

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5415-N-37]

Notice of Funding Availability (NOFA) for HUD's Fiscal Year 2010 Section 3 Program Coordination and Implementation

AGENCY: Office of the Assistant Secretary for Fair Housing and Equal Opportunity, HUD.

ACTION: Notice of Funding Availability for HUD's Fiscal Year (FY) 2010 Section 3 Program Implementation and Coordination.

SUMMARY: This Notice of Funding Availability (NOFA) announces the availability of funding for Section 3 Program Coordination and Implementation. Approximately \$600,000 in FY2010 funds is available through this NOFA as a part of the Department's Transformation Initiative. Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u), ensures that employment, training, and contracting opportunities generated from the expenditure of certain HUD funds shall, to the greatest extent feasible, and consistent with existing Federal, state and local laws and regulations, be directed to low- and very low-income residents (particularly those who are recipients of government assistance for housing), and to businesses that provide economic opportunities to low- and very low-income persons. The implementing regulations for Section 3 are found at 24 CFR Part 135. Many high performing recipients of Section 3 covered funding employ a Section 3 Coordinator to ensure that the regulatory requirements are met, and that economic opportunities are provided to eligible residents and businesses. The purpose of this NOFA is to help agencies that receive Section 3 covered HUD funding build their capacity to meet the regulatory requirements of Section 3 by providing funds for the salary, fringe benefits, and other expenses associated with hiring one full-time Section 3 Program Coordinator for one year. Applicants must possess the financial ability to finance any remaining salary, fringe benefits, and other expenses associated with hiring a Section 3 Coordinator that are not covered by the funds provided from this NOFA. Approximately 12 qualified applicants will receive awards of \$50,000 via a lottery by region described in section V.B. of this NOFA. HUD intends to fund at least one application within each of its ten regional offices, to the extent possible.

APPLICATION DEADLINE DATE: The application deadline is: 11:59:59 p.m. eastern time on **July 20, 2011**. Applications must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Please allow time for this process to ensure that the timely receipt requirements are met. Please see the 2010 General Section for instructions for timely receipt, including actions to take if the application is rejected.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific program requirements should be directed to the Economic Opportunity Division at 202-708-3633 (this is not a toll-free number). Prior to the application deadline, program staff will be available to provide general guidance, but not guidance with actually preparing the application. 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 to the NOFA information Center at 1-800-HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at 1-800-877-8339. The NOFA Information Center is open between the hours of 10:00 a.m. and 6:30 p.m., Eastern Time, Monday through Friday, except Federal holidays.

OVERVIEW INFORMATION

A. Federal Agency Name: U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, Economic Opportunity Division.

B. Funding Opportunity Title: Section 3 Coordination and Implementation NOFA.

C. Announcement Type: Initial announcement.

D. Funding Opportunity Number: The OMB Approval Number is: 2529-0050. The funding opportunity number for this NOFA is: **FR-5415-N-37**.

E. Catalog of Federal Domestic Assistance (CFDA) Number(s): 14.419, Section 3 Coordination and Implementation.

F. Dates: The application deadline date is **July 20, 2011**. Applications submitted through <http://www.grants.gov> must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. All information required to complete the application is in the General Section and this program NOFA. Applicants may download the application and instructions from the Grants.gov website at: http://www07.grants.gov/applicants/apply_for_grants.jsp. Please carefully read the Notice of HUD's Fiscal Year (FY) 2010 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY 2010 NOFAs for Discretionary Programs, published on Grants.gov on June 7, 2010. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Please allow time for this process to ensure that you meet the timely receipt requirements.

G. Additional Overview Content Information:

1. **Purpose of the Program.** The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u), is to ensure that employment, training, and contracting opportunities generated from the expenditure of certain HUD funds shall, to the greatest extent feasible, and consistent with existing Federal, state and local laws and regulations, be directed to low- and very low-income residents (particularly those who are recipients of government assistance for housing), and to businesses that provide economic opportunities to low- and very low-income persons. As a result of Section 3, many families have achieved economic self sufficiency. High performing recipients of Section 3 covered funding employ a Section 3 Coordinator to ensure that the regulatory requirements are met, and that economic opportunities are provided to eligible residents and businesses. The purpose of this NOFA is to help agencies that receive Section 3 covered HUD funding build their capacity to meet the regulatory

requirements of Section 3 by providing funds for the salary, fringe benefits, and other expenses associated with hiring one full-time Section 3 Program Coordinator for one year. Applicants must possess the financial ability to finance any remaining salary, fringe benefits, and other expenses associated with hiring a Section 3 Coordinator that are not covered by the funds provided from this NOFA. Approximately 12 qualified applicants will receive awards of \$50,000 via a lottery by region described in section V.B. of this NOFA. HUD intends to fund at least one application within each of its ten regional offices, to the extent possible.

FULL TEXT OF ANNOUNCEMENT

I. Funding Opportunity Description

A. Authority. The FY2010 Budget (the Department of Housing and Urban Development's Appropriations Act, 2010, Pub. L. 111-117, approved December 16, 2009) provides HUD the authority to set-aside up to 1 percent of its total budget for an agency-wide Transformation Initiative. This set-aside is necessary to build a transparent and accountable agency that uses metrics to gauge performance, research to evaluate programs, demonstrations to illustrate the broader impact of federal interventions, technical assistance to identify and diffuse innovation and technology to track spending, inform decisions and curb fraud, waste and abuse. Authority for this NOFA was provided through the Department's 1 percent set-aside for Transformation Initiatives.

B. Program Description. The Office of Fair Housing and Equal Opportunity is making funding available to agencies that are direct recipients of Section 3 covered HUD assistance to employ Section 3 Coordinators for one year. Recipients of Section 3 covered HUD assistance include agencies that receive the following: 1) Public and Indian Housing (PIH) Operating Fund, Capital Fund, or Development assistance; and 2) Housing and Community Development assistance that is used for projects involving housing construction, rehabilitation, or other public construction.

Typically, recipients that employ a Section 3 Coordinator experience considerable success with meeting the regulatory requirements of Section 3. A Section 3 Coordinator is responsible for ensuring that recipients of covered HUD funding comply with the regulatory requirements of Section 3, and that economic opportunities are provided to eligible residents and businesses. Funds awarded under this NOFA shall be used to cover the salary, fringe benefits, and other expenses associated with hiring one Section 3 Coordinator for one year. Salaries, fringe benefits, and other expenses are to be based on local comparables. Applicants must possess the financial ability to finance the remaining salary, fringe benefits, and other expenses associated with hiring a Section 3 Coordinator that are not covered by the funds provided under this NOFA. Applicants will also be required to develop a final Statement of Work (SOW) identifying the duties/tasks that the Section 3 Coordinator will carry out during the 12-month period that HUD funds are provided.

On May 6, 2011, the Department of Labor, Bureau of Labor Statistics, published a national unemployment rate of 9.0 percent (see: <http://www.bls.gov/news.release/pdf/empsit.pdf>). To ensure that funds awarded under the Section 3 Coordination and Implementation NOFA are provided to communities with the greatest economic needs, applicants will receive more points if they: 1) currently do not employ a

Section 3 Coordinator; 2) are located in an area with an unemployment rate that exceeds the national average; 3) demonstrate that they can fund the Section 3 Coordinator Position for more than one year; and/or 4) provide evidence that they have entered into regional partnerships with one or more agencies that receive direct Section 3 covered assistance from HUD, and/or a partnership with a Department of Labor Workforce Investment Board that is co-located in the community to be served.

C. Number of Positions for Which Eligible Applicants May Apply. Eligible applicants may apply for funding for one full-time Section 3 Coordinator position for one year (i.e., 12 consecutive months). If the applicant proposes to enter into a regional/joint partnership for the purposes of seeking funding, a lead or primary applicant must be identified. If selected for funding under this NOFA, only one Section 3 Coordinator position will be funded, regardless of the number of regional partners.

D. Program Definitions. The following definitions apply to the funding available under this NOFA.

1. Administrative expenses mean salaries and related benefits of those employees who perform administrative/clerical (non-technical) activities and other non-salary administrative expenses incurred to support a position.
2. Applicant means any entity that submits an application for the Section 3 Coordination and Implementation NOFA. Eligible applicants include: any State, unit of local government, public housing agency, Indian housing authority, Indian tribe, or other public body.
3. Business concern means a business entity formed in accordance with State law, and which is licensed under State, County/Parish or municipal law to engage in the type of business activity for which it was formed.
4. Civilian Labor Force means the sum of employed and unemployed persons.
5. Contractor means any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.
6. Department or HUD means the Department of Housing and Urban Development, including its Field Offices to which authority has been delegated to perform functions under this NOFA.
7. Employment opportunities generated by Section 3 covered assistance mean all employment opportunities generated by the expenditure of Section 3 covered public and Indian housing assistance (i.e., operating fund assistance, capital fund assistance and development assistance, as described in 24 CFR Part 135.3(a)(1)). With respect to Section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection with Section 3 covered projects (as described in 24 CFR Part 135.3(a)(2)), including management and administrative jobs connected with the Section 3 covered project. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialist, payroll clerk, etc.
8. Fringe benefits mean an indirect, non-cash benefit provided to employees by employers in addition to regular wage or salary compensation, such as health insurance, life insurance, profit-sharing, vacation packages, and the like.
9. Housing Authority (HA) means, collectively, Public Housing Agency and Indian Housing Authority.

10. Housing and Community Development assistance (refer to Section III.A.2 of this NOFA).
11. Public Housing Development means low-income housing owned, developed, or operated by Public Housing Agencies or Indian Housing Authorities in accordance with HUD's Public and Indian Housing program regulations codified in 24 CFR Chapter IX.
12. Local Area Unemployment Rate means the local area unemployment rate for the city, community, jurisdiction, or service area where the applicant is located, as published by the U.S. Department of Labor, Bureau of Labor Statistics.
13. Low-income person. See the definition of "Section 3 resident" in this section.
14. Metropolitan Statistical Area (MSA) means a geographic entity defined by the U.S. Office of Management and Budget for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. MSAs contain a core urban area of 50,000 or more population and consist of one or more counties/parishes, including the counties/parishes containing the core urban area, as well as any adjacent counties/parishes that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.
15. Neighborhood area means: a. For HUD housing programs, a geographical location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in ordinances, or other local documents as a neighborhood, village, or similar geographical designation. b. For HUD community development programs, see the definition, if provided, in the regulations for the applicable community development program, or the definition for this term in 24 CFR Part 570.204(c) (1).
16. New hires mean full-time employees for permanent, temporary or seasonal employment opportunities.
17. Non-Metropolitan County/Parish means any County/Parish outside of a Metropolitan Area.
18. Public Housing resident has the meaning given this term in 24 CFR Part 963.
19. Qualified Applicant means an applicant that meets the eligibility requirements set forth in Section III.A. of this NOFA and has received a score of four or more points on the NOFA threshold criteria.
20. Recipient means any entity that receives Section 3 covered assistance, directly from HUD and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian tribe, or other public body, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.
21. Secretary means the Secretary of Housing and Urban Development.
22. Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).
2223. Section 3 Business means a business concern, that is:
- a. 51 percent or more owned by Section 3 residents; or
 - b. Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or
 - c. That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to businesses that meet the qualifications set forth in paragraphs a. or b. in this definition.
24. Section 3 covered activity means any activity which is funded by Section 3 covered Public and Indian Housing assistance.

25. Section 3 covered assistance means:

a. Public and Indian Housing:

- (1) Development assistance provided pursuant to Section 5 of the Housing Act of 1937, as amended;
 - (2) Capital Fund assistance provided pursuant to Section 9(d) of the Housing Act of 1937; and
 - (3) Operating Fund assistance provided pursuant to section 9(e) of the Housing Act of 1937;
- b. Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:
- (1) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);
 - (2) Housing construction; or
 - (3) Other public construction project (which includes other buildings or improvements, regardless of ownership).

26. Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project. "Section 3 covered contracts" do not include contracts awarded under HUD's procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR Chapter 1).

27. Section 3 covered project means covered financial assistance that meets the thresholds specified in 24 CFR Part 135.3(3)(ii), which is used for the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted by housing or community development assistance.

27. Section 3 Resident means:

- a. A resident of Public Housing; or
- b. An individual who resides in the Metropolitan Area or Non-Metropolitan County/Parish in which the Section 3 covered assistance is expended, and who is:
 - (1) A low-income person, as this term is defined in Section 3(b) (2) of the 1937 Act (42 U.S.C. 1437a (b) (2), which defines this term to mean a family (including a single person) whose income does not exceed 80 per centum of the median income for the area as determined by the Secretary with adjustments for smaller and larger families.
 - (2) A very low-income person, as this term is defined in Section 3(b) (2) of the 1937 Act (42 U.S.C. 1437a (b) (2), which defines this term to mean a family (including a single person) whose income does not exceed 50 per centum of the median income for the area as determined by the Secretary with adjustments for smaller and larger families.

28. Section 3 Safe Harbor Compliance means that agencies that meet the minimum numerical goals for employment and contracting opportunities set forth at 24 CFR Part 135.30, will be considered to be in compliance with the requirements of Section 3, absent evidence to the contrary. Agencies that fail to meet the minimum numerical goals bear the burden of demonstrating why it was not feasible to meet the minimum numerical goals. Such justifications may include impediments encountered despite actions taken (see 24 CFR Part 135.30(d)).

29. Statement of Work (SOW) means a document that accurately reflects all of the assignments to be carried out by the applicant and/or the Section 3 Coordinator, and that provides a basis for mutual understanding of the requirements and tasks including: timeframes for completion; steps needed for good management control; specificity regarding work to be done; deliverables.

30. Technical Evaluation Panel (TEP) means a panel whose mission is to accomplish sound,

impartial and comprehensive evaluation of proposals consistent with the guidelines of the Notice of Funding Availability.

31. Very low-income person. See the definition of “Section 3 resident” in this section.

32. Work Plan. See the definition of “Statement of Work” in this section.

II. Award Information

This Notice of Funding Availability (NOFA) announces up to \$600,000 in FY2010 funding to employ one full-time Section 3 Coordinator for one year. Eligible applicants include agencies that are the direct recipients of the following HUD funding: 1) Public and Indian Housing (PIH) Operating Fund, Capital Fund, or Development assistance; and 2) Housing and Community Development assistance that is used for projects involving housing construction, rehabilitation, or other public construction. A maximum of \$50,000 will be provided to each successful applicant to pay for the salary, fringe benefits, and other expenses associated with hiring one full-time Section 3 Coordinator per selected applicant for one year (i.e., 12 consecutive months). Salaries, fringe benefits, and other expenses are to be based on local comparables. HUD reserves the right to fund less than the maximum amount to each selected applicant. Applicants must be able to finance any remaining salaries, fringe benefits or other expenses that are not covered by the funds provided under this NOFA. Applicants that request funding amounts that exceed \$50,000, will not be deemed ineligible for funding.

A. Award Instrument. Awards will be made under this NOFA using a cost reimbursable cooperative agreement to each selected applicant.

B. Project Starting Period. For planning purposes, assume a start date no later than June 1, 2011.

C. Funding Cap. Awards provided under this NOFA are subject to a funding cap of \$50,000 per selected applicant. If the applicant proposes to enter into a regional/joint partnership for the purposes of seeking funds under this NOFA, the maximum amount to be awarded per selected application is \$50,000, which shall be provided to fund one full-time Section 3 Coordinator position per application, not one Section 3 Coordinator for each recipient agency that is part of the joint application.

III. Eligibility Information

A. Eligible Applicants. Agencies that receive the following Section 3 covered HUD funding are eligible to compete under this NOFA include:

1. **Public and Indian Housing (PIH) Assistance.** Recipients of the following Public and Indian Housing assistance, regardless of the dollar amount of HUD assistance provided, during the most recent funding cycle are eligible to apply for funds under this NOFA:

- a. Development assistance provided pursuant to Section 5 of the U.S. Housing Act of 1937, as amended;
- b. Capital Fund assistance provided pursuant to Section 9(d) of the U.S. Housing Act of 1937, as amended; and
- c. Operating Fund assistance provided pursuant to Section 9(e) of the U.S. Housing Act

of 1937, as amended.

2. Housing and Community Development Assistance. Recipients of more than \$200,000 of combined Housing and Community Assistance (including other housing assistance not administered by the Assistant Secretary of Housing) during the current or previous Program Year that is used for the following projects/activities are eligible to apply for funding under this NOFA:

- a. Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance repair, and replacement);
- b. Housing construction; and
- c. Other public construction.

Some examples of covered Housing and Community Development assistance include: Community Development Block Grants (CDBG), HOME Investment Partnership Program Grants, Neighborhood Stabilization Program Grants, Economic Development Initiative (EDI), Brownfields Economic Development Initiative (BEDI) Grants, Lead Hazard Control Grants (LHC grants only), 202 Housing for the Elderly, and 811 Housing for the Disabled. Recipients must have received a combined award of more than \$200,000 in covered Housing and Community Development assistance during the current or previous Program Year to be eligible to compete for funding under this NOFA.

3. Regional/Joint Applicants. Applicants are encouraged to enter into partnerships with other agencies that are also direct recipients of Section 3 covered HUD assistance (i.e., a Public Housing Authority or CDBG Entitlement Community) that are co-located in the geographic area/community that the Section 3 Coordinator will serve. If the applicant proposes to enter into a regional/joint partnership for the purposes of seeking funding, a lead or primary applicant must be identified. If selected for funding under this NOFA, only one Section 3 Coordinator position will be funded, regardless of the number of regional partners. Entering into a regional or joint partnership does not exclude partnering agencies from also submitting an independent application for funds under this NOFA, if they meet the eligibility requirements set forth in Section III. A.

B. Cost Sharing or Matching. The maximum amount of HUD funding provided by HUD under this NOFA is \$50,000 per selected applicant. If the regular and customary salary rates in the area exceed \$50,000 for this type of position, each selected applicant is required to demonstrate how it will fund the remainder of the salary, fringe benefits, and other expenses to bring the salary to a level comparable to similar positions in the geographic area. The Section 3 Coordinator salary is expected to provide one full year of services to the agency and its partners. Applicants must comply with the provisions set forth in the appropriate OMB circular(s) concerning the use of federal funds for matching and leveraging (see General Section).

C. Other

1. Eligible Activities. Funds awarded to selected applicants may only be used to pay salaries, fringe benefits, and other expenses related to hiring one full-time Section 3 Coordinator for one year. No other uses of these funds are allowed.

2. Ineligible Activities

a. Funds under this NOFA may not be used to pay the salary, fringe benefits, or expenses of any other coordinators for Public Housing or similar HUD programs. Specifically, Resident

Opportunity and Self-Sufficiency (ROSS), Family and Self-Sufficiency (FSS), Section 504/Disability, or other similar Public and Indian Housing Program Coordinators shall not be paid with funds awarded under the Section 3 Coordination and Implementation NOFA.

b. Section 3 Coordinators will not perform duties at the recipient agency other than those that facilitate meeting the statutory and regulatory requirements of Section 3.

c. Funds under this NOFA cannot be used to provide direct services to Section 3 residents or businesses or for the performance of routine Section 3 functions (e.g., sponsoring workshops/job fairs, printing outreach materials, paying stipends, etc.).

3. Threshold Requirements.

a. All applicants must meet the threshold requirements in the General Section.

b. Each applicant must qualify as an eligible applicant under this NOFA and must have met the timely receipt requirements set forth in the General Section.

c. Primary applicants for funding under this NOFA must submit Form HUD 60002 for the 2008 and 2009 reporting periods by the deadline date of this NOFA.

D. Statutory and Regulatory Requirements. Applicants for funding under this NOFA must meet the statutory and regulatory requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and 24 CFR Part 135. Applicants must also meet the statutory and regulatory requirements that apply to the specific types of Section 3 covered HUD funding received and administered by their agency.

1. Required Forms. In addition to the forms set forth in Section IV.B. of the General Section, applicants must also meet the following threshold requirements by the deadline date of this NOFA. Failure to submit any of the following forms will result in your application being deemed ineligible:

a. Prior submission of Section 3 Summary Reports (Form HUD 60002) for the 2008 and 2009 reporting periods. Form HUD 60002 must be entered into the 60002 Summary Reporting System at www.hud.gov/section3 by the deadline date for this NOFA. Applicants that are proposing Regional partnerships for the purpose of obtaining a Section 3 Coordinator must ensure that 75 percent of the partners have entered Form HUD 60002 for the 2008 and 2009 reporting periods into the 60002 Summary Reporting System by the deadline date of this NOFA;

b. Submission of Section 3 Coordination and Implementation NOFA Regional Partnership Certification Statement (Form HUD 965);

c. Submission of Section 3 Coordination and Implementation NOFA Needs Assessment Form (Form HUD 966);

d. Submission of Section 3 Coordination and Implementation NOFA Certification of Position Sustainability (Form HUD 967);

e. Submission of a Statement of Work (SOW); and

f. Submission of Logic Model Form (HUD 96010).

E. Ineligible Applicants. The following agencies are ineligible to compete for funding under this NOFA:

1. Agencies that do not meet the definition of a Recipient as identified in Section I.D. of this NOFA.

2. Agencies that have poor performance, “high-risk” or other negative ratings during their most recent HUD performance assessment.

3. Agencies that have not submitted Section 3 Summary Report (Form HUD 60002) for the 2008 and 2009 reporting periods, by the deadline date of this NOFA.

F. Dun and Bradstreet Numbering System (DUNS) Numbering Requirement. Refer to Section III.C.2.b of the General Section for information regarding the DUNS requirement. Applicants will need to obtain a DUNS number to apply for funding using the Grants.gov application process. HUD will not make an award to an organization that does not have a DUNS number. The DUNS number used in the application must be for the applicant organization identified in Box 8a on the HUD-424, Application for Federal Financial Assistance.

G. Central Contractor Registration. Refer to Section III.C.2.c of the General Section for information regarding the Central Contractor Registration (CCR) requirement. Applicants will need to have an active registration in CCR in order to apply for funding using the Grants.gov application process. HUD will not make an award or make payments to an organization that does not have an active registration in CCR. See HUD's Interim Rule governing CCR registration requirements published in the Federal Register on September 14, 2010 at 75 FR 55663 and Final Rule published in the Federal Register on December 8, 2010 at 75 FR 76260.

H. Resolution of Outstanding Civil Rights Matters. Prospective applicants must meet the threshold requirement of Resolution of Outstanding Civil Rights Matters set forth at Section III.C.2.d of the General Section.

I. Debarment and Suspension. In accordance with 2 CFR Part 2424, no award of federal funds may be made to applicants that are debarred or suspended or are proposed to be debarred or suspended from doing business with the Federal Government. Refer to Section III.C.2.e of the General Section for more information on matters involving debarment and suspension.

J. Consistency with the Consolidated Plans and Analysis of Impediments to Fair Housing. Please refer to Section III.C.2.f. of the General Section for information regarding certification of consistency with HUD-approved Consolidated Plans and Analyses to Impediments to Fair Housing. Applicants must submit a signed certification of Consistency with Consolidated Plans (Form HUD-2991), which demonstrates that the applicant will target Section 3 residents and businesses in the community where covered HUD funding is spent for employment, training, and contracting opportunities generated from the projects and objectives identified in the consolidated plan. Applicants that are located in metropolitan areas shall certify consistency with the local entitlement community's Consolidated Plan. Applicants that are located in rural areas shall certify consistency with the State Consolidated Plan. Failure to submit Form HUD 2991 may result in the application being unfunded.

K. Delinquent Federal Debts. Applicants with an outstanding federal debt will not be eligible to receive an award of funds from HUD. Please refer to Section III.C.2.g of the General Section for information regarding delinquent federal debts.

L. Additional Nondiscrimination and Other Requirements. In addition to the civil rights threshold requirements found in Section III.C.2.d of the General Section, applications submitted

under this NOFA must also meet the following requirements.

1. Compliance with Fair Housing and Civil Rights Laws.

a. With the exception of federally recognized Indian tribes and their instrumentalities, (a) applicants and their sub recipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.104(a), including, but not limited to, the Fair Housing Act; VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II of the American Disabilities Act; Section 109 of the Housing and Community Development Act of 1974; (b) if the applicant's state or local government has passed a law or laws proscribing discrimination in housing based on sexual orientation or gender identity, or a law or laws proscribing discrimination based on lawful source of income, the applicant and any proposed subrecipients must comply with those laws,

b. If the applicant is conducting programs or activities with funds received under a HUD program NOFA in a state or local jurisdiction that has passed a law or laws proscribing discrimination in housing based on sexual orientation or gender identity, or a law or laws proscribing discrimination in housing based on lawful source in income, the applicant and its sub recipients must comply with those laws of the states or localities in which the program or activities are conducted;

c. If you are a federally recognized Indian tribe, you must comply with the nondiscrimination provisions enumerated at 24 CFR 1000.12, as applicable.

2. Compliance with Section 3 Reporting Requirements. By the application deadline date of this NOFA, applicants must have submitted Section 3 Summary Reports (Form HUD-60002) for the 2008 and 2009 reporting periods to the Department using the online reporting system at: <https://www.hud.gov/section3>.

3. Limited English Proficiency (LEP). Successful applicants must ensure that their programs do not exclude persons on the basis of race, color, and national origin under Title VI of the Civil Rights Act. This may mean providing language assistance services for persons with limited English proficiency. The Department published Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732), to assist recipients in identifying language assistance needs and developing language assistance strategies. Applicants should also describe activities that will be taken to address limited English proficiency in their applications, if applicable. See Section IIIC.5.c. of the General Section for more information.

M. Other Requirements that may Prohibit Receipt of Award of Funds.

1. Pre-Award Accounting Systems Surveys. HUD may arrange for a pre-award survey of the applicant's financial management system if the selected applicant has no prior federal support, if HUD's program officials have reason to question whether the applicant's financial management system meets federal financial management standards, or if the applicant is considered high-risk based upon past performance or financial management findings. HUD will not disburse funds to any applicant that does not have a financial management system that meets federal standards. Please refer to Section III.C.4.a. of the General Section for more information.

2. Name Check Review. Applicants are subject to a name check review process. Name checks are intended to reveal matters that significantly reflect on the applicant's management and financial integrity, including if any key individual has been convicted or is presently facing criminal charges. If the name check reveals significant adverse findings that reflect

negatively on the business integrity or responsibility of the applicant or any key individual, HUD reserves the right to: (a) deny funding, or in the case of a renewal or continuing award, consider suspension or termination of an award immediately for cause, (b) require the removal of any key individual from association with management or implementation of the award, and (c) make appropriate provisions or revisions with respect to the method of payment or financial reporting requirements. Please refer to Section III.C.4.b of the General Section for more information.

3. **False Statements.** A false statement in an application is grounds for denial or termination of an award and possible punishment, as provided in 18 U.S.C. 1001. Please refer to Section III.C.4.c. of the General Section for more information.

4. **Other information** available to HUD that would negatively reflect on the ability of the applicant to effectively manage the program or the funding made available under the program.

IV. Application and Timely Receipt Information

A. Address to Request Application Package. See the **General Section** for specific procedures concerning the electronic application submission and timely receipt requirements. Copies of the published NOFAs and application forms for HUD programs announced through NOFAs may be downloaded from the grants.gov website at

http://www07.grants.gov/applicants/apply_for_grants.jsp; if you have difficulty accessing the information, you may receive customer support from Grants.gov by calling its Support Desk at 800-518-GRANTS, or by sending an email to support@grants.gov. The Grants.gov help desk is open 7 days a week, 24 hours a day, except federal holidays.

You may request general information from the NOFA Information Center at 800-HUD-8929 or 800-HUD-2209 (TTY) between the hours of 10 a.m. and 6:30 p.m. eastern time, Monday through Friday, except on federal holidays. When requesting information, please refer to the name of the program you are interested in. The NOFA Information Center opens for business simultaneously with the publication of the General Section.

B. Content and Form of Application Submission.

1. **For All Applicants.** Applicants are required to submit the information identified below electronically as part of your application in order to be considered for funding under this NOFA. Omitting requested information may result in the application being deemed ineligible, or may result in receiving less than the maximum points available. Please note that when naming the files to be attached to the application, be sure to adhere to the following requirements:

- a. File names cannot be longer than 50 characters (HUD recommends 32).
- b. File names cannot contain special characters in the file name. Special characters are any character other than a letter or number.
- c. File names cannot contain spaces.

Failure to follow these instructions will result in the application being rejected by the Grants.gov system with a VirusDetect error message.

2. **Checklist.** The Checklist below gives a brief description of all items to be included in the application:

Complete Application Package Contains	Required Form and Content
Application for Federal Assistance	Form HUD 424 (per required form) Applicants must also include the nine digit zip code (zip code plus four digits) associated to the applicant address in box 8d of the SF424.
Survey for Ensuring Equal Opportunity for Applicants	HUD 424 Supplement (per required form)
Disclosure of Lobbying Activities	SF LLL, if applicable (per required form)
Applicant-Recipient Disclosure Update Report	HUD 2880 (“HUD Applicant Recipient Disclosure Report”) (per required form)
Certification of Consistency with RC/EZ/EC-IIIs Strategic Plan	HUD 2990 (per required form)
Certification of Consistency with Consolidated Plan	HUD 2991 (per required form)
Facsimile Transmittal Form	HUD-96011 (per required form)
Affirmatively Furthering Fair Housing Statement	Summary of how the applicant will address its obligation to affirmatively further fair housing. The summary shall contain information on how the project will help overcome the effects of impediments to fair housing choice, including any impediments to fair housing choice imposed by the applicant’s policies or procedures. The summary should also contain information on targeted groups by race, color, national origin, religion, sex, disability, or familial status and the impediments to fair housing choice they face or faced. For public housing agency applicants, the applicant will describe how the identified impediments and proposed activities are consistent with the affirmatively furthering fair housing examination pursuant to HUD’s regulations at 24 CFR 903.7(o)(3). Non-PHA Applicants should describe how they will review their policies and procedures to determine whether they impose impediments to fair housing choice. Examples of AFFH activities include coordination of Section 3 with mobility counseling services and targeting services to residents of housing developments that are geographically isolated from economic or educational opportunities or whose admissions and occupancy policies resulted in patterns of segregation. No specific form or format.
Section 3 Coordination and Implementation NOFA Regional Partnership Certification Statement	HUD-965 (per required form)
Section 3 Coordination and Implementation NOFA Needs Assessment Form	HUD-966 (per required form)
Section 3 Coordination and Implementation NOFA	HUD-967 (per required form)

Certification of Position Sustainability	
Program Outcome Logic Model	HUD-96010 (per required form)
Statement of Work for Activities to be Completed Under the Section 3 Coordination and Implementation NOFA	No Specific form or format required.
Addendum to Abstract—Correction of Poor Performance and strategies to prevent future occurrences (as appropriate)	Written documentation that performance issues and concerns have been cured and strategies to prevent future occurrences. No specific form or format required.

E. Timely Receipt Requirements. Your completed application must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Following receipt the application will go through a validation process. If the application fails the Grants.gov validation process, it will be rejected. Please see the 2010 **General Section** for instructions for timely receipt, including actions to take if the application is rejected.

Applicants should carefully read the section titled “INSTRUCTIONS ON HOW TO DOWNLOAD AN APPLICATION PACKAGE AND APPLICATION INSTRUCTIONS” in the 2010 **General Section**. This section contains information on using Adobe Reader, HUD’s timely receipt policies, and other application information. If you are provided a waiver to the electronic application, the waiver approval shall provide detailed instructions on how and where to submit your application as well as timely receipt requirements.

F. Funding Restrictions. Funding provided under this NOFA shall only be used to pay for the salary, fringe benefits, or other expenses associated with hiring one full-time Section 3 Coordinator for one year (i.e., 12 consecutive months). All other uses of these funds are prohibited. The maximum amount of funds to be provided by HUD is \$50,000 per selected applicant. If selected for funding under this NOFA, applicants must pay for any remaining salary, benefits, or other expenses that are not covered by the funds provided by HUD under this NOFA.

G. Waiver of Electronic Submission Requirements. Electronic delivery via Grants.gov is HUD’s required method for application submission. Applicants interested in applying for funding under this NOFA must submit their applications electronically or request a waiver from the Assistant Secretary of FHEO. The request must state the basis for the waiver. HUD’s regulation on waivers, found in 24 CFR part 5, states that waivers can be granted for cause. Applicants must submit their waiver requests, in writing at least 15 days prior to the application deadline, to Assistant Secretary for Fair Housing and Equal Opportunity, 451 7th Street, SW; Room 5100, Washington, DC, 20410. A copy of all waiver requests must simultaneously be submitted to Staci Gilliam Hampton, Director, Economic Opportunity Division, (same address as above), Room 5226, or by email to staci.gilliam.hampton@hud.gov. If you are granted a waiver, the notification will provide instructions on where to submit the application and how many copies are required. HUD will not accept a paper application without a waiver being granted. If you receive a waiver of the electronic application submission requirement, your paper copy application must be received by HUD no later than 11:59:59 p.m. on **July 20, 2011**, the application deadline date. Please see Section IV.C.4 of the General Section for timely receipt

requirements.

V. Application Review Information

A. Criteria. The purpose of this NOFA is to build the capacity of agencies that receive Section 3 covered HUD funding to meet the statutory and regulatory requirements of Section 3. This NOFA will provide 12 selected applicants \$50,000 to cover the salary, fringe benefits, and other expenses associated with hiring one Section 3 Coordinator for one year. Applicants will be selected using a lottery by region. A maximum of 20 points may be awarded per application. Applicants will receive more points if they: 1) currently do not employ a Section 3 Coordinator; 2) are located in an area with an unemployment rate that exceeds the national average as published by the Department of Labor's (DOL) Bureau of Labor Statistics; 3) demonstrate that, if funded, they can fund the Section 3 Coordinator Position for more than one year; and 4) provide evidence that they have entered into a regional partnership with another agency that receives direct Section 3 covered HUD assistance and/or a Department of Labor Workforce Investment Board that is co-located in the community to be served.

1. Sustainability of the Section 3 Coordinator (up to 4 points). Applicants must complete the Section 3 Coordination and Implementation NOFA Position Sustainability (Form HUD 965). This form requires applicants to certify their ability to fund the Section 3 Coordinator Position beyond the 12-month period that funding will be provided by HUD under this NOFA, if they are selected for funding. Upon selection, applicants will be required to provide evidence to support the certification contained on Form HUD 965. Failure to submit Form HUD 965, may result in the application being deemed incomplete, and therefore, ineligible for funding under this NOFA. Points will be awarded to responses on Form HUD 965 in the following manner:

4 Points: Applicants that certify that they can fund the Section 3 Coordinator for more than one year (i.e., 13 months or more) beyond the 12-month period that HUD funding is provided, if the applicant is selected for funding under this NOFA.

3 Points: Applicants that certify that they can fund the Section 3 Coordinator for one year (i.e., exactly 12 consecutive months) beyond the 12-month period that HUD funding is provided, if the applicant is selected for funding under this NOFA.

2 Points: Applicants that certify that they can fund the Section 3 Coordinator for less than one year (i.e., more than 1 month but less than 12 months) beyond the 12-month period that HUD funding is provided, if the applicant is selected for funding under this NOFA.

1 Point: Applicants that certify that they cannot fund the Section 3 Coordinator for any time beyond the year (i.e., 12-month period) that HUD funding is provided.

2. Need (up to 10 points).

a. All Applicants. Applicants must complete the Section 3 Coordination and Implementation NOFA Needs Assessment (Form HUD 966). This form identifies the geographic area/community to be served by the Section 3 Coordinator. When choosing the geographic area/community to be served, applicants should select the most appropriate city, county, parish, or metropolitan area that best reflects the area that the Section 3 Coordinator will serve. Form HUD 966 also requires the primary applicant/agency to certify whether they currently employ a Section 3 Coordinator. Additionally, the form captures the applicant's current unemployment rate as published by the DOL Bureau of Labor Statistics, at: <http://data.bls.gov/cgi-bin/dsrv?la>. Applicants must also enter the civilian labor force data for the area that the Section 3 Coordinator

will serve on Form HUD 966. For your convenience, DOL Bureau of Labor Statistics unemployment and civilian labor force data can also be found on the Section 3 website: www.hud.gov/section3. Points will be awarded to responses on Form HUD 966 in the following manner:

(1) Section 3 Coordinator:

2 Points: Applicant currently does not employ a Section 3 Coordinator.

1 Point: Applicant currently does employ a Section 3 Coordinator.

(2) Unemployment Rate:

4 Points: Applicant's unemployment rate, as published by the DOL Bureau of Labor Statistics is **higher than 11.3 percent**.

3 Points: Applicant's unemployment rate, as published by the DOL Bureau of Labor Statistics is **11.3 to 9.1 percent**.

2 Points: Applicant's unemployment rate, as published by the DOL Bureau of Labor Statistics is **9.0 to 7.2 percent**.

1 Point: Applicant's unemployment rate, as published by the DOL Bureau of Labor Statistics is **less than 7.2 percent**.

(3) Local Civilian Labor Force:

4 Points: The civilian labor force for the geographic area or community to be served by the Section 3 Coordinator is **greater than 461,000**.

3 Points: The civilian labor force for the geographic area or community to be served by the Section 3 Coordinator is **156,100 to 461,000**.

2 Points: The civilian labor force for the geographic area or community to be served by the Section 3 Coordinator is **42,100 to 156,099**.

1 Point: The civilian labor force for the geographic area or community to be served by the Section 3 Coordinator is **less than 42,100**.

b. Regional Applicants. The primary applicant for funds under this NOFA is responsible for completing Form HUD 966. Only one submission of this form is required per application, not one form for every regional partner entering into the partnership. Applicants that are proposing regional partnerships for the purpose of applying for funds under this NOFA should define the primary geographic area(s) that the Section 3 Coordinator will serve in Part I. of Form HUD 966. Regional applicants can either identify the actual county, parish, city, or metropolitan area that most appropriately corresponds to the geographic area that the Section 3 Coordinator will serve (i.e., the Washington, DC Metropolitan Area), or list each separate area to be served if the regional partnership spans across several metropolitan areas, counties, cities, or other geographic areas (i.e., Washington, DC, Prince Georges County, Arlington County, etc). In Part II of Form HUD 966, the primary applicant shall provide the unemployment rate and civilian labor force as published by DOL Bureau of Labor Statistics for the areas to be served by the Section 3 Coordinator. Bureau of Labor Statistics data can be found at: <http://www.bls.gov/lau/data.htm> Select Local Area Unemployment Statistics (LAUS) with the "Multi-Screen Data Search" option. Users must select the "not-seasonally adjusted" option when extracting data. Enter the annual average data for 2010. This data may also be found on the Section 3 website at: www.hud.gov/section3. Applicants should provide unemployment and civilian labor force data

for the geographic area that most appropriately corresponds to the area(s) to be served by the Section 3 Coordinator. If the regional partnership is comprised of several metropolitan areas, counties, cities, or other distinct geographic areas that will be served by the Section 3 Coordinator, a weighted average of the unemployment rates and the total civilian labor force for all jurisdictions included in the regional partnership must be provided on Part II of Form HUD 966. Points will be awarded to responses on Form HUD 966 in the same manner described in Section V.A.2a. of this NOFA.

3. Regional Collaboration/Partnerships (up to 6 points). Applicants are encouraged to enter into partnerships with other agencies that are direct recipients of Section 3 covered HUD funding (i.e., a Public Housing Authority or recipient of Community Development Block Grants) that are co-located in the geographic area/community that the Section 3 Coordinator will serve. Applicants are also encouraged to enter into partnerships with Department of Labor Workforce Investment Boards or One-Stop Career Centers that are co-located in the community to be served by the Section 3 Coordinator. If the applicant proposes to enter into one or more regional partnership/collaboration, the lead or primary applicant must be identified. Applicants that are proposing to enter into regional partnerships must define the area(s) that the Section 3 Coordinator will serve and determine how services will be provided to eligible residents and businesses throughout the service area. If selected for funding under this NOFA, only one Section 3 Coordinator position will be funded, regardless of the number of regional partners identified. Entering into a regional or joint partnership does not exclude the partnering agency(ies) from also submitting an independent application for funds under this NOFA, if the applicant meets the eligibility requirements set forth in Section III.A. The primary applicant must complete Form HUD 967. Only one submission of this form is required per application, not one form for every regional partner entering into the partnership. Each agency that enters into a regional partnership for the purpose of applying for funds under this NOFA is required to certify their participation by signing Form HUD 967, and may be required to provide additional evidence to support this certification if the application is selected for funding. Failure to submit Form HUD 967, may result in the application being deemed incomplete, and therefore, ineligible for funding under this NOFA. Points will be awarded in the following manner:

a. Regional Collaboration with Another Recipient Agency (Agencies)

3 Points: Applicants that certified that they will implement a regional collaboration with another direct recipient of Section 3 covered assistance (i.e., Public Housing Authority or recipient of Community Development Block Grant funding) located within the geographic area that the Section 3 Coordinator will serve.

0 Points: Applicants that fail to provide information about a regional collaboration or fail to certify a regional collaboration with another direct recipient of Section 3 covered assistance will not receive any points under this sub-factor.

b. Regional Partnership with Local Department of Labor Workforce Investment Board

3 Points: Applicants that certified that they will enter into a partnership with a Department of Labor Workforce Investment Board or One-Stop Career Center located in the geographic area or community that the Section 3 Coordinator will serve.

0 Points: Applicants that fail to provide information about a partnership with a Department of Labor Workforce Investment Board or One-Stop Career Center located in the community or

geographic area that the Section 3 Coordinator will serve will not receive any points under this sub-factor.

4. **Statement of Work (SOW).** Applicants are required to submit a Statement of Work (SOW) describing the tasks and activities that will be implemented under the Section 3 Coordination and Implementation NOFA, including the specific functions that the Section 3 Coordinator will carry out in an effort to meet the regulatory requirements of Section 3. Submission of the SOW is a mandatory requirement that will not be rated or scored as a part of the application. Failure to submit a SOW, will result in a selected application being unfunded. SOWs are written narrative statements. No specific form or format is required.

5. **Logic Model Form (HUD 96010).** Applicants are required to submit a Logic Model (Form HUD 96010) identifying how the applicant will measure the outcomes generated as a result of hiring a Section 3 Coordinator. Submission of the Logic Model is a mandatory requirement that will not be rated or scored as a part of the application. Failure to submit Form HUD 96010, will result in a selected application being unfunded. Instructions on use of the eLogic Model[®] form are provided in the form itself. The form is part of the Instructions download found when you download the application at grants.gov at: http://www07.grants.gov/applicants/apply_for_grants.jsp.

a. An important element of effective implementation of the requirements of Section 3 is the development and reporting of performance measures and outcomes. This requirement emphasizes HUD's commitment to ensure that applicants develop performance and outcome measures that provide jobs and contracting opportunities to Section 3 residents and businesses. Additionally, achieving outcomes and accurate evaluations will assist HUD in meeting its commitment to federal requirements for accountability. Applicants must demonstrate how they propose to measure their success and outcomes as they relate to the Department's Strategic Plan.

b. HUD requires applicants under the Section 3 Coordination and Implementation NOFA to develop an effective, quantifiable, outcome-oriented plan for measuring performance and determining that goals have been met. Applicants must use the LogicModel Form HUD 96010 for this purpose.

c. Applicants must establish interim benchmarks, or outputs, for their proposed program that lead to the ultimate achievement of outcomes. "Outputs" are the direct products of a program's activities. Examples of outputs are: the number of eligible residents that are trained or employed, the number of contracts that are provided to eligible businesses, the number of career development/job training sessions that are provided to eligible residents and businesses. Outputs should produce outcomes for your program. "Outcomes" are benefits accruing to the residents, businesses, developers, and/or communities as a result of the actions taken by the Section 3 Coordinator. Outcomes are not the development or delivery of services or program activities but the results of the services delivered or program activities – i.e., the ultimate results of the program. Applicants must clearly identify the outcomes to be achieved and measured. Examples of outcomes are: employing Section 3 residents,

increasing the percentage of contracts awarded to Section 3 businesses, etc.

d. The Logic Model requires that applicants identify program outputs, outcomes, and performance indicators that will allow applicants to measure the outcomes achieved by themselves and their partners. Performance indicators should be objectively quantifiable and measure actual achievements against anticipated achievements. Applicants' eLogic Models should identify what applicants are going to measure and how they are going to measure it. For instance, if an applicant proposed to refer residents to training on construction-related trades, the applicant should report on the job training activities and outputs listed as options for activities and outcomes in the eLogic Model. *Before adding new outputs or outcomes, please CAREFULLY review the options given in the drop-down menus contained in the Logic Model. HUD intends that most of the eligible program activities and overall outcomes will be represented already.*

e. *Applicants must fill out the eLogic Model in its entirety, which includes Columns 1-7, and Sections A-E in column 7. Please note that the logic models are reviewed for completeness only during the competition process. Successful applicants will be given the opportunity to revise their logic models upon grant agreement. Deficiencies found in Column 7 will not be treated as deficiencies for the competition process, but will need to be remedied by successful applicants in the grant agreement process.*

f. This NOFA supports the HUD policy priorities of (1) Job Creation/Employment, (2) Affirmatively Furthering Fair Housing, and (4) Capacity Building and Knowledge Sharing. See Section I.B. of the **General Section** for a full discussion of HUD's policy priorities. Please read these sections carefully. *Each applicant's logic model must include at least two of the following three categories of activities/outputs and the related required outcomes.*

(1) **Policy Priority #1, Job Creation/Employment.** For this priority, this NOFA specifically supports:

- a) Improving access to job opportunities through information sharing, coordination with federal, state, and local entities, and other means (Subgoal 3C);
- b) Increasing access to job training, career services, and work, supports through coordination with federal, state, and local entities (Subgoal 3C); and
- c) Expanding economic and job creation opportunities for low-income residents and creating better transportation access to those jobs and other economic opportunities by partnering with federal and nonprofit agencies, private industry, and planning and economic development organizations and by leveraging federal and private resources (Subgoal 4A).

Applicants using this Policy Priority, in their Logic Models must include the **activity/output** of "Policy Priority- Job Creation/Employment- Increasing access to job training, career services, and work" or "Policy Priority- Job Creation/Employment Entering into Partnerships with Workforce Investment Board (WIB) or Labor Unions to establish job training programs and/or job opportunities."

The corresponding **outcomes** must be **at least one of the following:**

- "Policy Priority-Job Creation/employment-Number of career/job training programs offered as a result of partnership(s) with Workforce Investment Board"
- "Policy Priority-Job Creation/employment-Number of persons trained at career/job training programs offered as a result of partnership(s) with Workforce Investment Board"

- “Policy Priority- Job Creation/Employment-Number of persons hired as a result of partnerships with the Workforce Investment Board or Labor Union”
- “Policy Priority- Job Creation/Employment-Number of job placements as a result of partnerships with local unions” **and/or**
- “Policy Priority-Job Creation/employment-Number of Section 3 businesses trained by the applicant or its partners.

(2) **Policy Priority #2 Affirmatively Further Fair Housing.** For this priority, this NOFA specifically supports:

a) Regional coordination of Affirmatively Fair Housing Plans, including such activities as developing regional analyses of impediments (Subgoal 2D).

Applicants using this Policy Priority, in their Logic Models must include the **activity/output** of “Policy Priority-Affirmatively Furthering Fair Housing-Increase access to employment and contracting opportunities throughout the region”, and conduct a gap analysis which clearly shows the impediments that impact access to economic opportunities within the region (i.e., lack of daycare services, limited transportation options, etc).

The corresponding **outcome** must be **one or more of the following**

- “Policy Priority- Affirmatively Further Fair Housing- Number of employment-related supportive services for Section 3 residents created by partners as a result of the gap analysis”
- “Policy Priority- Affirmatively Further Fair Housing- Number of persons receiving assistance from employment-related supportive services provided as a result of the gap analysis”
- “Policy Priority- Affirmatively Furthering Fair Housing- Number of persons that are employed as a result of the supportive services provided as a result of the gap analysis”

(3) **Policy Priority #4, Knowledge Sharing and Capacity Building.** For this priority, this NOFA specifically supports:

a) Strengthening the capacity of state and local partners, including governments and nonprofit organizations to implement HUD programs, participating in decision-making and planning processes, and coordinating cross-programmatic, place-based best approaches through grant-making and technical assistance (Subgoal 4E).

Applicants using this Policy Priority, in their Logic Models must include the **activity/output** of “Policy Priority-Capacity Building and Knowledge Sharing-Increase Agency’s capacity to meet the regulatory requirements of Section 3”, and conduct gap analysis which clearly shows the applicant’s current rate of compliance with Section 3 as compared to the minimum numerical goals set forth in the regulation.

The corresponding **outcome** must be **one or more of the following:**

- “Policy Priority- Capacity Building and Knowledge Sharing- Number of education/training services provided to Section 3 residents and businesses by partners as a result of the gap analysis”
- “Policy Priority- Capacity Building and Knowledge Sharing- Number of employment/placement opportunities created as a result of the gap analysis”
- “Policy Priority-Capacity Building and Knowledge Sharing- Dollar amount of contracts awarded to Section 3 businesses as a result of the gap analysis”

HUD may request documentation of meetings and trainings held or partnerships/MOUs established at such time as a grantee indicates on their logic model report that the activity is complete.

B. Review and Selection Process

1. **Review Process.** Three types of reviews will be conducted:

- An initial screening to determine if the application is on time, if the applicant is eligible to apply for funding under this grant program, and whether the application submission is complete;
- a review by FHEO staff to determine if Section 3 summary reports (From HUD 60002) have been submitted electronically at: www.hud.gov/section3 for both the 2008 and 2009 reporting periods by the deadline date of the NOFA; and
- a capacity review where points will be assigned for the submission of the required HUD Forms 965, 966, and 967.

2. **Selection Process for All Grant Categories and All Applicants.** HUD will determine qualified applicants based upon the review of the materials submitted. HUD will divide the applications up by region and make a selection by lottery within each regional pool of qualified applicants. HUD intends to select one qualified applicant per region, to the extent possible. There will be two rounds of lottery selections.

- First Round Lottery Selections.** Qualified applicants will be placed into one of ten pools comprised of the applicants with the highest overall score within each of HUD's respective regions. One applicant will be selected per region. For instance, if the highest score in a particular region is 20 points, all applicants with a score of 20 will be placed in that region's lottery. If there are no qualified applicants within a particular region, the Selecting Official or designee will make selections from a pool of qualified applicants with the highest overall score regardless of geographic location until a total of ten applicants are chosen for this round. For instance, if the overall highest score of all applicants is 20, the Selecting Official will select from a lottery pool that is comprised of all applicants with an overall score of 20, regardless of the region where the applicants are located until the maximum of 10 application selections are made.
- Second Round Lottery Selections.** The remaining two successful applicants will be selected from a pool that is comprised of all qualified applicants regardless of geographic location or score.

Points will be awarded to each of the required threshold documents in the following manner:

REGIONAL PARTNERSHIPS/ COLLABORATION—FORM HUD 965 (maximum 6 points)		
	3 POINTS	ZERO POINTS
Applicant intends to implement a regional collaboration with another direct recipient of Section 3 covered funding	X	
Applicant does not intend to implement a regional collaboration with another direct recipient of Section 3 covered funding		X
Applicant intends to enter into a partnership with the local Department of Labor Workforce Investment Board or One-Stop Career Center	X	
Applicant does not intend to enter into a partnership with the local Department of Labor Workforce		X

Investment Board or One-Stop Career Center		
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NEEDS ASSESSMENT—FORM HUD 966 (maximum 10 points)				
Section 3 Coordinator	2 POINTS		1 POINT	
Applicant Currently Does Not Employ a Section 3 Coordinator	X			
Applicant Currently Does Employ a Section 3 Coordinator			X	
Unemployment Rate as Published by DOL BLS	4 POINTS	3 POINTS	2 POINTS	1 POINT
Applicant's Unemployment Rate is higher than 11.3 percent	X			
Applicant's Unemployment Rate is 9.1 to 11.3 percent		X		
Applicant's Unemployment Rate is 7.2 to 9.0 percent			X	
Applicant's Unemployment Rate is less than 7.2 percent				X
Civilian Labor Force	4 POINTS	3 POINTS	2 POINTS	1 POINT
The Civilian Labor Force in the Area to be Served by the Section 3 Coordination exceeds 461,000	X			
The Civilian Labor Force in the Area to be Served by the Section 3 Coordination is between 156,100 and 461,000		X		
The Civilian Labor Force in the Area to be Served by the Section 3 Coordination is between 42,100 and 156,099			X	
The Civilian Labor Force in the Area to be Served by the Section 3 Coordination is less than 42,100				X
SECTION 3 COORDINATOR POSITION SUSTAINABILITY—FORM HUD 967 (maximum 4 points)				
	4 POINTS	3 POINTS	2 POINTS	1 POINT
Applicant certified that they can fund the Section 3 Coordinator for 13 or more months beyond the terms of the grant	X			
Applicant certified that they can fund the Section 3 Coordinator for exactly 12 months beyond the terms of the grant		X		
Applicant certified that they can fund the Section 3 Coordinator for less than 12 months beyond the terms of the grant			X	
Applicant certified that they cannot fund the Section 3 Coordinator beyond the terms of the grant				X

c. Ineligible applications will not be rated or placed into one of the three lottery categories described above.

3. **Corrections to Deficient Applications.** All applicants must have a DUNS number and active Registration in the CCR. Applicants that file a paper application that does not meet the

DUNS and CCR requirements will be allowed to cure the application in accordance with HUD's policy for treatment of technical deficiencies. Electronic filers will have the opportunity to cure deficiencies in accordance with HUD's timely receipt requirements. Please be sure to read the General Section to ensure that you meet the requirements to file an application with Grants.gov and registration with CCR which requires a DUNS number.

After receipt of an application from grants.gov, HUD may seek clarification or correction of an item in the application. Applicants will have 14 calendar days after notification by HUD to provide missing information. For other information on correcting deficient applications, please see the **General Section**. Information submitted to cure a curable deficiency must be submitted by facsimile using the Form HUD 96011 that was included with the application under review by HUD. *For this reason, be sure to retain the Facsimile Transmittal Cover Sheet (HUD 96011) associated with your last application submission that was validated by grants.gov in your electronic files until award announcements are made.* Please refer to Section V.B.2 of the NOFA General Section.

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

5. **Reallocation of Funds.** After all applications within funding range have been selected or obligations are completed, if funds are still available, the Selecting Official or designee will have the discretion to make additional random selections from the general pool of qualified applicants regardless of location or score.

6. **Anticipated Announcement and Award Dates.** It is anticipated that award announcements will take place approximately three months after the closing date of the competition.

VI. Award Administration Information

A. Award Notices.

1. **Notification.** Information about the review and award process will not be available during the of HUD evaluation period, which begins on the application deadline date for this NOFA and lasts for approximately 60 days thereafter. However, applicants will be advised, in writing or by telephone, if HUD determines that their application is ineligible or has technical deficiencies which may be corrected as described in the General Section and in Section V.B.3 above. HUD will only communicate with persons specifically identified in the HUD-424 submitted with the application. HUD will not provide information about the application to any third party such as contractors.

2. **Verification.** If the applicant is selected, HUD will require them to submit information to support the certifications made on forms HUD 965, 966, and 967. Failure to verify the certifications made on these required forms may result the applicant being deemed ineligible to receive funds under this NOFA.

3. **Negotiations.** If the applicant is selected, HUD will require them to participate in negotiations to determine the specific terms of the funding instrument. HUD will follow the negotiation procedures described in the General Section. The selection is conditional and does not become final until the negotiations between the applicant and the Department are successfully concluded

and the funding instrument is signed and executed based upon the negotiations. HUD will negotiate only with the person identified in the application as the Director of the organization or if specifically identified in the application as the Project Director. HUD will not negotiate with any third party (i.e., a contractor, etc.). The Grant Officer and Government Technical Representative will determine on a case-by-case basis if technical assistance or special conditions are required.

4. **Applicant Debriefing.** After awards are announced, applicants may receive a debriefing on their application as described in the General Section. Materials provided during the debriefing will be both the applicant's final scores and outcomes of the lottery selections. Applicants requesting a debriefing must send a written or email request to Dana Williams, Program Analyst, U.S. Department of Housing and Urban Development, Economic Opportunity Division, 451 Seventh Street SW, Room 5235, Washington, DC 20410, dana.c.williams@hud.gov. HUD will not release the names of applicants or their scores to any third party.

5. **Code of Conduct.** After selection, but prior to award, applicants selected for funding will be required to provide HUD with their written Code of Conduct if they have not previously done so and it is not recorded on the HUD website at:

www.hud.gov/offices/adm/grants/codeofconduct/econduct.cfm

B. Administrative and National Policy Requirements.

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

2. **Procurement of Recovered Materials.** Recipients of funding awarded under the Section 3 Coordination and Implementation NOFA, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. See General Section for details.

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

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

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

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

7. **Complaints Against Awardees.** Each Section 3 Implementation and Coordination award is overseen by a HUD Grant Officer. Complaints from the public against Section 3 Coordination and Implementation grantees should be forwarded to the appropriate Grant Officer. The Grant Officer's name and contact information is provided in the award agreement. If, after notice and consideration of relevant information, the Grant Officer concludes that there has been inappropriate conduct, such as a violation of Section 3 requirements, terms or conditions of the

award, or any other applicable statute, regulation or other requirement, HUD will take appropriate action in accordance with 24 CFR § 84.62 or 85.43. Such action may include: written reprimand; consideration of past performance in awarding future Section 3 Coordination and Implementation NOFA applications; repayment to HUD of funds received under the award; or temporary or permanent denial of participation in HUD programs in accordance with 24 CFR Part 24.

8. **Double Payments.** If the applicant is awarded funds under this NOFA, they (and any contractor or consultant) may not charge or claim credit for the activities performed under this NOFA.

9. **Performance Sanctions.** A grantee that fails to comply with the requirements set forth in its award agreement will be liable for such sanctions as may be authorized by law, including repayment of improperly used funds, termination of further participation under this program, and denial of further participation in programs of HUD or any federal agency.

C. Reporting

1. Recipients of funding under this NOFA will also be required to submit quarterly and annual reports to the Department documenting their progress and performance with accomplishing the goals of the NOFA. This information will be submitted to HUD in the form of narrative reports that are based upon the milestones and deliverables established in the grantee's Statement of Work.

2. Awardees will be required to report to the GTR on, quarterly basis as specified in the award agreement. As part of the required report to HUD, award recipients must include a completed Logic Model (HUD 96010), which identifies actual outputs and outcomes achieved and a narrative explanation of deviations from projected results to actual results achieved. Deviations can be both positive and negative deviations.

3. **FFATA Sub-award Reporting.** Applicants selected for funding should also be aware that they will be required to report first tier sub-grant award and executive compensation information, where both their initial award is \$25,000 or greater, as required by the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282). The prime grant awardees will have until the end of the month plus one additional month after an award or sub-grant is obligated to fulfill the reporting requirement. The Federal Funding Accountability and Transparency Act (FFATA) of 2006 calls for the establishment of a publicly available web site to disclose the use of Federal finance assistance. The Act requires the reporting of the following data for first-tier sub-grants of \$25,000 or more:

- a. Name of entity receiving award
- b. Amount of award
- c. Funding agency
- d. NAICS code for contracts / CFDA program number for grants
- e. Program source
- f. Award title descriptive of the purpose of the funding action
- g. Location of the entity (including congressional district)
- g. Place of performance (including congressional district)
- h. Unique identifier of the entity and its parent; and
- i. Total compensation and names of top five executives (same thresholds as for primes)

The Transparency Act also requires the reporting of the Total Compensation and Names of the top five executives in either the prime awardee or a sub-awardees' organization if:

- a. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually; and
- b. Compensation information is not already available through reporting to the SEC.

The statute exempts from reporting any sub-awards less than \$25,000 made to individuals or to an entity whose annual expenditures are less than \$300,000. OMB has published Interim Final Guidance to agencies regarding the FFATA subrecipient reporting requirements in the Federal Register on September 14, 2010 (75FR55663).

4. Section 872 Reporting. Each recipient of federal funds with a cumulative value greater than \$10 million and their direct (i.e., first-tier) subrecipients are required to report to the Federal Awardee Performance and Integrity Information System (FAPIIS). This requirement is in accord with requirements contained in Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417). See paragraph III.C.5.u of the General Section for more information.

Under Section 872, each recipient of federal funds with a cumulative value greater than \$10 million and their direct (i.e., first-tier) subrecipients would be required to report to the Federal Awardee Performance and Integrity Information System (FAPIIS). The data collection requirements include information about certain civil judgments, criminal convictions, and outcomes of administrative proceedings that reached final dispositions within the most recent 5-year period and were connected with the award or performance of a federal or state award. Recipients and first-tier subrecipients must report information at least semi-annually to maintain the currency of the information. Section 872 also requires that an entity be allowed to submit comments to the data system about any information that system contains about the entity. Use of the FAPIIS requires a DUNS number and current valid registration in the CCR for HUD awardees and first-tier subrecipients.

VII. Agency Contacts

A. For Technical Assistance. For answers to technical questions, contact the Office of Fair Housing and Equal Opportunity, Economic Opportunity Division at 202-708-3633 (this is not a toll free number). Prior to the application deadline, staff at the number given above will be available to provide general guidance, but not guidance in actually preparing the application. Following selection, but prior to award, HUD staff will be available to assist in clarifying or confirming information that is a prerequisite to the offer of an award by HUD.

B. Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the requirements of the Section 3 Coordination and Implementation NOFA and preparation of an application. For more information about the date and time of this broadcast, consult the HUD website at www.hud.gov.

VIII. Other Information

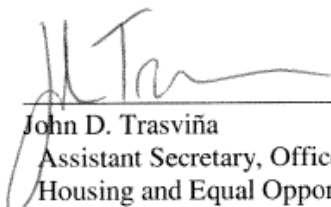
A. Paperwork Reduction Act. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2529-0050. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor,

and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. Public reporting burden for the collection of information is estimated to average less than 14 hours per annum per respondent for the application and grant administration. This includes the time for completing required forms; collecting, reviewing, and reporting the data for the application; and other required reporting. 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.

C. Environmental. A Finding of No Significant Impact (FONSI) with respect to the environment has been made for this NOFA in accordance with HUD regulations at 24 CFR Part 50, which implement Section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, 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, an advance appointment to review the FONSI must be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number).

Date: _____

6-7-11



John D. Trasviña
Assistant Secretary, Office of Fair
Housing and Equal Opportunity

[FR-5415-N-37]