections I.C and III.C of the NOFA. Describe the extent of any planned disposition of any portion of the site. Cite the number of units or acreage to be disposed,

the method of disposition (sale, lease, trade), and the status of any disposition application made to HUD.

(f) Site Improvements. Review sections I.C, III.C, and IV.E of the NOFA. Describe any proposed on-site improvements, including infrastructure requirements, changes in streets, etc. Describe all public improvements needed to ensure the viability of the proposed project with a narrative description of the sources of funds available to carry out such improvements.

(g) Site Conditions. Review sections I.C, III.C, and IV.E of the NOFA. Describe the conditions of the site to be used for replacement housing. Listing all potential contamination or danger sources (e.g., smells, fire, heat, explosion, and noise) that might be hazardous or cause discomfort to residents, PHA personnel, or construction workers. List potential danger sources, including commercial and industrial facilities, brownfields and other sites with potentially contaminated soil, commercial airports, and military airfields. Note any facilities and/or activities within one mile of the proposed site.

(h) Separability. See Section III.C of the NOFA. If applicable, address the separability of the revitalized building(s) within the targeted project. This is a threshold.

(i) Proximity. If applicable, describe how two contiguous projects meet the requirement of section III.C of the NOFA, or how scattered sites meet the requirements of section III.C of the NOFA.

**(3) Exhibit B. Capacity.** Verify that you have included information relating to the following exhibits:

(a) Capacity of the Development Team. Respond to Rating Factor V.A.1.a.

(b) Capacity of Applicant. Respond to Rating Factor V.A.1.b.

(c) Capacity of Existing HOPE VI Revitalization grantees - Expenditures. Respond to Rating Factor V.A.1.c of the NOFA.

(d) Capacity of Existing HOPE VI Revitalization grantees - Timeliness. Respond to Rating Factor V.A.1.d of the NOFA.

(e) CSS Program Capacity. Respond to Rating Factor V.A.1.e of the NOFA.

(f) Property Management Capacity. Respond to Rating Factor V.A.1.f of the NOFA.

**(4) Exhibit C. Need.** Verify that you have included information relating to the following:

(a) Need for Revitalization: Severe Physical Distress of the Public Housing Project. Respond to Rating Factor V.A.2.a of the NOFA.

(b) Need for Revitalization: Severe Distress of the Surrounding Neighborhood. Respond to Rating Factor V.A.2.b of the NOFA.

(c) Need for HOPE VI Funding. Respond to Rating Factor V.A.2.c of the NOFA.

(d) Sites Previously Funded. Respond to section III.C.2 (specifically Section III.C.2.b(7)) of the NOFA. This is a threshold requirement.

(e) Need for Affordable Accessible Housing in the Community. Respond to Rating Factor V.A.2.d of the NOFA.

**(5) Exhibit D. Resident and Community Involvement.** Verify that you have included information relating to the following. Discuss your communications about your development plan and HUD communications with residents, community members, and other interested parties. Include the resident training attachment. Review program requirements in section III and respond to Rating Factor V.A.4.

**(6) Exhibit E. Community and Supportive Services.** Respond to section V.A.5. Verify that you have included information relating to the following: Endowment Trust. If you



plan to place CSS funds in an Endowment Trust, review section III.C and section V.A.5, and state the dollar amount and percentage of the entire grant that you plan to place in the Trust.

**(7) Exhibit F. Early Childhood Education.** Respond to section V.A.6. of the NOFA.

**(8) Exhibit G. Relocation.** Verify that you have included information relating to the following:

(a) Housing Choice Voucher (HCV) Needs. Review section III.C and V.A.7 of the NOFA. State the number of HCVs that will be required for relocation if this HOPE VI application is approved, both in total and the number needed for FY 2010. Indicate the number of units and the bedroom breakout. Applicants must prepare their HCV assistance applications for the targeted project in accordance with the requirements of Notice PIH 2007-10 (and any reinstatement of or successor to that Notice) and submit it in its entirety with the HOPE VI Revitalization Application (not just form HUD 52515). This application should be placed at the back of the application with the other Standard Forms and Certifications. HUD will process the HCV assistance applications for funded HOPE VI applicants.

(b) Relocation Plan. Review sections III.C.2 and III.C.3 of the NOFA and respond to Rating Factor V.A.7. For additional guidance, refer to Handbook 1378 and form HUD-52774.

**(9) Exhibit H. Fair Housing and Equal Opportunity.** Verify that you have included information relating to the following:

(a) Site Selection (Site and Neighborhood Standards). Respond to the Site Selection (Site and Neighborhood Standards) threshold requirement in Section III.C.2.b(15).

(b) Accessibility. Respond to Rating Factor V.A.8.a(1).

(c) Universal Design. Respond to Rating Factor V.A.8.a(2).

(d) Fair Housing and Affirmatively Furthering Fair Housing. Respond to both the Affirmatively Furthering Fair Housing Threshold Requirement of Section III.C.2.b(14) and Rating Factor V.A.8.b regarding affirmatively furthering fair housing.

(e) Economic Opportunities for Low- and Very Low-Income Persons (Section 3). Respond to Rating Factor V.A.8.c.

**(10) Exhibit I. Mixed-Income Communities.** Verify that you have included information relating to the following:

(a) Public Housing Replacement Requirement. Respond to the threshold requirement in Sections III.C.2.b(16).

(b) Project-Based Affordable Housing. Respond to Rating Factor V.A.9.a;

(c) Off-Site Housing Units. Respond to Rating Factor V.A.9.b;

(d) Low-Income Housing Tax Credit Units. Respond to Rating Factor V.A.9.c.

(e) Market Rate Housing Units. Respond to Rating Factor V.A.9.d.

**(11) Exhibit J. Soundness of Approach.** Verify that you have included information relating to the following:

(a) Appropriateness of Proposal. Respond to the threshold requirement in section III.C.2.

(b) Appropriateness and Feasibility of the Revitalization Plan. Respond to Rating Factor V.A.10.b. Along with the other criteria in this Rating Factor, applicants must describe the financing for each phase of their proposed Revitalization Plan as well as any extraordinary site costs for the proposed Revitalization Plan. This includes the applicant's detailed description of how they plan to finance each phase of the proposed Revitalization Plan (**e.g., type of resource, sources, what amounts, how loans/bonds will be repaid, etc.**);

(c) Neighborhood Strengths, Impact and Sustainability of the Plan. Respond to

Rating Factor V.A.10.c;

- (d) Project Readiness. Respond to Rating Factor V.A.10.d in your narrative;
- (e) Program Schedule. Respond to Rating Factor V.A.10.e by providing a certifying statement related to program schedule in your narrative in accordance with these criteria;
- (f) Design. Describe the features of your proposed design and respond to Rating Factor V.A.10.f;
- (g) Green Development and Energy Efficiency Strategies. Respond to Rating Factor V.A.10.g;
- (h) Broadband Internet Access. Respond to Rating Factor V.A.10.h;
- (i) Evaluation. Respond to the threshold requirement in section III.C.2.a(10). This should be supported by the evaluation commitment letter provided in the attachments section.

**(12) Attachments 1 through 7. Form HUD-52860-A (Application Data Forms).**

These attachments are required in all applications. For instruction on how to fill out Attachments 1 through 7, see Appendix 1, Instructions for the HOPE VI Application Data Forms. Applicants should be sure that their Application Data Forms are consistent with the rest of their application, including the narrative. Inconsistencies and lack of clarity can result.

**(13) Attachment 8. Form HUD-52825-A (HOPE VI Budget Form).** This attachment is required in all applications. In addition to the instructions included in the HOPE VI Budget form, general guidance on preparing a HOPE VI budget can be found on the Grant Administration page of the HOPE VI website,

<http://www.hud.gov/offices/pih/programs/ph/hope6/>. Regarding BLI 1408, please note that CSS expenses and Management Improvement expenses are two separate categories of activities but are both contained in the same BLI. Accordingly, please clearly indicate what funds, if any, are for which category in BLI 1408 so that the CSS Match requirement can be properly calculated.

**(14) Attachment 9. Form HUD-52799 (TDC/Grant Limitations Worksheet).** This attachment is required in all applications. The Excel workbook will assist you in determining your TDC limits required in section IV.E.

**(15) Attachment 10. Extraordinary Site Costs Certification.** This attachment is applicable only if you request funds to pay for extraordinary site costs, outside the TDC limits. See section IV.E.

**(16) Attachment 11. City Map.** This attachment is required in all applications. Review section III(C). Provide a to-scale city map that **clearly labels** the items in (a)-(f) following in the context of existing city streets, the central business district, other key city sites, and census tracts. Because the City Map provides essential context for HUD reviewers, it is essential that applicant's provide a map that is readable, at a reasonable scale, and clearly labels the key information below:

- (a) the existing development;
- (b) replacement neighborhoods, if any;
- (c) off-site properties, if any;
- (d) other useful information to place the project in the context of the city, county/parish, or municipality, and other revitalization activity underway or planned.
- (e) If you request funds for more than one project or for scattered site housing (see the Contiguous, Single, and Scattered-Site Projects threshold requirement in Section III.C.2), the map **MUST** clearly show that the application meets that threshold's requirements.

**(17) Attachment 12.** Assurances for a HOPE VI Application: for Developer, HOPE VI Revitalization Resident Training and Public Meeting Certification, and Relocation Plan (whether relocation is completed or is yet to be completed). Please complete this assurance document. Do not sign; a signature is not required.

**(18) Attachment 13.** Preliminary Market Assessment Letter, if relevant. This letter must be provided in response to Rating Factor V.A.9.d (Market Rate Housing Units) and Rating Factor V.A.10.b, (Soundness of Approach, Appropriateness and Feasibility of the Revitalization Plan). (This market assessment letter, as indicated elsewhere in the NOFA, must support any market rate housing, affordable homeownership, economic development, or retail structures you propose).

**(19) Attachment 14.** Certification of Severe Physical Distress. This attachment is required in all applications. In accordance with sections I.C, III.C.2 and III.C.3, an engineer or architect must complete Attachment 14. No backup documentation is required for this certification.

**(20) Attachment 15.** Photographs of the Severely Distressed Housing. This attachment is required in all applications. Review Rating Factor V.A.2.a. Submit photographs of the targeted severely distressed public housing that illustrate the extent of physical distress.

**(21) Attachment 16.** Neighborhood Conditions. This attachment is required in all applications. Submit documentation described in Rating Factor V.A.2.b. Documentation may include crime statistics, photographs or renderings, socio-economic data, trends in property values, evidence of property deterioration and abandonment, evidence of underutilization of surrounding properties, and other indications of neighborhood distress and/or disinvestment.

**(22) Attachment 17.** Land Use Certification or Documentation. Complete this certification in accordance with the land use threshold in section III.C.2.a(2). This attachment may be a certification or copies of the actual land use documentation. The certification may be in the form of a letter. Be sure it is clear in the application which parcels are being addressed (whether on the original public housing project site targeted by the application OR off-site).

**(23) Attachment 18.** Documentation of Site Control for Off-Site Housing Development. This is applicable if your Revitalization Plan includes off-site housing development. If applicable, provide evidence of site control, in accordance with section III.C.2.a(11). You must include a cover sheet with your documented evidence of site control in the Attachments section. This cover sheet must provide a table that matches the off-site parcels proposed in your application for housing development to the corresponding documented evidence of site control for those parcels. Specifically, this table should provide in one column the name of each parcel, as identified in your application. A second column should contain the name of the documented evidence corresponding to each parcel. A third column should provide the location of the documented evidence in the attachment (page number, etc.) and any other necessary detail about the evidence documenting site control. If more than one unit will be built on a parcel, this must also be identified in the table. HUD regards this table as the applicant's indication to HUD of the off-site parcels that are proposed for the revitalization plan. The supporting documents provided in accordance with section III.C.2.a(11) will be checked against this coversheet so it is very important that that applicants accurately list on the cover sheet the parcels (including street number and street name). The purpose of this table is to aid reviewers' ability to determine whether your application complies with this threshold. Accordingly, applicants should provide site control information as clearly and consistently as possible.

**(24) Attachments 19 through 22. Form HUD-52797 (HOPE VI Revitalization**

**Leverage Resources).** These attachments are included in form HUD-52797, “HOPE VI Revitalization Leverage Resources” and are required in all applications.

(a) **Physical Development Resources.** In accordance with Rating Factor V.A.3.b, complete Attachment 19 by entering the dollar value of each resource that will be used for physical development. For each resource entered, you must submit backup documentation in Attachment 19. See instructions on Attachment 19, section III.C, “Program Requirements” and “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements. Commitments of Public Housing funds should be placed in Attachment 21 (Anticipatory Resources), not Attachment 19.

(b) **CSS Resources.** In accordance with Rating Factor V.A.3.c, complete this Attachment 20, as provided in the application, by entering the dollar value of all resources that will be used for CSS activities. For each resource entered, submit backup documentation in Attachment 20. See instructions on Attachment 20, section III.C, “Program Requirements” and “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements.

(c) **Anticipatory Resources.** Complete Attachment 21, as provided in the Application, by entering the dollar value of all anticipatory resources as described in Rating Factor V.A.3.d. For each resource entered, submit backup documentation in Attachment 21. See instructions on Attachment 21, section III.C, “Program Requirements” and “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements.

(d) **Collateral Resources.** Complete Attachment 22, as provided in the Application, by entering the dollar value of all collateral resources as described in Rating Factor V.A.3.e. For each resource entered, submit backup documentation behind Attachment 22. See instructions on Attachment 22, section III.C, “Program Requirements” and “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements.

**(25) Attachment 23.** Sites Previously Funded, if applicable. If you need to provide a listing of units as described in the threshold requirement found in Section III.C.2.b(7), do so in this attachment.

**(26) Attachment 24.** PHA or MTW Plan. Respond to Threshold Requirement III.C.2.a.(9) of the NOFA.

**(27) Attachment 25.** Evaluation Commitment Letter(s). This attachment is required in all applications. Review the threshold requirement in section III.C.2.a.(10) and provide the requested commitment letter(s) that addresses the indicated evaluation areas.

**(28) Attachment 26.** Current Site Plan. This attachment is required in all applications. The Current Site Plan shows **and clearly labels** the targeted public housing site’s various buildings and identifies which buildings are to be rehabilitated, demolished, or disposed of. Demolished buildings should be shown and labeled as such. Label all uses and buildings that adjoin the existing development.

**(29) Attachment 27.** Photographs of Architecture in the Surrounding Community. This attachment is required in all applications. Provide photographs to demonstrate that your plan conforms to the Design requirements of section III.C.3. and Rating Factor V.A.10.f.

**(30) Attachment 28.** Conceptual Site Plan. This attachment is required in all applications. The Conceptual Site Plan shows and **clearly labels** the proposed site plan post-revitalization, indicating where your plan’s proposed construction **and** rehabilitation activities will take place and any planned acquisition of adjacent property and/or buildings. Review the design requirements of section III.C.3. and Rating Factor V.A.10.f.

**(31) Attachment 29.** Conceptual Building Elevations. This attachment is required in all applications. Review the design requirements of section III.C.3. and Rating Factor V.A.10.f. Include building elevation drawings for the various types of your proposed housing.

**(32) Attachment 30.** HOPE VI Revitalization Applicant Certifications. This attachment is required in all applications. This form is contained in the application at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). Note that these certifications (four page document) must be signed by the chairman of the board of the PHA, NOT the executive director.

**(33) Attachment 31.** Capital Fund Financing Program Threshold: Legal Counsel Opinion and Executive Director Certification, if applicable. Review the CFFP threshold requirement in section III.C.2.a(8) and provide an opinion from your legal counsel and a certification from the executive director, if applicable, in accordance with the criteria.

**(35) Attachment 32.** Documentation for Workforce Partnerships, Green Jobs and Green Jobs Training. Provide commitment document(s) in response to Rating Factor V.A.5.e.

**(36) Attachment 33.** Documentation for Early Childhood Education Rating Factor, if any. Provide any necessary documents in response to Rating Factor V.A.6.

**(37) Attachment 34.** Documentation for Green Development and Energy Efficiency Strategies, if any. Provide any necessary documents in response to Rating Factor V.A.10.g.

**(38) Standard Forms and Certifications.**

(a) **Attachment 35.** Application for Federal Assistance (SF-424). Note: Applicants must enter their legal name in box 8.a. of the SF-424 as it appears in the Central Contractor Register (CCR). See the General Section regarding CCR registration. This form will be placed at the front of your application;

(b) **Attachment 36.** Disclosure of Lobbying Activities (SF-LLL), if applicable. If this form does not apply, indicate that (e.g., writing "N/A") on the form and submit it with your application;

(c) **Attachment 37.** Applicant/Recipient Disclosure/Update Report (form HUD-2880) ("HUD Applicant Recipient Disclosure Report");

(d) **Attachment 38.** Program Outcome Logic Model (form HUD-96010);

(e) **Attachment 39.** If applicable, Funding Application for Housing Choice Voucher Assistance prepared in accordance with Notice PIH 2007-10 (and any reinstatement of or successor to that Notice), including Section 8 Tenant-Based Assistance Rental Certificate Program, Rental Voucher Program, and form HUD-52515. It is applicable only if you are requesting HCVs that are related to your proposed plan. In preparing the request for vouchers, applicants must follow PIH Notice 2007-10 and any successor notices;

(f) **Attachment 40.** If applicable, Section 3 Annual Summary Report (Form HUD 60002), in response to Rating Factor V.A.8.c.(3).

(g) **Attachment 41.** Form HUD-96011, Third Party Documentation Facsimile Transmittal (Facsimile Transmittal Form on Grants.gov), if applicable.

**C. Receipt Dates and Times.** Section IV.C of the General Section is hereby incorporated. Applications **MUST** review and follow the information in this NOFA on dates and times and Section IV.C of the General Section. **NOTE:** The application deadline for receipt of HUD applications via Grants.gov is 11:59:59 p.m. eastern time **November 22, 2010**. Applications must be received by Grants.gov by the deadline in order to meet the program deadline. Received means that the application has been successfully uploaded to the Grants.gov server and the applicant has received confirmation of successful submission to Grants.gov. Applicants should be aware that hitting the "sign and submit" button to transmit the application does not mean the

application has been successfully uploaded to Grants.gov. Only when the upload is complete is the application date and time stamped by the Grants.gov system. An application that has been rejected by Grants.gov is not deemed to have been received by Grants.gov. (Please see Section C.4.a of the General Section for a detailed explanation of Timely Receipt Requirements and Proof of Timely Receipt.) As in the past, HUD encourages applicants to submit their applications early and with sufficient time to address any issues that might affect the applicant's ability to have an application successfully uploaded and received by Grants.gov.

In FY 2010, HUD is establishing a one-day grace period from the date of notification of a rejection from Grants.gov, to allow applicants that successfully upload an application to Grants.gov prior to the deadline date and time, but receive a rejection notice after the deadline date and time, to cure the reason for rejection and re-upload the application to Grants.gov. The paragraphs below describe HUD's Grace Period Policy for FY2010.

Reminder: Applications **MUST** review and follow the rest the information in Section IV.C of the General Section (the above information from IV.C is only an excerpt).

**D. Intergovernmental Review/State Points of Contact (SPOC).** Section IV.D of the General Section are hereby incorporated.

**E. Funding Restrictions.**

**1. Statutory Time Limits.**

a. **Required Obligation Date.** Funds appropriated for the HOPE VI program for FY 2010 must be obligated by HUD on or before September 30, 2011. Any funds that are not obligated by that date will be recaptured by the Treasury, and thereafter will not be available for obligation for any purpose.

b. **Required Expenditure Date.** In accordance with **31 U.S.C. § 1552, all FY 2010 HOPE VI funds must be expended by September 30, 2016.** Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or expenditure for any purpose.

**2. Ineligible Activities.**

a. You may not use HOPE VI Revitalization grant funds to pay for any revitalization activities carried out on or before the date of the letter announcing the award of the HOPE VI Grant.

b. **Market-Rate Units.** HOPE VI funds **may not** be used to develop market-rate units or affordable housing units that do not qualify as public housing or homeownership replacement units.

c. **Retail or Commercial Development.** HOPE VI funds may not be used for hard construction costs related to, or for the purchase of equipment for, retail, commercial, or non-public housing office facilities.

d. You may not use HOPE VI funds for the cost of HOPE VI application preparation.

**3. Total Development Cost (TDC).**

a. The "TDC Limit" (24 CFR 941.306, Notice PIH 2010-20 (HA), or successor Notice) refers to the maximum amount of HUD funding that HUD will approve for development of specific public housing and other eligible replacement housing units to be developed under a HOPE VI Revitalization grant and/or under an Annual Contributions Contract for public housing development and modernization of public housing under the Capital Fund. The TDC limit applies only to the costs of development of public housing that are paid directly with HUD public housing funds, including HOPE VI funds; a PHA may exceed the TDC limit using non-public housing funds such as CDBG, HOME, low-income housing tax credit equity, etc.

b. The HUD TDC Cost Tables are issued for each calendar year for the building type and bedroom distribution for the public housing replacement units. When making your TDC calculations, use the TDC limits in effect at the time this HOPE VI NOFA is published. TDC definitions and limits in the final rule are summarized as follows:

(1) The total cost of development, which includes relocation costs, is limited to the sum of:

(a) Up to 100 percent of HUD's published TDC limits for the costs of demolition and new construction, multiplied by the number of HOPE VI public housing replacement units; and

(b) Ninety percent of the TDC limits, multiplied by the number of public housing units after substantial rehabilitation and reconfiguration.

(2) The TDC limit for a project is made up of the following components:

(a) Housing Cost Cap (HCC): HUD's published limit on the use of public housing funds for the cost of constructing the public housing units, which includes unit hard costs, builder's overhead and profit, utilities from the street, finish landscaping, and a hard cost contingency. Estimates should take into consideration the Davis-Bacon minimum wage rate and other requirements as described in "Labor Standards," section III.C. of this NOFA. **You may not request HOPE VI Revitalization grant funds for units currently under construction or already completed as of the application deadline.**

(b) Community Renewal (CR): The balance of funds remaining within the project's TDC limit after the housing construction costs described in (a) above are subtracted from the TDC limit. This is the amount of public housing funds available to pay for PHA administration, planning, infrastructure and other site improvements, community and economic development facilities, acquisition, relocation, demolition, and remediation of units to be replaced on-site, and all other development costs.

(3) CSS. You may request an amount not to exceed 15 percent of the total HOPE VI grant to pay the costs of CSS activities, as described in section III.C. of this NOFA. These costs are in addition to, i.e., excluded from, the TDC calculation above.

(4) Demolition and Site Remediation Costs of Unreplaced On-site Units. You may request an amount necessary for demolition and site remediation costs of units that will not be replaced on-site. This cost is in addition to (i.e., excluded from) the TDC calculation above.

(5) Extraordinary Site Costs.

(a) You may request a reasonable amount to pay extraordinary site costs, which are construction costs related to unusual pre-existing site conditions that are incurred, or anticipated to be incurred. If such costs are significantly greater than those typically required for similar construction, are verified by an independent, certified engineer or architect, and are approved by HUD, they may be excluded from the TDC calculation above. Extraordinary site costs may be incurred in the remediation and demolition of existing property, as well as in the development of new and rehabilitated units. Examples of such costs include, but are not limited to: abatement of extraordinary environmental site hazards; removal or replacement of extensive underground utility systems; extensive rock and soil removal and replacement; removal of hazardous underground tanks; work to address unusual site conditions such as slopes, terraces, water catchments, lakes, etc.; and work to address flood plain and other environmental remediation issues. Costs to abate asbestos and lead-based paint from structures are normal demolition costs. Extraordinary measures to remove lead-based paint that has leached into the soil would constitute an extraordinary site cost.

(b) Extraordinary site costs must be justified and verified by a licensed engineer or architect who is not an employee of the PHA or the city. The engineer or architect must provide his or her license number and state of registration. If this certification is not included in the application after the cure period described in section IV.B.4. of the General Section, extraordinary site costs will not be allowed in the award amount. In that case, the amount of the extraordinary site costs included in the application will be subtracted from the grant amount.

**4. Cost Control Standards.** See the Cost Control Standards in Section III.C.3.u.

**5. Withdrawal of Grant Amounts.** In accordance with section 24(i) of the 1937 Act, if a grantee does not proceed within a reasonable timeframe, as described in section III.C.3.w. (Timeliness of Development Activities) of this NOFA, HUD shall withdraw any unobligated grant amounts. HUD shall redistribute any withdrawn amounts to one or more other applicants eligible for HOPE VI assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the Revitalization plan of the original grantee.

**F. Other Submission Requirements.** The **Application Certifications and Assurances** section from Section IV(F) of the General Section is hereby incorporated.

**G. Discrepancies Between Documents Posted to Grants.gov and Other Website**

**Information.** In FY2010, HUD is posting the full NOFA on the Grants.gov website rather than the Federal Register. The Federal Register publication is merely a notice of where to find the NOFA and application forms. The NOFA posted to Grants.gov is the official version of the Notice and if there is a discrepancy between information posted to Grants.gov and other website, the Grants.gov information prevails.

**V. Application Review Information.**

**A. Criteria.** Applications, and the Revitalization Plan proposed in it (see Definitions in Section I.C), must respond to the rating factor criteria of the NOFA as the basis to be rated and ranked.

**1. RATING FACTOR: Capacity - 16 Points Total.**

**a. Capacity of the Development Team – 5 points.** This rating factor looks at the capacity of the development team, including the applicant. The Development Team includes any alternative management entity that will participate in management of the revitalization process and have responsibility for meeting construction time tables and obligating amounts in a timely manner. This includes any developer partners (including the PHA acting as its own developer), program managers, property managers, consultants, attorneys, financial consultants, and other entities or individuals identified and proposed to carry out program activities.

(1) You will receive up to 5 points if your application demonstrates that:

(a) Your developer AND the other team members have extensive, recent, and successful (e.g., meeting schedules, budgets, unit plans) experience in the redevelopment of public housing, including planning, implementing, and managing physical development, financing, leveraging, and partnership activities;

(b) Your developer AND the other team members have extensive, recent, and successful (e.g., meeting schedules, budgets, unit plans) experience in mixed-finance and mixed-income development, including planning, implementing, and managing physical development, financing, leveraging, and partnership activities;

(c) If you propose development using low-income tax credits, your developer AND the other team members have extensive, recent, and successful (e.g., meeting schedules, budgets, unit plans) tax credit experience; and

(d) If homeownership, rent-to-own, cooperative ownership, or other major development components are proposed, your developer AND the other team members have extensive, recent



and successful (e.g., meeting schedules, budgets, unit plans) experience in development, sales, or conversion activities.

(e) To earn the full 5 points, the application must demonstrate that the developer AND the other team members have extensive, recent and successful (e.g., meeting timeframes, budgets, unit plans) experience in ALL the criteria above (as applicable). Points may be deducted for failure to do so and for lack of specificity.

(2) You will receive up to 3 points if your application demonstrates that your developer AND the other team members have some but not extensive, recent and successful (e.g., meeting timeframes, budgets, unit plans) experience in the criteria described above (as applicable). Points may be deducted for failure to address all of the criteria (as applicable), failure to address the criteria in a sufficient manner, and lack of specificity.

(3) You will receive zero points if your developer AND the other team members do not have the experience described above and the application does not demonstrate that the developer and other team members have the capacity to carry out your Revitalization plan. Points may be deducted for failure to address all of the criteria (as applicable), failure to address the criteria in a sufficient manner, and lack of specificity. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**b. Capacity of Applicant - 5 points.** This rating factor looks at the capacity of ONLY the applicant.

(1) **Public Housing Assessment System (PHAS)** – 2 points. HUD may verify the information provided by the applicant for this rating factor against HUD records.

(a) If you have been rated as an Overall High Performer for your most recent PHAS (or successor system) review as of the application deadline date, you will receive 2 points. MTW PHA applicants will be scored in accordance with their MTW Agreement.

(b) If you have been rated as an Overall Standard Performer for your most recent PHAS (or successor system) review as of the application deadline date, you will receive one point. MTW PHA applicants will be scored in accordance with their MTW Agreement.

(c) If you have been rated as a Troubled Performer that is either Troubled in One Area or Overall Troubled as of the application deadline date, you will receive zero points. MTW PHA applicants will be scored in accordance with their MTW Agreement. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(2) **Section 8 Management Assessment Program (SEMAP)** – 2 points. HUD may verify the information provided by the applicant for this rating factor against HUD records.

(a) If you have been rated as a High Performer for your most recent SEMAP (or successor system) rating as of the application deadline date, you will receive 2 points. MTW PHA applicants will be scored in accordance with their MTW Agreement.

(b) If you have been rated as Standard for your most recent SEMAP (or successor system) rating as of the application deadline date, you will receive one point. MTW PHA applicants will be scored in accordance with their MTW Agreement.

(c) If you have been rated as Troubled for your most recent SEMAP rating as of the application deadline date, you will receive zero points. MTW PHA applicants will be scored in accordance with their MTW Agreement. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible. If the applicant PHA itself does not have or manage a Section 8 program, then it earns zero points.

(3) **IG Audit Finding – 1 point.** As of the application deadline date, if an applicant has an open IG audit finding that relates to your capacity to implement a HOPE VI Revitalization grant, they will earn zero points for this rating factor. If an applicant does not have such an IG audit finding, it will automatically earn the one point. You will also receive zero points if your application does not address this factor to an extent that makes HUD’s rating of this factor possible.

c. **Capacity of Existing HOPE VI Revitalization Grantees - Expenditures.** HUD will use data from LOCCS to evaluate this Rating Factor.

(1) This section applies only to applicants that have received HOPE VI Revitalization grants for FYs 1993 to 2007. If an applicant has more than one HOPE VI Revitalization grant, each will be rated separately, not averaged, and the highest deduction will be made. Applicants with HOPE VI Revitalization grants only from FY 2008 or FY 2009, or no existing HOPE VI Revitalization grants are not subject to this section.

(2) Up to 3 points will be deducted if a grantee has failed to achieve adequate progress (as indicated in the table below) in relation to expenditure of HOPE VI Revitalization grant funds. Expenditure data will be taken from LOCCS as of the NOFA publication date.

Grants Awarded in FY 1993-2003	
Percent of HOPE VI Revitalization Grant Funds Expended	Points Deducted
Less than 100 Percent	3 Points
Grants Awarded in FY2004	
Percent of HOPE VI Revitalization Grant Funds Expended	Points Deducted
80-100 Percent	0 Points
70-79 Percent	1 Point
60-69 Percent	2 Points
Less than 60 Percent	3 Points
Grants Awarded in FY2005	
Percent of HOPE VI Revitalization Grant Funds Expended	Points Deducted
60-100 Percent	0 Points
50-59 Percent	1 Point
40-49 Percent	2 Points
Less than 40 Percent	3 Points
Grants Awarded in FY2006	
Percent of HOPE VI Revitalization Grant Funds Expended	Points Deducted
40-100 Percent	0 Points
30-39 Percent	1 Point
20-29 Percent	2 Points
Less than 20 Percent	3 Points
Grants Awarded in FY2007	
Percent of HOPE VI Revitalization Grant Funds Expended	Points Deducted
20-100 Percent	0 Points
15-19 Percent	1 Point

10-14 Percent	2 Points
Less than 10 Percent	3 Points

**d. Capacity of Existing HOPE VI Revitalization Grantees – Timeliness.** HUD will use data from its HOPE VI records to evaluate this Rating Factor. This section applies only to applicants that have received HOPE VI Revitalization grants for FYs 1993 to 2004. Applicants with HOPE VI Revitalization grants only from FY 2005-2009, or no existing HOPE VI Revitalization grants are not subject to this section.

(1) Applicants that have completed a HOPE VI Revitalization grant (i.e., all units in their HOPE VI Revitalization Plan) in 5 years or less from the execution date of its HOPE VI Revitalization Grant Agreement will earn zero points. When an applicant has more than one HOPE VI Revitalization grant, the grant with the shortest completion time will be used.

(2) Applicants that have completed a HOPE VI Revitalization grant (i.e., all units in their HOPE VI Revitalization Plan) in over 5 years, but less than 7 years from the execution date of its HOPE VI Revitalization Grant Agreement will have one point deducted. When an applicant has more than one HOPE VI Revitalization grant, the grant with the shortest completion time will be used.

(3) Applicants that have completed a HOPE VI Revitalization grant (i.e., all units in their HOPE VI Revitalization Plan) in over 7 years from the execution date of its HOPE VI Revitalization Grant Agreement, or has not reached completion as of the application deadline date, will have two points deducted. When an applicant has more than one HOPE VI Revitalization grant, the grant with the shortest completion time will be used.

**e. CSS Program Capacity -- 3 points.** See sections III.C of this NOFA for detailed information on CSS activities.

(1) **CSS Staff Experience.** You will receive 2 points if your application demonstrates the criteria in (a) or (b) below. If you fail to demonstrate the criteria in (a) or (b), you will receive zero points. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(a) If you propose to carry out your CSS plan in-house and you have recent, quantifiable, successful (e.g., how you met/exceeded self-sufficiency goals for your residents – e.g., employment, education, etc, meeting schedules, budgets, services plans, programs, and other goals) experience in planning, implementing, and managing the types of CSS activities proposed in your application; or

(b) If you propose that a member(s) of your team will carry out your CSS plan, that this proposed team member(s) has recent, quantifiable, successful (e.g., how you met/exceeded self-sufficiency goals for your residents – e.g., employment, education, etc, meeting schedules, budgets, services plans, programs, and other goals) experience in planning, implementing, and managing the types of CSS activities proposed in your application; and that you have the capacity to manage that team member, including a plan for promptly hiring staff or procuring this team member as relevant.

(2) **Impact on Existing Staff and Capacity.** You will receive 1 point if your application demonstrates the criteria in (a) or (b) below. If you fail to demonstrate the criteria in (a) or (b), you will receive zero points. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(a) You have an existing HOPE VI grant and your current CSS team will be able to implement a new program, including new or changing programs, without weakening your

existing team. If you have an existing HOPE VI grant and your current CSS team is not able to implement a new program as currently configured, demonstrate what changes you will make (e.g. hiring additional staff) so that a new program can be implemented; or

(b) You do not have an existing HOPE VI Revitalization grant and you demonstrate how your proposed CSS team will be able to implement a new program, including new or changing services, without weakening your existing staffing structure.

f. **Property Management Capacity** -- 3 points. Property management activities may be the responsibility of the PHA or another member of the team, which may include a separate entity that you have procured or will procure to carry out property management activities.

**(1) Past Property Management Experience** -- 2 points.

(a) You will receive 2 points if your application demonstrates that you or your property manager (proposed for the project proposed in this application) currently have extensive knowledge and recent, successful experience in property management of the housing types included in your revitalization plan. This may include market-rate rental housing, public housing, and other affordable housing, including rental units developed with low-income housing tax credit assistance. In your application, describe the number of units and the condition of the units currently managed by you or your property manager, your annual budget for those activities, and any awards or recognition that you or your property manager have received. If your Revitalization plan includes cooperatively owned housing, rent-to-own units, or other types of managed housing, in order to receive the points for this factor, you must demonstrate recent, successful experience in the management of such housing by the relevant member(s) of your team.

(b) You will receive one point if your application demonstrates that you or your property manager meets some but not all of the criteria above. Points may be deducted for failure to address the criteria in a sufficient manner and lack of specificity.

(c) You will receive zero points if your application does not demonstrate that you or your property manager have the experience to manage your proposed plan, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**(2) Property Management Plan** -- 1 point.

(a) You will receive one point if your application demonstrates a feasible, well-defined property management plan, whether to be administered by you or your property manager. Your property management plan should reflect the housing types included in your revitalization plan. Elements of your property management plan may include, but are not limited to, such topics as: property maintenance, rent collection, Public and Indian Housing Information Center (PIC) 50058 reporting, site-based management experience, tenant grievances, evictions, occupancy rate, unit turnaround, preventive maintenance, work order completion, project-based budgeting and management, management of homeownership and rent-to-own programs, if applicable, energy audits, and utility/energy incentives.

(b) You will receive zero points if your application does not describe how you or your property manager will administer a feasible, well-defined property management plan, or if there is not sufficient information provided to evaluate this factor. A point may be deducted for failure to demonstrate a feasible, well-defined property management plan in a sufficient manner and lack of specificity.

**2. RATING FACTOR: Need -- 15 Points Total.**

a. **Severe Physical Distress of the Public Housing Project** -- 6 Points. HUD will evaluate the extent of the severe physical distress of the targeted public housing project. If the targeted units

have already been demolished, HUD will evaluate your description of the extent of the severe physical distress of the site as of the day the demolition application was approved by HUD. You may demonstrate this in your application through narrative description, physical inspection information and pictures in the attachments section. You will receive points for the following separate subfactors, as indicated.

(1) You will receive up to 2 points if your application demonstrates that there are major deficiencies in the project's infrastructure, including roofs, electrical, plumbing, heating and cooling, mechanical systems, settlement, and other deficiencies in Housing Quality Standards.

(2) You will receive up to 2 points if your application demonstrates that there are major deficiencies in the project site, including poor soil conditions, inadequate drainage, deteriorated laterals and sewers, and inappropriate topography.

(3) You will receive up to 2 points if your application demonstrates that there are major design deficiencies, including inappropriately high population density, room, and unit size and configurations; isolation; indefensible space; significant utility expenses caused by energy conservation deficiencies that may be documented by an energy audit; and inaccessibility for persons with disabilities with regard to individual units (less than 5 percent of the units are accessible), entranceways, and common areas.

**b. Severe Distress of the Surrounding Neighborhood -- 3 Points.** HUD recognizes that public housing projects that meet the criteria of severe distress (as defined in the Definitions section) have a negative impact on their surrounding neighborhood. HUD will evaluate the extent of the distress existing in the surrounding neighborhood, as of the NOFA publication date, in order to identify those public housing development neighborhoods in greatest need. HUD will evaluate this by looking at physical decline of, and disinvestment by, public and private entities in the surrounding neighborhood; crime statistics; poverty levels; socio-economic data; trends in property values; evidence of property deterioration and abandonment; evidence of underutilization of surrounding properties; indications of neighborhood disinvestment; and photographs of the surrounding neighborhood. This information must be provided by the applicant in their narrative and attachments.

(1) You will receive 3 points if your application demonstrates that the surrounding neighborhood has a severe level of distress, based on the items above. Every item above must be addressed in order to earn full points.

(2) You will receive 2 points if your application demonstrates the surrounding neighborhood has a moderate level of distress, based on the items above.

(3) You will receive zero points if your application does not demonstrate that the surrounding neighborhood is distressed, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**c. Need for HOPE VI Funding -- 3 Points.** HUD will evaluate the extent to which you could undertake the proposed revitalization activities without a HOPE VI grant. Large amounts of available FY 2005 to 2009 Capital Funds (but not Replacement Housing Factor funds (RHF)) for purposes of this NOFA indicate that the revitalization could be carried out without a HOPE VI grant. Applicants must indicate in the narrative of their application the actual dollar amount (do not provide a percentage) of unobligated Capital Funds as of the application deadline date. HUD may verify the information provided by the applicant for this rating factor against HUD records.

(1) You will receive 3 points if your Capital Funds balance is up to 20 percent of the amount of HOPE VI funds requested.

(2) You will receive 2 points if your Capital Funds balance is 21 to 45 percent of the amount of HOPE VI funds requested.

(3) You will receive 1 point if your Capital Funds balance is 46 to 80 percent of the amount of HOPE VI funds requested.

(4) You will receive zero points if your Capital Funds balance is more than 80 percent of the amount of HOPE VI funds requested. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**d. Need for Affordable Accessible Housing in the Community -- 3 Points.** Your application must demonstrate the need for other housing available and affordable to families receiving tenant-based assistance under Section 8 (HCV), as described below and must be the most recent information available at the time of the application deadline. For purposes of this factor, the need for affordable housing in the community will be measured by HCV program utilization rates or public housing occupancy rates, whichever of the two reflects the most need. In figuring the HCV utilization rate, determine the percentage of HCV funds expended out of the total amount authorized. In figuring the public housing occupancy rate, provide the percentage of units occupied out of the total in your federal public housing inventory, excluding the targeted public housing site. You should base your calculation only on the federal public housing units you manage. You may not exclude units in your public housing inventory that are being reserved for relocation needs related to other HOPE VI Revitalization grant(s); or units in your public housing inventory that are being held vacant for uses related to a section 504 voluntary compliance agreement. If you are a non-MTW site, you must use information consistent with the Section Eight Management Assessment Program (SEMAP) and/or the Public Housing Assessment System (PHAS) submissions (or successor systems). If you are an MTW site, and do not report into SEMAP and/or PHAS (or successor systems), you must demonstrate your utilization and/or occupancy rate using similar methods and information sources in order to earn points under this rating factor.

(1) You will receive 3 points if your application demonstrates that the higher of:

- (a) The utilization rate of your HCV program is 97.00 percent or higher; or
  - (b) The occupancy rate of your public housing inventory is 97.00 percent or higher.
- (c) HUD will use the higher of the two rates to determine your score.

(2) You will receive 2 points if your application demonstrates that the higher of:

- (a) The utilization rate of your HCV program is between 95.00 and 96.99 percent; or,
- (b) The occupancy rate of your public housing inventory is between 95.00 and 96.99

percent.

(c) HUD will use the higher of the two rates to determine your score.

(3) You will receive one point if your application demonstrates that the higher of:

- (a) The utilization rate of your HCV program is between 93.00 and 94.99 percent; or
- (b) The occupancy rate of your public housing inventory is between 93.00 and 94.99

percent.

(c) HUD will use the higher of the two rates to determine your score.

(4) You will receive zero points if both the utilization rate of your Housing Choice

Voucher program and the occupancy rate of your public housing inventory are less than 93.00 percent.

### **3. RATING FACTOR: Leveraging – 15 Points Total**

**a. Leverage.** Although related to match, leverage is strictly a rating factor. Leverage consists of firm commitments of funds and other resources. HUD will rate your application based on the

amount of funds and other resources that will be leveraged by the HOPE VI grant as a percentage of the amount of HOPE VI funds requested. There are four types of Leverage: Development and CSS, as described in the “Program Requirements” in section III.C.3. of this NOFA; Anticipatory and Collateral, as described in this rating factor. Each resource may be used for only one leverage category. Any resource listed in more than one category will be disqualified from all categories. In determining Leverage ratios, HUD will include as Leverage the match amounts that are required by section III.C.2. of this NOFA. **Applicants must follow the Program Requirements for Match and Leverage section of section III.C.3. of this NOFA when preparing their leverage documentation.** If leverage sources and amounts are not documented in accordance with sections III.C.3. and V.A.3, they will not be counted toward your leverage amounts. For each commitment document, HUD will evaluate the strength of commitment and add the amounts that are acceptably documented. HUD will then calculate the ratio of the amount of HUD funds requested to the amount of funds that HUD deems acceptably documented. HUD will round figures to two decimal points, using standard rounding rules.

**b. Development Leveraging -- 6 Points.** An essential concept of the HOPE VI program is that the HOPE VI grant dollars enable PHAs to leverage other resources. Accordingly, in order to count as development leveraging for purposes of this NOFA, resource commitments must be for physical development activities, and must be firmly committed for use in the future or in the process of being used as of the application deadline. Resource commitments for activities completed in the past will not be counted as Development Leveraging but may be counted under Anticipatory Leveraging and Collateral Investment Leveraging, subject to the criteria below. See section III.C.3, Program Requirements, and “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements. These requirements **MUST** be followed in order to earn points under the leverage rating factor. “HOPE VI funds requested for physical development activities” is defined as your total requested amount of funds minus your requested CSS, administration amounts, and relocation. HUD will presume that your combined CSS, administration, and relocation amounts are the total of Budget Line Items 1408 (excluding non-CSS Management Improvements), 1410, and 1495 on the form HUD-52825-A, “HOPE VI Budget,” that is included in your application.

(1) You will receive 6 points if the ratio of the amount of HOPE VI funds requested for physical development activities to the dollar value of documented, committed development resources from other sources is 1:3.00 or higher.

(2) You will receive 5 points if the ratio is greater than or equal to 1:2.50 but less than 1:3.00.

(a) You will receive 4 points if the ratio is greater than or equal to 1:2.00 but less than 1:2.50.

(b) You will receive 3 Points if the ratio is greater than or equal to 1:1.50 but less than 1:2.00.

(c) You will receive 2 points if the ratio is greater than or equal to 1:1.00 but less than 1:1.50.

(d) You will receive 1 point if the ratio is greater than or equal to 1:0.50 but less than 1:1.00.

(e) You will receive zero points if the ratio is less than 1:0.50, or if your application does not address this factor to an extent that makes HUD’s rating of this factor possible.

**c. CSS Leveraging – 4 Points.** An essential concept of the HOPE VI program is that the HOPE VI grant dollars enable PHAs to leverage other resources, including those for community

and supportive services. HUD encourages applicants to create a comprehensive continuum of committed resources from a variety of partners. The resource commitments must be for CSS purposes and must follow the resource and documentation requirements section III.C.3, Program Requirements, “Program Requirements that Apply to Match and Leverage.” These requirements MUST be followed in order to earn points under the CSS leveraging rating factor.

(1) You will receive 4 points if the ratio of the amount of HOPE VI funds requested for CSS activities to the dollar value of documented, committed CSS resources leveraged from other sources is 1:2.00 or higher.

(2) You will receive 3 points if the ratio is greater than or equal to 1:1.75 but less than 1:2.00.

(3) You will receive 2 points if the ratio is greater than or equal to 1:1.50 but less than 1:1.75.

(4) You will receive 1 point if the ratio is greater than or equal to 1:1.25 but less than 1:1.50.

(5) You will receive zero points if the ratio is less than 1:1.25, or if your application does not address this factor to an extent that makes HUD’s rating of this factor possible. You will receive zero points if your application does not request HOPE VI funds for CSS purposes.

**d. Anticipatory Resources Leveraging -- 3 Points.** Anticipatory Resources are physical redevelopment activities that have taken place in the past and that were conducted (or are/will be conducted, in the case of present/future Public Housing funds, see below) in **direct relation to** your proposed HOPE VI Revitalization Plan. This relationship must be demonstrated in your application. These activities may be outside the parameters of your Revitalization Plan, as defined in the Definitions section of this NOFA. In many cases, PHAs, cities, or other entities may have carried out revitalization activities (including demolition) in previous years in anticipation of your receipt of a HOPE VI Revitalization grant. These activities, if documented in accordance with the NOFA criteria, may be counted as leveraged anticipatory resources. Anticipatory resources cannot duplicate any other type of resource. For Match: Anticipatory resources **cannot be counted towards match** except for non-HOPE VI Public Housing funds (see section III.C.3.jj, “Program Requirements that Apply to Match and Leverage,” subsection “Other Public Housing Funds”). For Anticipatory Resources Leveraging: Other Public Housing funds – **whether used in the past, currently being used, or to be used in the future** – EXCEPT FOR HOPE VI Revitalization program funds, may be counted toward your Anticipatory Resources Leveraging score (see section III.C.3.kk, “Program Requirements that Apply to Match and Leverage,” subsection “Other Public Housing Funds”). Other Public Housing funds will not be counted for Development, CSS or Collateral leverage. “HOPE VI funds requested for physical development activities” is defined as your total requested amount of funds minus your requested CSS, administration amounts, and relocation. HUD will presume that your combined CSS, administration, and relocation amounts are the total of Budget Line Items 1408 (excluding non-CSS Management Improvements), 1410, and 1495 on the form HUD-52825-A, “HOPE VI Budget,” that is included in your application. See section III.C.3.jj, “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements. These requirements MUST be followed as relevant in order to earn points under the leverage rating factor.

(1) You will receive 3 points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented anticipatory resources is 1:0.30 or higher.



(2) You will receive 2 points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented anticipatory resources is greater than or equal to 1:0.20 but less than 1:0.30.

(3) You will receive 1 point if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented anticipatory resources is greater than or equal to 1:0.10 but less than 1:0.20.

(4) You will receive zero points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented anticipatory resources is less than 1:0.10.

e. **Collateral Investment Leveraging** -- 2 Points. Collateral investment are physical redevelopment activities that have taken place in the past or will be completed within the term of the proposed HOPE VI Revitalization grant, and that will **directly enhance** your proposed HOPE VI Revitalization Plan. This relationship must be demonstrated in your application. These activities may be outside of your Revitalization Plan (as defined in the Definitions section of this NOFA). **However**, these activities will occur **whether or not** a Revitalization grant is awarded to you and the targeted public housing project is revitalized. This includes economic or other kinds of development activities that would have occurred with or without the anticipation of HOPE VI funds. These resources cannot duplicate any other type of resource and **cannot be counted as match**. Examples of collateral investments include local schools, libraries, subways, light rail stations, improved roads, day care facilities, and medical facilities. See section III.C.3, Program Requirements, and “Program Requirements that Apply to Match and Leverage” for resource and documentation requirements. These requirements **MUST** be followed as relevant in order to earn points under the leverage rating factor. “HOPE VI funds requested for physical development activities” is defined as your total requested amount of funds minus your requested CSS, administration amounts, and relocation. HUD will presume that your combined CSS, administration, and relocation amounts are the total of Budget Line Items 1408 (excluding non-CSS Management Improvements), 1410, and 1495 on the form HUD-52825-A, “HOPE VI Budget,” that is included in your application.

(1) You will receive 2 points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented collateral resources is 1:1.0 or higher.

(2) You will receive zero points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented collateral resources is less than 1:1.0.

**4. RATING FACTOR: Resident and Community Involvement – 3 Points Total.** HUD will evaluate the nature, extent, and quality of the resident and community outreach and involvement you have achieved by the time your application is submitted, as well as your plans for continued and additional outreach and involvement beyond the minimum threshold requirements. See section III.C.3 of this NOFA for Resident and Community Involvement requirements. You will receive one point for each of the following criteria met in your application, which are **over and above** the threshold requirements listed in section III.C.3 of this NOFA.

a. Your application demonstrates that you have communicated regularly and significantly with affected residents, state and local governments, private service providers, financing entities, developers, and other members of the surrounding community about the development of your revitalization plan by giving residents and community members information about your actions regarding the revitalization plan and providing a forum where residents and community members

can contribute recommendations and opinions with regard to the development and implementation of the revitalization plan.

b. Your application demonstrates your efforts, past and proposed, to make appropriate HUD communications about HOPE VI available to affected residents and other interested parties, e.g., a copy of the NOFA, computer access to the HUD website, etc.

c. Your application demonstrates your plans to provide affected residents with reasonable training on the general principles of development, technical assistance, and capacity building so that they may participate meaningfully in the development and implementation process.

**5. RATING FACTOR: Community and Supportive Services – 12 Points Total.** One of HUD's major priorities is to assist public housing residents in their efforts to become financially self-sufficient and less dependent on direct government housing assistance. See section III.C.1.j for eligible CSS activities, section III.C.3.m for CSS program requirements, and section III.C.3.n for CSS partnerships and resources. In your application, you will describe your CSS program, including any plans to implement a CSS Endowment Trust. Each of the following subfactors will be rated separately.

a. **Case Management** – 2 points

(1) You will receive 2 points if your application (including the Logic Model) demonstrates that you are already providing a range of case management services to the residents targeted by this proposal as of the application deadline;

(2) You will receive one point if your application (including the Logic Model) demonstrates that you will be able to provide a range of case management within 30 days from the date of the grant award letter so that residents who will be relocated have time to participate and benefit from CSS activities before leaving the site.

(3) You will receive zero points if your application (including the Logic Model) does not demonstrate either of the above criteria, or if your application does not include sufficient information to be able to evaluate this factor.

b. **Needs Assessment and Results** – 3 points

(1) You will receive 3 points if your application (including the Logic Model) demonstrates that a comprehensive resident needs assessment has been completed as of the application deadline date and that this needs assessment is the basis for the CSS program proposed in the application. You must describe and quantify (provide numbers and data) the results of the needs assessment, including key demographics, for all age groups in the affected resident population.

(2) You will receive up to 2 points if your application (including the Logic Model) demonstrates that a resident needs assessment has been completed as of the application deadline date, but does not demonstrate that the needs assessment was comprehensive and clearly linked to the proposed CSS program, does not cover all age groups in the affected resident population, does not describe and quantify key demographics, and/or does not describe and quantify the results of the needs assessment. Points may be deducted for failure to do so and for lack of specificity.

(3) You will receive zero points if your application (including the Logic Model) does not demonstrate any of the above criteria, or if your application does not include sufficient information to be able to evaluate this factor. Points may be deducted for failure to address the criteria in a sufficient manner, and lack of specificity.

c. **Overall CSS Program** – 2 points.

(1) You will receive 2 points if you have proposed in your application (including the Logic Model) a comprehensive, high quality, results-oriented CSS program that is based on a case management system, that provides services/programs to meet the needs of all resident groups of the targeted site (youth, adult, elderly, disabled, as applicable), and includes plans for quantifiable outcomes. These services/programs may be provided directly or by partners. They must be designed to assist residents affected by the revitalization in transforming their lives and becoming self-sufficient, as relevant.

(2) You will receive 1 point if you have proposed in your application (including the Logic Model) a CSS program that meets some but not all of the criteria in the paragraph above. Points may be deducted for failure to address all of the criteria, failure to address the criteria in a sufficient manner, and lack of specificity;

(3) You will receive zero points if your application (including the Logic Model) does not demonstrate that your plan complies with the criteria in (1) above or your application does not provide sufficient information to evaluate this rating factor. Points may be deducted for failure to address all of the criteria (as applicable), failure to address the criteria in a sufficient manner, and lack of specificity.

**d. Transition to Housing Self-Sufficiency – 2 points.** Your CSS program must include a feasible, well-defined, measurable endeavor that will assist public housing residents to transition to other affordable and market-rate housing, i.e., to gain “housing self-sufficiency.” Family Self-Sufficiency (FSS) and CSS activities that are designed to increase education and income levels are considered a part of this endeavor. Your application should address these criteria including providing measurable outcomes for this endeavor, describing in detail how your other CSS and FSS activities relate to the transition of public housing residents to housing self-sufficiency, and indicating the grassroots, community-based and faith-based organizations, etc. that will join you in the endeavor.

(1) You will receive 2 points if you address the criteria in (d) above, demonstrating that you have a feasible, well-defined plan for transitioning residents to housing self-sufficiency. To earn the full 2 points, the application must demonstrate all criteria showing a feasible, well-defined plan. Points may be deducted for failure to do so and for lack of specificity.

(2) You will receive 1 point if your application (including the Logic Model) demonstrates some but not all of the criteria in (d) above. Points may be deducted for failure to address all of the criteria, failure to address the criteria in a sufficient manner, and lack of specificity.

(3) You will receive zero points if your application (including the Logic Model) does not demonstrate that your plan complies with the criteria in (d) above or your application does not provide sufficient information to evaluate this rating factor. Points may be deducted for failure to address all of the criteria (as applicable), failure to address the criteria in a sufficient manner, and lack of specificity.

**e. Health Initiatives (Policy Priority)– 1 point.** As noted in the General Section, one of the policy priorities of the Department is to utilize housing as a platform for improving quality of life. As a result, HUD seeks to connect HUD assistance to improved socioeconomic outcomes including those related to, among other indicators, health. Health problems are often a major impediment to residents’ ability to transition to self-sufficiency.

(1) You will earn one point if your application commits that your proposed CSS program will include (a) the With Every Heart Beat is Life initiative, which is part of the National Heart, Lung, and Blood Institute’s (NHLBI’s) Educational Resources to Address Health Disparities

initiative (see <http://www.nhlbi.nih.gov/health/healthdisp/index.htm> for the With Every Heart Beat is Life curricula, as well as the corresponding curricula for other cultures including Latino/Hispanic (e.g., Your Heart, Your Life/Su Corazon, Su Vida: A Lay Health Educator's Manual for the Hispanic Community) and Asian American/Native Hawaiian/Other Pacific Islander (e.g., Healthy Heart, Healthy Family: A Community Health Worker's Manual for the Filipino Community)), or comparable curriculum if none of these is applicable to the demographics of the residents of your targeted project, **and** (b) other housing-related health-related initiatives. Your narrative must identify the target population(s) to be served, describe how you plan to implement these initiatives, and how you plan to measure change (including the types of outputs and outcomes you anticipate tracking/using).

(2) You will earn zero points if your application does not demonstrate the criteria in e(1) above.

**f. Workforce Partnerships, Green Jobs and Green Jobs Training – 2 points**

Strong partnership, including as part of its CSS program, between a PHA and its area Workforce Investment Board (WIB) can have a significant positive impact on assisting public housing residents to prepare for and gain employment. Further, HUD encourages PHAs to provide opportunities to their residents, through their own or their partners' programs, to participate in programs that help them move toward economic self-sufficiency through employment in energy efficiency and renewable energy industries.

**(1) Workforce Partnerships (1 point)**

(a) You will receive 1 point if you provide a signed letter of commitment (or other commitment document if available, including MOU, interagency cooperation agreement, etc.), which firmly commits both the PHA and the area WIB to work together to facilitate the connection of residents of the targeted project to employment opportunities and training. In order to earn this point, you must demonstrate in your narrative how the WIB has the necessary capacity to successfully facilitate the connection of public housing residents to employment opportunities and training.

(b) You will receive zero points if your application does not meet the criteria in (1)(a) above.

**(2) Green Jobs and Green Jobs Training (1 Point).**

(a) You will receive 1 point if you demonstrate through description in your narrative that you have a feasible, well-defined plan for connecting residents of the targeted site to green jobs (i.e., career track jobs in energy efficiency and renewable energy industries, including green jobs training).

(b) You will receive zero points if your application does not meet the criteria in (2)(a) above.

**6. RATING FACTOR: Early Childhood Education – 5 Points Total.**

a. **Background.** HOPE VI grants aim not only to redevelop the physical location of a community, but also to positively impact the lives of the residents of that community. This positive impact has been measured through self-sufficiency indicators focused on the heads of household. Indicators for children and youth and seniors have, to date, been secondary. However, recent research has shown that low-income children who are enrolled early (ages birth-five years) in comprehensive, high-quality, results oriented early childhood education (not simply custodial care) often show higher rates of educational readiness, higher standardized test scores, higher rates of school completion, and lower involvement with the juvenile justice system than fellow students without such exposure.

**b. Best Practices.** In this NOFA, in addition to the family economic self-sufficiency-based CSS program, points will be given to applicants who demonstrate the commitment to implement and/or form a significant partnership with an institution that implements a comprehensive, high-quality, results oriented early childhood education program that utilizes best practices. Best practices, for a comprehensive program, include a low student-teacher ratio, parental involvement, intensive outreach and presence in the community, and family supports such as health, nutrition and other social services necessary to help young children learn. Examples of models include but are not limited to: Head Start and Early Head Start (<http://www.acf.hhs.gov/programs/ohs/>), the Harlem Children's Zone ([www.hcz.org](http://www.hcz.org)), Ounce of Prevention/Educare Centers ([www.ounceofprevention.org](http://www.ounceofprevention.org)), Making Connections ([www.aecf.org/majorinitiatives/MakingConnections.aspx](http://www.aecf.org/majorinitiatives/MakingConnections.aspx)), and the Chicago Child-Parent Center (<http://www.waisman.wisc.edu/cls/Program.htm>). Additional information may be found at [http://www.promisingpractices.net/programs\\_topic\\_list.asp?topicid=1](http://www.promisingpractices.net/programs_topic_list.asp?topicid=1), The National Institute for Early Education Research, [www.nieer.org/yearbook/states/](http://www.nieer.org/yearbook/states/) and Pre-K Now, [www.pre-know.org/resource/index/cfm](http://www.pre-know.org/resource/index/cfm).

**c. Needs Assessment.** In order to prepare to respond to this rating factor, you must conduct a comprehensive educational needs assessment that describes and quantifies (by providing numbers and data) the needs of children aged birth-five years in the population. You may identify research and data that applies in general to families such as those that you serve or to your community, but you must also include data gathered from families targeted for this grant. Please include, to the extent possible, data that shows risks relevant to children at the targeted development. This needs assessment should include the need for early childhood education (including early language, literacy and numeracy skills), parenting classes, parental supports, nutrition and health programs, etc. Such data may include the rate of premature births among residents, the rate of infant mortality among residents, the percent of families that receive WIC assistance, the percent of families that receive subsidized children's health insurance (such as S-CHIP programs), the percent of children that qualify for Head Start and Early Head Start, the percent of children currently enrolled in Head Start or Early Head Start, the percent of families with children currently enrolled in an early childhood education program other than Head Start, the number of children in custodial care without educational supports on a regular basis, the number of children receiving early intervention/special education services ages birth to age 3 and ages 3-5, the literacy rate among adults in the families targeted for this grant, and the percent of families with contact with child protective services or domestic violence services (as self-reported by residents unless other data are available).

**d. Existing Neighborhood Strengths - Early Childhood Education (up to 2 points)**

(1) This rating factor addresses the presence of a strong, anchor institution in your community that provides high-quality early childhood education to local children. You will receive two points if you describe in your narrative, and provide an executed memorandum of understanding (MOU) from, a Neighborhood Strengths Institution that provides a comprehensive, high-quality, results-oriented local early childhood education program such as described in paragraph b. of this rating factor. (While it is permissible for a PHA to have an MOU with more than one Neighborhood Strengths Institution, only one is required to earn points under this rating factor). (For more information on neighborhood strengths, see Section V.A.10.c, "Neighborhood Strengths, Impact and Sustainability of the Revitalization Plan.") You are encouraged to consider accreditation by the National Association of Education of Young Children (NAEYC) as an indicator of quality. The program may be housed within or run by a

local school. In order to receive full points, the identified program must include a parental involvement component, parental supports either on-site, through partners, or in the homes of participating families and other learning supports such as connections to health and nutrition programs to address the needs outlined in the needs assessment. Also, in order to receive full points, the narrative must demonstrate that the program is high-quality with a proven track record of positive outcomes, and the MOU must (a) commit to outreach to and enroll current and future CSS-eligible families and other non-public housing families in the revitalized neighborhood; and (b) commit to work with the Community Task Force as a lead neighborhood partner throughout the HOPE VI grant. This program/institution may be the same as that named below in the Quality Results and Orientation Post-Revitalization rating factor.

(2) You will receive one point if your application identifies an early childhood education program that is (or is administered by) a neighborhood strengths institution; and provides a quality MOU from that institution; but the MOU addresses only some but not all of the remaining criteria in (1) above.

(3) You will receive zero points if you do not identify an early childhood education program that is (or is administered by) a neighborhood strengths institution; if you do not provide a quality MOU from that institution; or if your application and the MOU do not address any of the criteria in (1) above.

**e. Quality and Results Orientation – Early Childhood Education (3 points)**

**(1) Pre-Revitalization/Relocation (1 point)**

(a) You will receive one point if you: (i) commit to identifying an institution(s) with high-quality early childhood education program(s) such as described in paragraph b. of this rating factor and address the needs outlined in your needs assessment that will partner with the PHA prior to and during relocation; and (ii) commit to enrolling, tracking and supporting the attendance of the families with children under the age of five in the CSS program. The institution(s) may be located either in the receiving neighborhoods or in the original neighborhood. This may include the institution you identified in d. above. Arrangements must be made for appropriate transportation to ensure CSS families can access the program(s).

(b) You will receive zero points if you do not commit to both (i) and (ii) in (a) above. You will also receive zero points if you did not describe in your narrative the comprehensive educational needs assessment outlined in c. above and its results. Finally, you will receive zero points if you did not demonstrate that you have conducted a comprehensive educational needs assessment that describes and quantifies (by providing numbers and data) the needs of children aged birth-five years in the population. While you do not need to address every indicator, you must demonstrate in your application the needs in your community and that at least some of the data was collected from the residents of your targeted development.

**(2) Post Revitalization (2 points)**

(a) You will receive two points if your application directly addresses the needs identified in your needs assessment by describing an existing or proposed comprehensive, high-quality, results-oriented early childhood educational program utilizing the best practices identified in paragraph b. of this rating factor, that will be implemented on the site or near the site (i.e., within the "surrounding neighborhood," which means the neighborhood within a 3-mile radius of the site of the existing development) and will serve the community post-revitalization. If the program will be implemented near the site (not on-site), the applicant must demonstrate what transportation options will be available to participants. The program must also include intensive community outreach with a goal of enrolling, at least 65 percent of the families with children

ages zero to five that will occupy the revitalized site. HUD encourages enrollment of all children across income levels in the revitalized community, though the HOPE VI CSS grant funds must be used for the primary benefit of the public housing residents. In order to receive full points, you must also describe how you and/or your partners will continue to provide this consistently high quality early childhood education to youth of the community beyond the period of the grant, including how parents will be involved. This may include a commitment to establish, subject to HUD approval, a HOPE VI CSS Endowment Trust with a portion of your CSS grant funds that would enable the continuation of this early childhood education initiative. Note that a HOPE VI CSS Endowment Trust can also be used for the continuation of other CSS eligible activities. Your application must also outline the indicators you or your evaluator will track to show outcomes of your early childhood education program or partnership throughout the life of the grant and beyond. No points will be given for a custodial care center with no educational supports that does not include the best practices described above.

(b) You will receive one point if you address some but not all of the criteria in (a) above.

(c) You will receive zero points if you do not identify or commit to implement a high quality early childhood education program such as described above, if you do not commit to the 65 percent goal, if you do not indicate how you will continue this early childhood education program beyond the grant period, or if you do not address any of the criteria in (a) above. You will also receive zero points if you did not describe in your narrative the comprehensive educational needs assessment outlined in c. above and its results. Finally, you will receive zero points if you did not demonstrate that you have conducted a comprehensive educational needs assessment that describes and quantifies (by providing numbers and data) the needs of children aged birth-five years in the population. While you do not need to address every indicator, you must demonstrate in your application the needs in your community and that at least some of the data was collected from the residents of your targeted development.

**7. RATING FACTOR: Relocation – 3 Points Total.** See sections III.C. of this NOFA for Relocation and Relocation Plan requirements. For all applicants, whether you have completed, or have yet to complete, relocation of all residents of the targeted project, your HOPE VI Relocation Plan must include the three goals set out in section 24 of the 1937 Act, as described in sections a(1), a(2), and a(3) below.

a. You will receive up to 3 points for this Factor if you demonstrate that you have a feasible, well-defined, Relocation Plan, which:

(1) Includes a description of specific activities that have minimized, or will minimize, permanent displacement of all residents of the units that will be rehabilitated or demolished in the targeted public housing site, provided that those residents wish to remain in or return to the revitalized community;

(2) Includes a description of specific activities that will give existing residents priority over other families for future occupancy of public housing units in completed HOPE VI Revitalization Development projects, or, for existing residents that can afford to live in non-public housing HOPE VI units, priority for future occupancy of those planned units; and

(3) Includes a description of specific CSS activities that will be provided to residents prior to any relocation.

(4) Includes a description of plans for a regional mobility counseling program for any tenant-based voucher assistance provided in connection with the HOPE VI grant. The regional mobility counseling program must have a regional focus (i.e., it must provide counseling to voucher holders seeking to live outside of neighborhoods of minority concentration and poverty

concentration, as defined in section V.A.9.b, anywhere within the MSA of the revitalizing neighborhood; it must identify housing opportunities in neighborhoods that are not minority concentrated or poverty concentrated; and provide transportation assistance for voucher holders to visit identified housing opportunities).

(5) To earn the full 3 points, the application must demonstrate all the criteria showing a feasible, well-defined Relocation Plan. Points may be deducted for failure to do so and for lack of specificity.

b. You will receive up to 2 points for this Factor if your Relocation Plan complies with some but not all of the criteria above. Points may be deducted for failure to address all of the criteria, failure to address the criteria in a sufficient manner, and lack of specificity.

c. You will receive zero points for this Factor if your application does not demonstrate that your Relocation Plan complies with any of the requirements above or your application does not provide sufficient information to evaluate this rating factor. Points may be deducted for failure to address all of the criteria (as applicable), failure to address the criteria in a sufficient manner, and lack of specificity.

## **8. RATING FACTOR: Fair Housing and Equal Opportunity – 6 Points Total**

### **a. FHEO Disability Issues -- 3 Points Total**

#### **(1) Accessibility -- 2 Points.**

(a) Over and above the accessibility requirements listed in section III.C.3. of this NOFA, you will receive 2 points if your application demonstrates that you have a detailed plan to:

(i) Provide accessibility in homeownership units by setting a goal of constructing a percentage of the homeownership units as accessible units for persons with mobility impairments;

(ii) Provide accessible units for all eligible populations ranging from one-bedroom units for non-elderly single persons with disabilities through units in all bedroom sizes to be provided;

(iii) Provide for accessibility modifications, where necessary, to HCV-assisted units of residents who relocate from the targeted project to private or other public housing due to revitalization activities. The Department has determined that the costs of such modifications are eligible costs under the HOPE VI program; and

(iv) Where playgrounds are planned, propose ways to make them accessible to children with disabilities, over and above statutory and regulatory requirements;

(b) You will receive one point if your application demonstrates that you have a detailed plan to implement from one to three of the accessibility priorities stated above, explaining why and how you will implement the identified accessibility priorities.

(c) You will receive zero points if your application does not demonstrate that you have a detailed plan that meets the specifications above, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(2) **Universal Design** -- 1 Point. See Section III.C.3 for program requirement information on Universal Design.

(a) You will receive one point if your application demonstrates that you have a specific plan to meet:

(i) The adaptability standards adopted by HUD at 24 CFR 8.3 that apply to those units not otherwise covered by the accessibility requirements. Adaptability is the ability of certain elements of a dwelling unit, such as kitchen counters, sinks, and grab bars, to be added to, raised, lowered, or otherwise altered, to accommodate the needs of persons with or without disabilities, or to accommodate the needs of persons with different types or degrees of disability. For



example, the wiring for visible emergency alarms may be installed so that a unit can be made ready for occupancy by a hearing-impaired person (For information on adaptability, see [www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf](http://www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf)); and

(ii) The visitability features recommended by HUD that apply to units not otherwise covered by the accessibility requirements. The Department encourages applicants to incorporate visitability features, where feasible, in new construction and substantial rehabilitation projects. Visitability features allow a person with mobility impairments access into the home, even if such features are not required by accessibility standards. Applicants should be aware of any locally adopted visitability standards. Generally, visitability standards or guidelines do not require that all features of a housing or other facility be made accessible to a person with a disability. A visitable home also serves persons without disabilities, such as a mother pushing a stroller or a person delivering a large appliance. More information about visitability is available at <http://www.concretechange.org/> and [www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf](http://www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf). Two features of visitability are:

(A) At least one entrance at grade (no steps), approached by a sidewalk; and

(B) The entrance door and all interior passage doors on the entrance level are at least 2 feet, 10 inches wide, allowing 32 inches of clear passage space.

(b) You will receive zero points if your application does not demonstrate that you have specific plans to implement both (i) and (ii) as specified above, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**b. Fair Housing and Affirmatively Furthering Fair Housing (AFFH) (Policy Priority) – 1 Point Total.**

(1) AFFH is a policy priority of the Department. The General Section I.B.3 provides examples from HUD's Strategic Plan of possible strategies to achieving this policy priority. Going beyond the AFFH threshold requirement criteria of this NOFA, you will receive one point if you satisfy the following AFFH-related criteria in your application:

(a) Demonstrate a history of success at affirmatively furthering fair housing, including a description of measurable outcomes you have achieved;

(b) Outline a set of specific activities to improve upon your history of affirmatively furthering fair housing and achieve improved results; and

(c) Indicate what measurable outcomes you will seek to achieve and for which you will collect data (including baseline data).

(2) You will receive zero points if you do not address all of the above criteria, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**c. Economic Opportunities for Low- and Very Low-Income Persons (Section 3) -- 2 Points**

(1) HOPE VI grantees must comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and its implementing regulations at 24 CFR part 135. Specifically, HOPE VI grantees are required to ensure, to the greatest extent feasible, that training, employment, and other economic opportunities (including contracting) 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. Information about section 3 can be found at HUD's section 3 website at <http://www.hud.gov/section3>.

(2) **Section 3 Plan**, 1 Point. You will receive 1 point if your application demonstrates that you have a feasible plan for directing training, employment and contracting opportunities generated by the expenditure of covered financial assistance (your grant award) to Section 3

residents and Section 3 business concerns. To earn the one point, your application must demonstrate that your Section 3 Plan addresses a majority or more of the items listed below in paragraphs (a)-(g). You will receive zero points if your application demonstrates adequately that your Section 3 Plan addresses less than a majority of the items listed below in paragraphs (a)-(g), or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(a) Types and amounts of employment, training, and contracting opportunities to be generated as a result of proposed project activities;

(b) Specific actions that will be taken to ensure that low- and very low-income persons and the business concerns that substantially employ these person will be given priority consideration for employment, training, and contracting opportunities in accordance with 24 CFR Part 135.34 and Part 135.36;

(c) Criteria to be used for certifying the eligibility of Section 3 residents and business concerns;

(d) Process to be used for notifying Section 3 residents and business concerns about the availability of training, employment, and contracting opportunities;

(e) Methodology to be used for monitoring developers/contractors and subcontractors that are awarded covered contracts to ensure their compliance with the requirements of Section 3;

(f) Strategies for meeting the Section 3 minimum numerical goals for employment and contracting opportunities found at 24 CFR Part 135.30;

(g) Contact information and qualifications for staff persons that will be responsible for the day-to-day implementation of Section 3.

(3) **Section 3 Compliance**, 1 Point. You will receive 1 point if your application demonstrates compliance with the requirements of Section 3 during the most recent fiscal or calendar year. You will receive zero points if your application does not demonstrate compliance with the requirements of Section 3 during the most recent fiscal or calendar year, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible. Evidence that demonstrates the applicant's current compliance with the requirements of Section 3 may only include the following: a copy of the applicant's most recent Section 3 Annual Summary Report (Form HUD 60002), to be provided in the attachments section.

**9. RATING FACTOR: Mixed-Income Communities – 4 Points Total.** One goal of the HOPE VI Revitalization grant program is the creation of mixed income communities, creating housing opportunities both on and off of the original targeted public housing site, as appropriate.

**a. Project-Based Affordable Housing –1 Point**

(1) Housing Definitions. For the purposes of this rating section, housing units are defined differently than in PIH housing programs, as follows:

(a) "Project-based affordable housing units" are defined as on-site and off-site housing units where there are affordable-housing use restrictions on the unit, e.g., public housing, project-based HCV (Section 8) units, LIHTC units, HOME units, affordable homeownership units, etc. Units already completed, as of the application deadline, may not be counted.

(b) "Public housing" is defined as rental units that will be subject to the ACC.

(2) Unit Mix for Project-Based Affordable Housing.

(a) The unit mix in your proposed Revitalization Plan should sustain or create more project-based affordable housing units that will be available to persons eligible for public housing in markets where the plan shows there is demand for the maintenance or creation of such

units. While it is up to you to determine the unit mix that is appropriate for your site, it is essential that this unit mix include a sufficient amount of public housing rental units and other project-based affordable units. To the extent that the local market shows there is a demand for it, applicants are encouraged to create additional project-based affordable housing units to be made available for persons eligible for public housing. You must present the unit mix clearly and consistently throughout the application narratives and attachments.

(b) If a housing authority has already developed and completed any project-based affordable units onsite, that number of units will be subtracted from the number of public housing units that the targeted project contains or contained;

(c) You will receive 1 point if your application demonstrates that the number of project-based affordable units in your plan is 100.00 percent or more of the number of public housing units that the targeted project contains as of the application deadline date or contained at the time of demolition application approval;

(d) You will receive zero points if your application demonstrates that the number of project-based affordable units in your plan is less than 100.00 percent of the number of public housing units that the targeted project contains as of the application deadline date or contained at the time of demolition application approval, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**b. Off-Site Housing Units – 1 Point**

(1) Although not required, you are encouraged to consider development of replacement housing in locations other than the original targeted project site. Please note that the criteria in this rating factor are separate from, and do not change the applicability of, the program requirements in Section III.C.3.o on Site Selection (Site and Neighborhood Standards).

(2) Scoring.

(a) You will receive one point if you propose to develop housing units within a 1.5-mile radius of the targeted project site, but not on the site of the targeted project itself; or

(b) You will receive one point if you propose to develop housing units farther than a 1.5-mile radius of the targeted project site, and demonstrate that that neighborhood(s) in which this proposed housing is to be located is not minority concentrated and also is not poverty concentrated, as defined below.

(i) A minority concentrated neighborhood is one where:

(A) the neighborhood's total percentage of racial and ethnic minority persons is greater than the total percentage of minorities within the housing market area, i.e., the Metropolitan Statistical Area (MSA), in which the proposed housing is to be located; or

(B) the neighborhood's percentage of a particular racial or ethnic minority group with a history of de jure segregation in the MSA is greater than the percentage of that particular racial or ethnic minority group in the MSA in which this proposed housing is to be located.

(C) Note: Racial and ethnic minority groups are defined in accordance with U.S. Census Bureau classifications.

(ii) A poverty concentrated neighborhood is one where:

(A) the poverty rate is greater than the overall poverty rate within the MSA; or

(B) the poverty rate within the neighborhood is greater than 15 percent.

(c) In order to earn the one point available under either (a) or (b) above (you cannot earn one point under both), you must also demonstrate the following:

(i) The units proposed under (a) or (b) are well integrated into your overall Revitalization Plan, are included when you discuss other units in your Revitalization Plan (e.g., on-site housing,

homeownership housing, etc.), and are included throughout the unit counts and other numerical data you provide in your application.

(ii) Why off-site development, as described in (a) or (b), is relevant to your Revitalization Plan and how it supports the surrounding neighborhood identified in your application;

(iii) You have site control of the property(ies) on which these units would be developed, in accordance with Section III.C.2 (demonstrate in your narrative and Attachment 18);

(iv) The site(s) does not suffer from any known or suspected environmental hazards or have any open issues or uncertainties related to public policy factors (such as sewer moratoriums), proper zoning, availability of all necessary utilities, or clouds on title that would preclude development in the requested locality (demonstrate in your narrative); and

(v) Units proposed under (a) or (b) above have not been completed as of the application deadline. Units already completed, as of the application deadline, may not be counted.

(vi) Units proposed under (a) or (b) are not project-based voucher assistance, second mortgage assistance or Section 32. The one point cannot be earned if the only off-site activity you propose is project-based voucher assistance, second mortgage assistance or Section 32.

(d) You also will receive zero points if you do not demonstrate all of the above criteria, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**c. Low-Income Housing Tax Credit Units – 1 Point**

(1) Although not required, you are encouraged to consider development of Low-Income Housing Tax Credits (LIHTC) units as part of your Revitalization Plan to assist in creating a mixed income community.

(2) For purposes of this rating factor, LIHTC units do not include public housing or project-based assistance (the only subsidy is the tax credits), thus creating affordable rental units at 60% (or lower) AMI.

(3) If you propose LIHTC units in your application, they must be well integrated into and support your overall plan.

(4) Scoring.

(a) You will receive one point if you propose to develop LIHTC units as part of your Revitalization Plan and you demonstrate they meet the criteria of (2) and (3) above.

(b) Although it is acknowledged that LIHTC may not be appropriate or available in all situations, if you do not propose to develop LIHTC units in your Revitalization Plan, you are not eligible to receive this point. You also will receive zero points if you do not address all of the above criteria, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**d. Market Rate Housing Units – 1 Point**

(1) Although not required, you are encouraged to consider development of market rate housing, whether rental and/or homeownership units, as part of your Revitalization Plan to assist in creating a mixed income community.

(2) For purposes of this rating factor, market rate housing units are units where there are no affordable-housing use restrictions on the units.

(3) If you propose market rate units in your application, they must be well integrated into and support your overall revitalization plan. If you include market-rate housing in your revitalization plan, you must provide in the application (in the attachments section) a recent, signed preliminary market assessment letter from an independent, third party, credentialed market research firm, or professional that describes its assessment of the demand and associated pricing structure for the proposed market rate residential units, based on the market and

economic conditions of the project area. The preliminary market assessment letter must demonstrate the need for the market rate units proposed in your application. (This market assessment letter, as indicated elsewhere in the NOFA, must also support any affordable homeownership, economic development, or retail structures you propose).

(4) Scoring.

(a) You will receive one point if you propose to develop market rate housing units, whether rental and/or homeownership units, as part of your Revitalization Plan and you demonstrate they meet the criteria of (2) and (3) above.

(b) Although it is acknowledged that market rate housing may not be appropriate or feasible in all situations, if you do not propose to develop market rate housing units in your Revitalization Plan, you are not eligible to receive this point. You also will receive zero points if you do not address all of the above criteria, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

#### **10. RATING FACTOR: Soundness of Approach – 26 Points Total**

##### **a. Internal Consistency and Organization of the Application – 2 Points**

(1) The application itself must be well organized, well written, coherent, and internally consistent (i.e., how well the application was put together). Numbers, statistics, and other information must be presented clearly and consistently throughout the application. Information in your narratives must be consistent with the information provided in the attachments. Pay particular attention to the data provided for:

(a) Types and numbers of units;

(b) Numbers of and statistics on residents affected;

(c) Budgets;

(d) Other financial estimates, including the Sources and Uses form and TDC/Grant Limitation form; and

(e) Application data forms (including Attachments 1-7), vs. narrative descriptions of data.

(f) Quality and clarity of city map, current site plan,

(2) You will receive 2 points if your application demonstrates a high level of internal consistency and organization;

(3) You will receive one point if your application has a moderate level of internal consistency and organization;

(4) You will receive zero points if your application fails to demonstrate an acceptable level of internal consistency and organization;

##### **b. Appropriateness and Feasibility of the Revitalization Plan – 3 Points**

(1) You will receive up to 3 points if your application demonstrates the following about your Revitalization Plan. To earn the full 3 points, the application must demonstrate all the criteria showing an appropriate and feasible Revitalization Plan. Points may be deducted for failure to do so and for lack of specificity.

(a) It is appropriate and suitable, in the context of the community and other revitalization options, in accordance with the Appropriateness of Proposal threshold in section III.C. of this NOFA;

(b) Fulfills the needs identified in your application;

(c) Is marketable, in the context of local conditions;

(d) Preliminary Market Assessment Letter. If you include market-rate housing, affordable homeownership, economic development, or retail structures in your revitalization

plan, you must provide (in the attachments section) a recent signed letter from an independent, third party, credentialed market research firm, or professional that describes its assessment of the demand and associated pricing structure for the proposed market-rate housing, affordable homeownership, economic development, or retail structures, based on the market and economic conditions of the project area.

(e) Is financially feasible (including leverage), as demonstrated in the financial structure(s) and narrative proposed in the application. **Applicants must describe in detail in their narrative how they plan to finance each phase of the proposed Revitalization Plan (e.g., type of resource, sources, what amounts, how loans/bonds will be repaid, etc.). Otherwise, it may not be possible for HUD to award full points;**

(f) Does not propose to use public housing funds for non-public housing uses;

(g) If extraordinary site costs have been identified, a certification of these costs has been provided in the application. Applicants must describe in their narrative the extraordinary site costs for the proposed Revitalization Plan;

(h) Describes the cost controls that will be used in implementing the project, in accordance with the Funding Restrictions and Program Requirements sections of this NOFA;

(i) Includes a completed TDC/Grant Limitations Worksheet in the application and follows the Funding Restrictions and Program Requirements sections of this NOFA.

(j) The physical and CSS aspects of the application must be compatible and coordinated with each other.

(2) You will receive up to 1 point if your application demonstrates some but not all of the criteria above. Points may be deducted for failure to address all of the criteria, failure to address the criteria in a sufficient manner, and lack of specificity.

(3) You will receive zero points for this Factor if your application does not demonstrate an appropriate and feasible Revitalization Plan or your application does not provide sufficient information to evaluate this rating factor. Points may be deducted for failure to address all of the criteria (as applicable), failure to address the criteria in a sufficient manner, and lack of specificity.

**c. Neighborhood Strengths, Impact and Sustainability of the Revitalization Plan – 4 Points**

(1) You will receive up to 4 points if your application demonstrates your overall Revitalization Plan for the targeted public housing project will do the following (a)-(e). To earn the full 4 points, the application must demonstrate all the criteria showing a high level of neighborhood strengths, impact and sustainability of the Revitalization Plan. Points may be deducted for failure to do so and for lack of specificity.

(a) Result in a revitalized site(s) that will enhance the surrounding neighborhood in which the project is located by building on the strengths of the surrounding neighborhood. Applicants must describe these existing neighborhood strengths in their application and how they will contribute to a revitalized site(s) that will enhance the surrounding neighborhood. For purposes of this NOFA, neighborhood strengths are considered any existing asset that will help transform the neighborhood into a functioning, sustainable, mixed income community. In general neighborhood strengths consist of institutions, organizations and businesses which serve as anchors in the community, providing jobs, services and economic benefits. They also can consist of neighborhood amenities, such as good schools, community centers and recreation centers; easy access to public transportation, parks and playgrounds, hospitals, health clinics, supermarkets and other retail uses;

(b) Spur outside investment into the surrounding community;

- (c) Enhance economic opportunities for residents;
- (d) Remove an impediment to continued redevelopment or start a community-wide revitalization process; and
- (e) Sustain the revitalization effort in the long-term.

(2) You will receive up to 2 points if your application demonstrates that your Revitalization Plan will have only a moderate effect related to the criteria above, as described in (1) above. Points may be deducted for failure to address all of the criteria, failure to address the criteria in a sufficient manner, and lack of specificity.

(3) You will receive zero points if your application does not demonstrate any effect related to the criteria, as described in (1) above, or your application does not provide sufficient information to evaluate this rating factor. Points may be deducted for failure to address all of the criteria, failure to address the criteria in a sufficient manner, and lack of specificity.

**d. Project Readiness – 6 Points.** HUD places top priority on projects that will be able to commence immediately after grant award. You will receive the following points for each applicable subfactor below (1)-(4) that are demonstrated in the narrative of your application.

(1) You will receive 2 points if the targeted severely distressed public housing site is completely vacant, i.e., all residents have been relocated that need to be relocated in connection with the revitalization plan.

(2) You will receive 2 points if the targeted severely distressed public housing site is cleared, i.e., all buildings are demolished that are planned to be demolished, or your revitalization plan only includes rehabilitation and no demolition of public housing units.

(3) You will receive one point if a Master Development Agreement (MDA) for the overall revitalization plan has been developed and is ready to be executed. However, in cases where the PHA (not an affiliate/subsidiary/instrumentality) will act as its own developer for all components of the revitalization plan, an MDA is not needed and the one point will be awarded automatically.

(4) You will receive one point if you have held five or more public planning sessions (resident trainings and public meetings). The narrative must list the meeting dates. No more than three of the meetings may be the same as those used to satisfy the resident training and public meeting requirements of the “Resident and Community Involvement” requirements section (III.C.3).

**e. Program Schedule – 1 point.** You will receive 1 point if you provide a certifying statement in your narrative that certifies that you, if awarded, will implement a program schedule that complies with all the timelines/milestones required in Section III.C.3.v., “Timeliness of Development Activity.” If you do not provide this certifying statement in your application, you will earn zero points.

**f. Design – 3 Points**

(1) You will receive 3 points if your proposed site plan, new dwelling units, and buildings demonstrate that:

(a) You have proposed a site plan that is compact, pedestrian-friendly, with an interconnected network of streets and public open space including appropriate enhancements to the natural environment;

(b) Your plan proposes design elements encouraging defensible space, including “eyes on the street,” buildings and individual entrances fronting on the street, and clearly defined public and private spaces that help the community watch over itself and provide a sense of security; and

(c) Your proposed housing, community facilities, and economic development facilities are thoroughly integrated into the community through the use of local architectural tradition, building scale, grouping of buildings, and design elements.

(2) You will receive two points if your proposed site plan, new dwelling units, and buildings demonstrate design that adequately addresses elements (a) and (b) in (1) above.

(3) You will receive zero points if your proposed site plan, new dwelling units, and buildings does not adequately address either the criteria in (1) or (2) above. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

**g. Green Development and Energy Efficiency Strategies – 6 points.** HUD is encouraging development that increases resource efficiency, reduces green house gas emissions and promotes healthy living environments for residents. Applicants may earn points under **one** of the following paragraphs, (1), (2), or (3), for a maximum of 6 points. Applicants must respond to the respective rating factor below in their narrative. Attachment 35 is available if applicants need space in addition to their narrative to respond to this rating factor.

(1) Green Development (6 or 0 points). Applicants may earn 6 points if they demonstrate the following criteria related to undertaking green development strategies. Applicants must certify and demonstrate that they will implement green development in, at a minimum, the construction of all new housing units in their HOPE VI Revitalization Plan, if funded. Applicants must certify that and describe how they will fulfill the requirements of one of several recognized green rating programs, including: Enterprise Green Communities Criteria; the National Association of Home Builders (NAHB) Green Building Guidelines; Leadership in Energy and Environmental Design (LEED) for Homes (for single family) or LEED New Construction (for multifamily); or Earthcraft. (Note: For green rating programs that require third-party certification, the applicant, if funded, must provide evidence of such certification after construction of the units. For green rating programs that require self-certification, the applicant, if funded, must provide evidence of self-certification, such as the Enterprise Green Communities Checklist). You will receive zero points if your application does not demonstrate the criteria above, or if your application does not include sufficient information to be able to evaluate this factor.

(2) Energy Star for New Homes Design Standards (3 or 0 points). If applicants are not able to commit to Green Development as described in (1) above, they may still earn 3 points as follows. Applicants will earn 3 points if they demonstrate the following criteria related to undertaking Energy Star for New Homes design standards: certify that they will use Energy Star for New Homes design standards in the construction of all new units in their HOPE VI Revitalization Plan; describe their plan to use Energy Star for New Homes design standards including Energy Star Appliances; and commit to obtaining a certification by an independent Home Energy Rater upon completion of the units as outlined at [www.energystar.gov/homes](http://www.energystar.gov/homes). You will receive zero points if your application does not demonstrate these criteria, or if your application does not include sufficient information to be able to evaluate this factor.

(3) Energy Star Qualified Products and Appliances (1 or 0 points). If applicants are not able to commit to Green Development or Energy Star for New Homes Design Standards as described in (1) and (2) above, they may still earn 1 point as follows. Applicants will earn 1 point if they demonstrate the following criteria related to Energy Star qualified products and appliances: certify that only Energy Star qualified products and appliances will be used in all new units in their HOPE VI Revitalization Plan; and describe their plan to use only Energy Star qualified products and appliances. You will receive zero points if your application does not demonstrate these criteria, or if your application does not include sufficient information to be able to evaluate this factor.

**h. Broadband Internet Access (1 Point).**



(1) **Background and Grantee Requirements.** In accordance with Section III.C.3.l(5)(b), all FY2010 Revitalization grantees will be required, as part of their Revitalization Plan, to establish a Neighborhood Networks Center (NNC) and to promote the inclusion of infrastructure that permits unit-based access to broadband Internet connectivity in all new units. Grantees may use HOPE VI funds to establish NNCs and to provide unit-based broadband Internet connectivity. More information about the Neighborhood Networks program is available on the Neighborhood Networks website at: <http://www.hud.gov/offices/hsg/mfh/nnw/aboutphnn.cfm>. HUD encourages PHAs to include the infrastructure to make unit-based Internet access available to all residents as part of your Revitalization Plan. For the residents, access to computers and the Internet can help increase their education and income levels. It increases access to community and supportive services, including job training and the job market. These efforts are enhanced by providing broadband access in the home in addition to community centers. Further, in-home broadband Internet access is an attractive, and in most cases, standard amenity that can be used to market the mixed income community created through the Revitalization Plan.

(2) **Scoring for In-Home Broadband Internet Access.** While not required, applicants that commit to include the infrastructure that permits unit-based access to broadband Internet connectivity in all new units will receive one point. Applicants must include a description of how they will implement this commitment, including training programs through the Neighborhood Networks center that will allow residents to fully benefit from in-unit access, and the role and resource contribution of any partners. Costs must be reflected in the overall development budget, and the applicant must explain how residents will access Internet service. PHAs may choose to pay for Internet access and service for all residents as a lease amenity. Alternatively, PHAs may install the infrastructure and allow residents to select an Internet service provider and pay for their own service if they so choose. Under no circumstances should residents be *required* to pay for Internet access. Applicants whose applications do not demonstrate a commitment to include the infrastructure that permits unit-based access to broadband Internet connectivity in all new units will earn zero points.

## **B. Reviews and Selection Process.**

HUD's selection process is designed to ensure that grants are awarded to eligible PHAs that submit the most meritorious applications. HUD will consider the information you submit by the application deadline date. After the application deadline date, HUD may not, consistent with its regulations in 24 CFR part 4, subpart B, consider any unsolicited information that you or any third party may want to provide.

### **1. Application Screening.**

- a. HUD will screen each application to determine if:
  - (1) It is deficient, i.e., contains any Technical Deficiencies; and
  - (2) It meets the threshold criteria listed in section III.C. of this NOFA
- b. See section III.C. of this NOFA for case-by-case information regarding thresholds and technical deficiencies.
- c. **Corrections to Deficient Applications – Cure Period.** The subsection entitled, “Corrections to Deficient Applications,” in section V.B. of the General Section is incorporated by reference and applies to this NOFA, except that clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within 5 calendar days of the date of receipt of the HUD notification. (If the deadline date falls on a Saturday, Sunday, or federal holiday, your correction must be received by HUD on the next day that is not a Saturday, Sunday, or federal holiday.)

d. **Applications that will not be rated or ranked.** HUD will not rate or rank applications that are deficient at the end of the cure period stated in section V.B. of the General Section or that have not met the thresholds described in section III.C. of this NOFA. Such applications will not be eligible for funding.

2. **Preliminary Rating and Ranking.**

a. **Rating.**

(1) HUD staff will preliminarily rate each eligible application, SOLELY on the basis of the rating factors described in section V.A. of this NOFA.

(2) When rating applications, HUD reviewers will not use any information included in any HOPE VI application submitted in a prior year.

(3) HUD will assign a preliminary score for each rating factor and a preliminary total score for each eligible application.

(4) The maximum number of points for each application is 105.

b. **Ranking.** After preliminary review, applications will be ranked in score order.

3. **Final Panel Review.**

a. A Final Review Panel made up of HUD staff will:

(1) Review the Preliminary Rating and Ranking documentation to:

(a) Ensure that any inconsistencies between preliminary reviewers have been identified and rectified; and

(b) Ensure that the Preliminary Rating and Ranking documentation accurately reflects the contents of the application.

(2) Assign a final score to each application and rank them in score order; and

(3) Recommend for selection **the most highly rated applications**, subject to the amount of available funding, in accordance with the allocation of funds described in section II of this NOFA.

4. HUD reserves the right to make reductions in funding for any ineligible items included in an applicant's proposed budget.

5. In accordance with the FY 2010 HOPE VI appropriation, HUD may not use HOPE VI funds to grant competitive advantage in awards to settle litigation or pay judgments.

6. **Tie Scores.** If two or more applications have the same score and there are insufficient funds to select all of them, HUD will select for funding the application(s) with the highest score for the Soundness of Approach Rating Factor. If a tie remains, HUD will select for funding the application(s) with the highest score for the Capacity Rating Factor. HUD will select further tied applications with the highest score for the Need Rating Factor.

7. **Remaining Funds.** HUD reserves the right to reallocate remaining funds from this NOFA to other eligible activities under section 24 of the 1937 Act.

a. If the total amount of funds requested by all applications found eligible for funding under section V.B. of this NOFA is less than the amount of funds available from this NOFA, all eligible applications will be funded and those funds in excess of the total requested amount will be considered remaining funds.

b. If the total amount of funds requested by all applications found eligible for funding under this NOFA is greater than the amount of funds available from this NOFA, eligible applications will be funded until the amount of non-awarded funds is less than the amount required to feasibly fund the next eligible application. In this case, the funds that have not been awarded will be considered remaining funds.

8. The following sub-sections of section V. of the General Section are hereby incorporated, as indicated in this NOFA:

- a. HUD's Strategic Goals;
- b. Policy Priorities;
- c. Threshold Compliance;
- d. Corrections to Deficient Applications;
- e. Rating; and
- f. Ranking.

## **VI. Award Administration Information.**

### **A. Award Notices.**

1. **Initial Announcement.** The HUD Reform Act prohibits HUD from notifying you as to whether or not you have been selected to receive a grant until it has announced all grant recipients. If your application has been found to be ineligible or if it did not receive enough points to be funded, you will not be notified until the successful applicants have been notified. HUD will provide written notification to all applicants, whether or not they have been selected for funding.
2. **Award Letter.** The notice of award letter is signed by the Secretary or the Assistant Secretary for Public and Indian Housing and will be delivered by fax and the U.S. Postal Service.
3. **Revitalization Grant Agreement.** When you are selected to receive a Revitalization grant, HUD will send you a HOPE VI Revitalization grant agreement, which constitutes the contract between you and HUD to carry out and fund public housing revitalization activities. Both you and HUD will sign the cover sheet of the grant agreement, form HUD-1044. It is effective on the date of HUD's signature, which is the second signature. The grant agreement differs from year to year. Past Revitalization grant agreements can be found on the HOPE VI website at [www.hud.gov/hopevi](http://www.hud.gov/hopevi).
4. **Applicant Debriefing.** HUD will provide an applicant a copy of the total score received by their application and the score received for each rating factor.
5. **Adjustments to Funding.** The Adjustments to Funding sub-section of section VI.A.2 of the General Section is hereby incorporated.

**B. Administrative and National Policy Requirements.** See Section III.C.3 of this NOFA for administrative and national policy requirements.

### **C. Reporting.**

#### **1. Quarterly Report.**

- a. If you are selected for funding, you must submit a quarterly report to HUD.
  - (1) HUD will provide training and technical assistance on the filing and submitting of quarterly reports.
  - (2) Filing of quarterly reports is mandatory for all grantees, and failure to do so within the required timeframe will result in suspension of grant funds until the report is filed and approved by HUD.
  - (3) Grantees will be held to the milestones that are reported on the Quarterly Report Administrative and Compliance Checkpoints Report, as approved by HUD.
  - (4) Grantees must also report obligations and expenditures in LOCCS, or its successor system, on a quarterly basis.

#### **2. Logic Model Reporting.**

- a. The reporting shall include submission of a completed Logic Model indicating results achieved against the proposed output goal(s) and proposed outcome(s), which you stated in your

approved application and agreed upon with HUD. The submission of the Logic Model and required information should be in accord with the reporting timeframes as identified in your grant agreement.

b. The goals and outcomes that you include in the Logic Model should reflect your major activities and accomplishments under the grant. For example, you would include unit construction, demolition, etc., from the “bricks-and-mortar” portion of the grant. As another example, for the CSS portion of the grant, you may include the number of jobs created or the number of families that have reached self-sufficiency, but you would not include information on specific job training and self-sufficiency courses.

c. As a condition of the receipt of financial assistance under this NOFA, all successful applicants will be required to cooperate with all HUD staff or contractors performing HUD-funded research and evaluation studies.

### **3. Final Report.**

a. The grantees shall submit a final report, which will include a financial report and a narrative evaluating overall performance against its HOPE VI Revitalization plan. Grantees shall use quantifiable data to measure performance against goals and objectives outlined in its application, as well as against the responses to the Management Questions contained in the Logic Model. The financial report shall contain a summary of all expenditures made from the beginning of the grant agreement to the end of the grant agreement and shall include any unexpended balances.

c. The final narrative and financial report shall be due to HUD 90 days after either the full expenditure of funds, or when the grant term expires, whichever comes first.

## **VII. Agency Contacts.**

### **A. Technical Assistance.**

1. Before the application deadline date, HUD staff will be available to provide you with general guidance and technical assistance. However, HUD staff is not permitted to assist in preparing your application. If you have a question or need a clarification, you may call or send an email message to the Office of Public Housing Investments, Attention: Ms. Leigh van Rij, at (202) 402-5788 (this is not a toll-free number), or [leigh\\_e.\\_van\\_rij@hud.gov](mailto:leigh_e._van_rij@hud.gov). The mailing address is: Office of Public Housing Investments, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4130, Washington, DC 20410-5000; telephone numbers (202) 401-8812; fax (202) 401-2370 (these are not toll-free numbers). Persons with hearing or speech impairments may access these telephone numbers through a text telephone (TTY) by calling the toll-free Federal Information Relay Service at (800) 877-8339.

2. **Frequently Asked Questions and General HOPE VI Information.** Before the application deadline date, frequently asked questions (FAQs) on the NOFA will be posted to HUD’s grants website at <http://www.hud.gov/offices/pih/programs/ph/hope6/> and [http://portal.hud.gov/portal/page/portal/HUD/program\\_offices/administration/grants/fundsavail](http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/grants/fundsavail).

3. You may obtain general information about HUD’s HOPE VI programs from HUD’s HOPE VI website at <http://www.hud.gov/offices/pih/programs/ph/hope6/>.

### **B. Technical Corrections to the NOFA.**

1. Technical corrections to this NOFA will be posted on the [www.hud.gov/hopevi](http://www.hud.gov/hopevi) website.

2. You are responsible for monitoring the website during the application preparation period.

### VIII. Other Information.

**A. Waivers.** Any HOPE VI-funded activities at public housing projects are subject to statutory requirements applicable to public housing projects under the 1937 Act, other statutes, and the Annual Contributions Contract (ACC). Within such restrictions, HUD seeks innovative solutions to the long-standing problems of severely distressed public housing projects. You may request, for the revitalized project, a waiver of HUD regulations, subject to statutory limitations and a finding of good cause under 24 CFR 5.110, if the waiver will permit you to undertake measures that enhance the long-term viability of a project revitalized under this program. HUD will assess each request to determine whether good cause is established to grant the waiver.

**B. Environmental Impact.** A Finding of No Significant Impact with respect to the environment has been made for this notice, in accordance with HUD regulations at 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The Finding of No Significant Impact is available for public inspection between 8:00 a.m. and 5:00 p.m. eastern time, Monday through Friday, except federal holidays, in the Office of General Counsel, Regulations Division, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10276, Washington, DC 20410-0500. Due to security measures at the HUD Headquarters building, please schedule an appointment to review the finding by calling the Regulations Division at (202) 708-3055 (this is not a toll-free number).

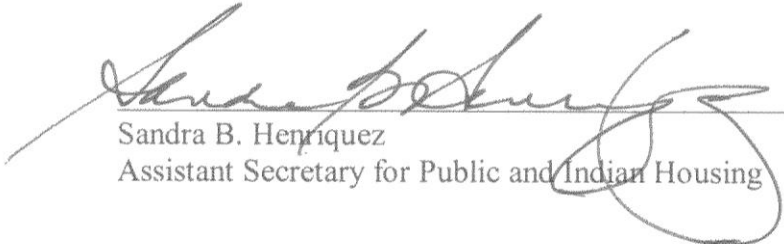
**C. General Section References.** The following sub-sections of section VIII. of the General Section are hereby incorporated by reference:

1. Executive Order 13132, Federalism;
2. Public Access, Documentation, and Disclosure;
3. Section 103 of the HUD Reform Act;

**D. Paperwork Reduction Act Statement.** The information collection requirements contained in this document have been approved by the OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2577-0208. 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. The public reporting burden for the collection of information is estimated to average 190 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, quarterly 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.

Dated: \_\_\_\_\_

8/25/10

  
 Sandra B. Henriquez  
 Assistant Secretary for Public and Indian Housing

[FR-5415-N-07]