

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR-5500—N-31-C1]

HUD's Fiscal Year (FY) 2011 NOFA for the Tenant Resource Network Program (TRN)
Technical Correction

AGENCY: Office of the Assistant Secretary for Housing, HUD.

ACTION: Notice of Technical Correction.

SUMMARY: On October 17, 2011, HUD posted a NOFA for the Tenant Resource Network Program. This notice provides a technical correction to the TRN NOFA.

DATE: The application deadline date is **January 4, 2012**.

FOR MORE INFORMATION CONTACT: For questions concerning the NOFA, the applicant may contact Claire Trivedi at Claire.m.trivedi@hud.gov or 202-402-6634. This number is not toll-free. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at (800) 877-8339.

BACKGROUND:

HUD received numerous comments expressing concerns about the NOFA. HUD has taken these concerns into account and the technical corrections below address many of the concerns. In particular, the technical corrections address concerns about the list of TRN-eligible properties, the required outreach and performance measures, and the size and scope of applications.

The Department wishes to clarify the NOFA definitions of Eligible Properties found in the Full Text Announcement Section under I.A.c., Triggering Event found in the same section under I.A.1.g., and the Appendix description of the TRN-eligible properties. These corrections are being made for the ease of the applicants and to avoid any confusion about TRN-eligible properties. These changes do not modify the list of TRN-eligible properties posted in the appendix, but describe in greater detail the criteria used to develop the eligible property list, and the “triggering events” that make properties eligible for TRN activity.

Many prospective grantees have raised concerns that properties that they believe to be TRN-eligible are not included in the TRN-eligible property list. HUD has carefully reviewed the list of TRN-eligible properties and has determined that the list is in fact accurate and includes all properties that meet the requirements of the NOFA. Prospective grantees should carefully review the corrected definitions of “Triggering Event,” and the Appendix description to understand why properties do not meet the eligibility criteria of the program.

Applicants concerned that properties were omitted from the list in error are advised that many “triggering events” are time-sensitive and the list of TRN-eligible properties reflects the most current information in HUD’s data systems at the time of NOFA publication. In some

cases, HUD databases may be more current than data that prospective applicants may have available. For example, a property may appear to have two consecutive “Below 60” REAC scores, but according to HUD records, the property may have recently earned a REAC score above 60, meaning it does not in fact meet the TRN-eligible property criteria. The Technical Correction also clarifies that, in addition to a “Triggering Event,” all TRN-eligible properties have a Section 8 HAP contract expiring within the 24 month period following the publication of the NOFA. Many properties identified by prospective applicants as being omitted from the TRN-eligible list in fact have Section 8 HAP contracts expiring beyond this 24 month period.

At this time HUD will not consider any additions to the list of TRN-eligible properties. However, HUD is aware that awardees may have access to local information to help them identify additional at-risk properties. Therefore, this technical correction greatly increases the flexibility of awardees to add “Newly Eligible” properties during the grant term. The technical correction clarifies the criteria for “Newly Eligible” properties to enable grantees to request approval to work at additional properties after the award is made. The technical correction removes the cap on the percentage of properties that may be Newly Eligible. Newly Eligible properties may not be added prior to the award of TRN grants, but may be added during the grant term in accordance with the technical correction.

HUD is also making a technical correction related to Rating Factor 5: Achieving Results and Program Evaluation. The Department is making revisions to certain Required Outreach activities and Expected Outcomes as described in this Rating Factor to better focus on the goals of the program to engage tenants in the preservation of HUD properties.

Finally, HUD is revising two sections of the NOFA related to number of applications and anticipated funding amounts to provide two options for applicants working in states that have fewer than 400 TRN-eligible units. The NOFA requires a minimum of 400 identified units per application, and also requires a distinct application to be submitted for each state where work is proposed. The technical correction establishes a new “Small Grant” funding category that enables an applicant to apply to work in a state with 200 to 399 units, for a maximum grant award of up to \$100,000.

The technical correction also creates an option for a “Multi-State Application” that covers work in multiple states, but only if there are fewer than 400 units in each additional state where work is proposed. As part of a Multi-State Application, the applicant may engage local team members to conduct the TRN activity in the additional states, and if local team members will participate, the application must clearly identify these team members and their roles and responsibilities. If the applicant is proposing to work in an area (municipality, county or state) outside of the applicant’s normal service area, the applicant should also notify the unit of state or local government of the proposed work in this area. The total number of units served in a multi-state application must be 400 or greater. The technical correction clarifies the funding amounts and application submission requirements to accommodate Small Grants and Multi-State Applications.

TECHNICAL CORRECTIONS

1. The definition of “Newly Eligible Properties” is amended. The amended definition provides more detail on the criteria that must be met for a property to be considered for TRN activity during the grant term, the evidence to be submitted by a grantee requesting addition of a property, and to remove the 20 percent cap on the percentage of properties that are newly eligible. The definition, as amended, clarifies the evidence that an awardee must provide to demonstrate that an Owner intends to sell the property. It also clarifies that a property may be considered for activity if it has a Section 8 contract expiring at the property within 24 months and the property experiences either an Owner submission of a 120 day election to Opt Out, or an Owner filing of a 12-month Opt-Out notice.

Section I.A.I.c., found starting on page 3 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

“c. “Newly Eligible Properties”: Those properties that become TRN-eligible during the award term due to a Section 8 contract at the property expiring within the 24 month period following this NOFA publication, along with evidence of a triggering event, or written, publicly available evidence that the Owner has listed the property for sale, the Owner has filed a notice of intent to sell the property in accordance with applicable state or municipal law, or the Owner has filed a 12-month notification of intent to Opt-Out of the Section 8 rental assistance contract.

Acceptable evidence for HUD consideration of Newly Eligible properties must include one or more of the following: written Owner notification to tenants of mortgage prepayment submitted during the 24 month period following the date of publication of the NOFA; receipt of a second consecutive Below 60 REAC score at the property during the 24 month period following the date of publication of the NOFA; submission to HUD of written evidence that the Owner intends to sell the property (i.e. written contract of sale, or publicly posted real estate listing for the property during the grant term, or evidence that the Owner has filed a notification of intent to sell the property with an applicable state or municipal agency as may be required under state or municipal notification laws); and/or an Owner filing of a 12 month notification of Opt Out or 120 day Owner Election of Opt Out during the 24 month period following the date of publication of this NOFA. On a quarterly basis, HUD will provide awardees with a list of properties with overall Section 8 contract expiration dates within the 24 month period following this NOFA publication where the Owner has submitted a 120-day Owner Election Form indicating the selection of “Option 6: Opt Out.”

Newly Eligible properties may be identified and recommended for inclusion by the awardee and added at HUD’s discretion to the list of awardee identified properties during the award term. The awardee shall provide evidence of property eligibility to HUD at the time of submission of a required quarterly report, along with a narrative statement justifying why the property is determined to be at risk of losing affordability and why inclusion of the project in the TRN program will meet the

stated goals of the program. HUD will carefully review the request and within 30 days inform the grantee in writing of approval or denial of the request. HUD approval must be received prior to initiation of any TRN activities at the property. Under no circumstances may an applicant add a Newly Eligible property prior to the award of the TRN grant and execution of required Cooperative Agreement. HUD will not consider any additions of Newly Eligible properties until the submission of the awardee's first quarterly report. If Newly Eligible properties are proposed, a revised Workplan and an additional identity of interest certification shall be provided at that time by the grantee. Any Newly Eligible property must be located in the same state or States (for multistate awards) identified by the awardee in their original application that was the basis for the award.

Regardless of identified property additions, awardees are expected to perform activities and achieve outcomes described in the original application as well. Ninety (90) days prior to the annual report submission, an updated Logic Model must be submitted for an amendment. Additional HUD funds for properties added to the Workplan will not be available, however, grantees may use funds other than HUD funds to support the additional work activities. If Newly Eligible properties are added, the awardee Workplan must be updated quarterly to accurately reflect the properties where TRN work is being performed. Regardless of addition of Newly Eligible properties, awardees must perform Required Outreach as defined in this NOFA at all identified properties listed in the TRN grant application. Awardees will be monitored for compliance to the new Workplan on a quarterly basis and will continue to be reimbursed for eligible expenses on a cost reimbursement basis.”

2. The definition of “Triggering event” is amended. The amended definition provides more information to prospective grantees on the criteria used by HUD to develop the list of properties eligible for TRN activity. It clarifies that in addition to a triggering event listed in the definition, **all** assisted TRN-eligible properties must have a Section 8 rental assistance contract with an overall expiration date no sooner than the date of publication of the NOFA and no later than 24 months following the date of publication of the NOFA.

The definition of Triggering event found in Section I.A.1.g found on page 6 of the NOFA posted to Grants.gov on October 17, 2011 is corrected to read as follows:

“g. “Triggering event”: An event that puts the long-term affordability of an assisted TRN eligible property at risk. All assisted TRN eligible properties must have a Section 8 rental assistance contract with an overall expiration date no sooner than the date of publication of this Notice and no later than 24 months following the date of publication of this notice. For the purposes of TRN, triggering events include the following: an FHA insured or Direct mortgage maturity date that falls within the 24 month period following the date of publication of this notice; receipt by HUD of an owner election to Opt-out, as evidenced by receipt of an Owner Election Form selecting “Option 6: Opt Out,” within the 12 month period prior to publication of this notice; a notice of prepayment filed by the owner within the 12 month period prior to

publication of this notice; and/or the receipt of two consecutive Below 60 REAC scores (where the Section 8 project based rental assistance contract is not yet under abatement), with the most recent score issued within the 12 month period prior to the publication of this NOFA.”

3. The description in the Appendix of Eligible properties is corrected. The description of the TRN-eligible property list, which appears in the Appendix to the NOFA, contained errors that added to confusion regarding the criteria that HUD used to develop the eligible property list. The description is corrected to reflect the precise definition of triggering event used to create the list.

The description of the Appendix, found on Page 47 of the NOFA posted to Grants.gov on October 17, 2011, is corrected to read as follows:

“This listing is of all TRN-eligible properties, organized by state and also by TRN Targeted MSAs. Eligible properties in this appendix are assisted by a Section 8 project based rental assistance contract with an overall expiration date no sooner than the date of publication of this Notice and no later than 24 months following the date of publication of this notice. In addition to the expiring Section 8 contract, all TRN-eligible properties listed in this appendix also have one or more triggering events related to the property, which include any combination of the following: an FHA insured or Direct mortgage maturity date that falls within the 24 month period following the date of publication of this notice; receipt by HUD of an owner election to Opt-out, as evidenced by receipt of an Owner Election Form selecting “Option 6: Opt Out,” within the 12 month period prior to publication of this notice; a notice of prepayment filed by the owner within the 12 month period prior to publication of this notice; and/or the receipt of two consecutive Below 60 REAC scores (where the Section 8 project based rental assistance contract is not yet under abatement), with the most recent score issued within the 12 month period prior to the publication of this NOFA.”

4. The description of Rating Factor 5: Achieving Results and Program Evaluation is amended. HUD is making changes to this rating factor to better reflect the two goals of TRN (tenant empowerment and affordable housing preservation) and to specify achievable, measurable program outcomes. The Rating Factor makes changes to Required Outreach activities to be performed at all properties where the applicant proposes TRN activity. The Rating Factor now provides more detail on the content of the workshops required to be held at every property identified by the applicant for TRN activity. A new Required Outreach activity is added that requires the grantee to inform the Owner of the property that TRN activity is taking place, and to inform the Owner that HUD may be able to provide technical assistance related to preservation. This activity is intended to help the Department identify properties where Owners may benefit from additional information related to preservation. The technical correction removes the performance measure to track Owner contract renewals for Required Outreach, as this performance measure is more appropriate for properties where intensive outreach is conducted. The performance measures for Intensive Outreach are amended to remove outcomes related to improved awareness on behalf of project Owners, which are not the target audience for this program. The Intensive Outreach performance measures are also amended to create more

realistic performance targets for contract renewals, and to clarify that Owner commitments for rehabilitation and preservation must be communicated directly to HUD.

The description of Rating Factor 5: Achieving Results and Program Evaluation found on pages 33 to 36 of the NOFA is amended to read as follows:

“e. Rating Factor 5. Achieving Results and Program Evaluation. (up to 10 points).

This factor evaluates the applicant’s proposed system for evaluating progress toward key activities (outputs) and program goals (outcomes). HUD will carefully review the applicant’s HUD Logic Model (completed Form HUD96010, Program Outcome Logic Model) in this rating factor.

(1) (Up to 10 Points) The applicant must consider the TRN performance measures provided in this notice and clearly state how it plans to measure, verify and assess progress toward meeting these outcomes. The criteria for review are identified in the logic model matrix found in **the General Section**. The applicant’s Logic Model must list all required outreach activities along with corresponding outcomes. The applicant’s Logic Model must also list all proposed intensive outreach, property assessment, policy priority and other eligible activities and corresponding outcomes for each activity. Please find below all required and optional activities to be selected for the Logic Model:

(a) Required Outreach

(1) Activities (all must be selected. See Section III.C.1 for more detail)

(a) Prepare and distribute brochures appropriate to the needs of project residents at all identified properties. In the Logic Model these are measured both by the materials produced and the households reached.

(b) Create a contact mechanism such as a hotline or email address at/for all identified properties.

(c) Conduct a minimum of two meetings with tenants in identified properties to describe options to preserve the long-term affordability of the property, including long-term Section 8 contract renewals and financing options.

(d) Contact the Owner of the property, in writing, to inform them of work the grantee will be doing with tenants and that the Owner may obtain technical assistance from HUD on various financing options to preserve the property.

(e) The written outreach to the owner must include a mechanism for the Owner to let the grantee and HUD know if they are interested in such technical assistance from HUD to learn about tools to preserve the property as affordable housing.

(2) Outcomes Expected from Required Outreach:

(a) Tenants demonstrate increased knowledge of TRN and tenant rights and responsibilities by at least a 25% increase in the post-test compared to the pre-test score from initial exposure to TRN to the end of the performance period at each identified property.

(b) Intensive Outreach

(1) Activities (must select at least five)

(a) One-on-one or small group training on tenants rights in case of opt-out. Number of sessions and number of participants will be measured in the Logic Model.

(b) Provide information to communicate to tenants about Triggering Events and ramifications for the specific properties chosen.

(c) Provide workshops with tenants to describe the options available to preserve the long-term affordability of the property, including financing that may be available.

(d) Hold meetings to prepare tenants for owner discussions in case of opt-out or threat of opt-out of the HAP contract of the property(ies). Number of tenant discussions with owners are measured in the Logic Model as well as number of participating tenants in preparatory discussions.

(e) Provide assistance with voucher preparations in one-on-one meetings or with small groups of tenants.

(f) Conduct discussions on the proposed rehabilitation in order to provide information on green standards and certification programs. Number of discussions will be measured in the Logic Model.

(g) Establish informational tools including, but not limited to bulletin boards, information stations, newsletters, email listserves, websites and other media.

(h) Provide technical assistance to tenants for creation of tenant associations that would be able to respond to triggering events. In the Logic Model, this is measured as creating tenant associations.

(i) One-on-one mentoring to existing tenant associations to increase capacity for response to triggering events. Number of mentoring sessions will be measured in the Logic Model.

(j) Training on Financial Management to tenants in order to increase awareness of owners' multifamily finance options, project budgeting and reserves and other information relevant to the long-term financial viability of the property.

(2) Expected Outcomes for Intensive Outreach (Some outcomes in this category may be related to activities for Required Outreach as well. Outcomes may relate to multiple activities).

(a) 51 percent of all tenants in identified properties engage in the preservation process by attending workshops on options for the property; documented by sign-in sheets;

(b) 75 percent of tenants participating in trainings indicate an increased understanding of rights and options and being a part of a tenant organization, as documented in pre and post surveys administered no later than 30 days from meeting;

(c) In the event of an Opt-Out, within 30 days from initial meetings, households eligible for vouchers demonstrate an understanding of the process to request vouchers by achieving an increase in post-test scores compared to pre-test scores;

(d) 51 percent of owners of identified properties indicate a willingness to renew the Section 8 contract for minimum of 5 years as indicated in a letter signed by the owner to the tenant association or tenants and to HUD;

(e) 51 percent of owners of identified properties indicate a willingness to execute a rental assistance contract for a total of 20 years, as indicated in a letter signed by the owner to the tenant association or to tenants and to HUD;

(f) 51 percent of owners of identified properties agree to put in place a plan from the owner, approved by over 50 percent of project households (or an elected tenant leadership group), to address rehab needs and operate as affordable housing for an additional 20 years;

(g) In the event of two consecutive Below 60 REAC scores, owner submits satisfactory plan to HUD to address property condition.

(3) Policy Priorities. If applying for policy priority points, applicants must address one or more of the activities to receive policy priority points.

(a) Housing as a Platform Expected Activities. Applicants seeking policy priority points under this policy priority must collaborate with public, private, nonprofit, and community and faith-based organizations to improve education, health services, economic opportunities, and public safety, either:

(1) Agreements with the local police department for training/inspections of identified properties to maintain/improve the physical environment/design of HUD-assisted residences, giving attention to physical safety/crime prevention; and/or

(2) Partner and coordinate with quality early learning programs or schools to increase access to high quality early learning programs and services; and/or

(3) Partner with local Program Coordinating Committee and/or Human Services Agencies to increase access to public benefits (such as TANF and SSI) through outreach and other means.

(b) Housing as a Platform Expected Outcomes. Applicants seeking policy priority points under this policy priority must identify one or more of the following outcomes:

- (1) If an applicable partnership is created, show a decrease in the number of incidents filed with the police department(s) from the previous year as a result of the training of tenants and the safety inspections conducted;
- (2) If applicable partnership is created, show an increase in the number of persons living in TRN properties enrolled in and receiving public benefits;
- (3) If applicable partnership is created, show an increase in numbers of children living in TRN properties enrolled in early learning programs;

(c) Sustainability Expected Activities. Applicants seeking policy priority points under this policy priority must undertake the following activities:

- (1) If promoting energy efficiency, meet with owners and tenants in identified properties to make an agreement for green certified rehabilitation of units.
- (2) If promoting energy efficiency and not doing rehab, meet with owners and tenants in identified properties to help tenants create a healthy maintenance plan for the property.
- (3) If promoting location efficiency, document that at least 75 percent of the units in the identified properties in the application submission are within one half mile of frequent transit service.
- (4) If promoting universal design and visibility, ensure that elements of visitability and universal design (Subgoal 4C) are incorporated into the planned rehabilitation of the Section 8 housing.

(d) Sustainability Expected Outcomes. Applicants seeking policy priority points under this policy priority must identify one or more of the following outcomes.

- (1) The number of units that meet universal design standards;
- (2) Increase in the number of units certified as meeting Green Building standards;
- (3) The number of units with a Healthy Maintenance Plan.

NOTE: Applicants may select up to three additional outputs and outcomes to reflect their SOW (excluding policy priority items) in the Logic Model by selecting “Other” and then identifying the specific activity, unit of measure and associated outcome or outcomes.”

5. The Logic Model is amended. Corrections to the Logic Model are required to conform with the changes to Rating Factor 5 explained above. The modified Logic Model will be posted in the TRN instructions download on Grants.gov along with the technical corrections.

6. The description of Number of Applications and the description of anticipated funding amounts are corrected. HUD is making a technical correction to the description of Number of Applications and the description of Anticipated Funding Amounts, and is adding new provisions for Multi-state Applications and Small Grants. Under the current NOFA, a distinct application must be submitted for each state, and each application must cover at least 400 TRN-eligible units (as listed in the appendix attached to the NOFA). Some states do not have 400 units of TRN-eligible housing, so the restriction on multi-state applications effectively disqualifies organizations working in these states from the competition. HUD is correcting the description of Number of Applications and Anticipated Funding Amounts to allow two options for work in states with fewer than 400 TRN-eligible units. The first option is a “Small Grant.” This is a single-state application for work in 200 to 399 units, for a maximum grant of \$100,000.

The second option is a new provision for Multi-state Applications, to clarify that applicants may submit applications that cover more than one state as described below. As part of a Multi-state Application, the applicant must designate the “home” state and “additional” states. The home state may include greater, or fewer than 400 TRN-eligible units, but each additional state must be home to 400 or fewer units of TRN eligible housing. As described in the revised NOFA text, the applicant may engage local team members to conduct the TRN activity in the additional states, and if local team members will participate, the application must clearly identify these team members. If the applicant is proposing to work in an area (municipality, county or state) outside of the applicant’s normal service area, the applicant should also notify the unit of state or local government of the proposed work in this area.

The description of Anticipated Funding Amounts found on page 2 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

“Approximately \$10 million dollars will be available for awards under this notice. Each award will be made relative to the amount of units proposed for TRN activity, and an assessment of reasonable, allowable and allocable expenses proposed by the applicant. Awards will range from a maximum of \$100,000, for “Small Grant” proposals to address less than 400 TRN-eligible units, up to a maximum of \$720,000, inclusive of a 20% increase for targeted areas. Applicants may compete to receive more than one award if they apply to work in more than one state. No applicant will receive more than \$2,000,000, or 20 percent of the total amount available in the competition, whichever is smaller. The exact award amount will depend on the number of eligible units an applicant proposes to serve. Those applicants proposing to reach 50 percent or more of all eligible housing units in one of eight designated Targeted Metro Areas may receive an increase of up to 20 percent in the award. Targeted Metro Areas are defined below and properties within these Targeted Metro Areas are listed in the Appendix.”

The description of Number of Applications found on page 2 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

“Applicants may submit multiple applications for funds but HUD will not consider more than one application per state per applicant. A distinct application must be

submitted for each state where work is proposed, unless the application meets all the criteria for a Multi-State application as listed below.”

A new description entitled “Multi-state Applications” is inserted on page 3 of the NOFA posted to Grants.gov on October 17, 2011:

“11. Multi-state Applications. HUD will consider Multi-state Applications that propose TRN activity in more than one state, provided that the application meets the following criteria. The applicant organization must meet all the threshold requirements listed in this NOFA. The applicant must clearly denote the home state where work is proposed, and the number of TRN-eligible units in this home state. The applicant must also specify the additional states covered under the application and the number of TRN-eligible units in each additional state. Each additional state must be home to fewer than 400 TRN-eligible units as listed in the appendix of TRN-eligible properties. The home state may be home to fewer, or greater than 400 TRN-eligible units. The Multi-state application must cover at least 400 units total. The applicant may engage local team members to conduct the TRN activity in the additional states, and if local team members will participate, the application must clearly identify these team members and their roles and responsibilities. If the applicant is proposing to work in an area (municipality, county or state) outside of the applicant’s normal service area, the applicant should, as a courtesy, also notify the unit of state or local government of the proposed work in this area. In no case will HUD consider a Multi-state Application covering more than five states.”

A new description entitled “Small Grants” is inserted on page 3 of the NOFA posted to Grants.gov on October 17, 2011:

“12. Small Grants. HUD will consider grants up to \$100,000 for applications proposing to cover a minimum of 200 TRN-eligible housing units, up to a maximum of 399 TRN-eligible housing units. The applicant must propose work in a state that has fewer than 400 TRN-eligible housing units as listed in the Appendix of TRN-eligible properties published with this NOFA. The application must be for work in a single state. The applicant must meet all eligibility criteria described in this NOFA.”

The description of Anticipated Funding Amounts found on page 7 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

“Each award is expected to be up to \$100,000, for work proposed in fewer than 400 TRN-eligible units, up to a maximum of \$720,000.

Applications must meet one of the following forms. The applicant must specify which form is being submitted:

1. Multi-State Application meeting all the criteria defined in this NOFA. In the case of a Multi-State Application, the applicant may submit one application covering multiple states. Eligible applicant organizations may submit one application covering multiple states only if the additional states have fewer than 400 units of TRN-eligible

housing. The application must denote the home state, and the additional states where work is proposed. The home state may be home to fewer, or greater than 400 TRN-eligible units. The applicant may engage local team members to conduct the TRN activity in the additional states, and if local team members will participate, the application must clearly identify these team members and their roles and responsibilities. If the applicant is proposing to work in an area (municipality, county or state) outside of the applicant's normal service area, the applicant should, as a courtesy, also notify the unit of state or local government of the proposed work in this area. The Multi-State Application must cover a minimum of 400 TRN-eligible housing units total. In no case will HUD consider a multi-state application covering more than five states.

2. Single-state application covering 400 or more units of TRN-eligible housing. All applications that do not meet all the criteria for a Multi-State application must be submitted as single state applications. Applicants may apply for work in multiple states, but must submit a distinct application for each state where work is proposed. Applicants submitting applications covering more than a single service area (multiple states), must download a separate application from Grants.gov for each state application to be considered for funding. Do not reuse the same application if you are proposing to work in multiple areas. Each distinct state application must cover a minimum of 400 units of TRN-eligible housing.

3. Small Grant for a single-state application covering 200 to 399 units of TRN-eligible housing. If an applicant wishes to work in a single state with fewer than 400 TRN-eligible units, the applicant may submit an application to work in a minimum of 200 TRN-eligible units, up to 399 TRN-eligible units, in a single state. HUD will only consider applications covering fewer than 400 units if the applicant is working in a state with fewer than 400 TRN-eligible units. The applicant must meet all eligibility criteria described in this NOFA.

No applicant will receive more than \$2,000,000 or 20 percent of the total amount awarded, whichever is smaller. The precise award amount will depend on the number of eligible units an applicant proposes to serve. Those applicants proposing outreach to 50 percent or more of eligible units in a given Targeted Metro Area defined in this notice will be eligible for a 20 percent increase in the award for the work conducted in the targeted area. For applications in the state of California, increases will be given for total targeted units in both the San Diego and the Los Angeles MSAs. For response purposes, a state-by-state listing of all TRN-Eligible properties and the number of units in each, and a listing of properties located in Targeted Metro Areas, is provided in the Appendix.

Applicants should refer to the table below to determine the maximum TRN award for which they may be eligible. HUD reserves the right to award an applicant less than the maximum allowable award.”

Range of Identified Units	Maximum TRN Award	Award with Targeted Metro Area Increase (if eligible)
200-399	\$100,000	N/A
400-799	\$200,000	N/A
800-1,399	\$300,000	\$360,000
1,400-1,999	\$400,000	\$480,000
2,000-2,499	\$500,000	\$600,000
2,500+	\$600,000	\$720,000

The Description of Eligible Applicants found on page 7 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

“ Eligible applicants are nonprofit organizations with current IRS 501(c)(3) tax-exempt status. Eligible applicants shall demonstrate a minimum of five years of tenant outreach and organizing work, using some or all of the methods described in “required and intensive outreach,” in part C, and defined on page 10, below. Applicants may work with a local, area-wide or regional team member, such as a local tenant organization, as detailed in the applicant’s staffing plan. This local organization will be considered part of the applicant’s team and will be evaluated as staff or contractor to the applicant. This team member is not required to have 501(c)(3) status and is not required a 5-year record of tenant outreach and organizing. However, the team member must not have an identity of interest with any owner or management of any property where TRN activity is proposed. Applicants may oversee multiple team members and work in multiple states, provided a separate application is submitted for each state in which work will be performed. If applying to work in more than one state, the applicant must submit a distinct application for each state where work is proposed, except in the case of a Multi-State Application as defined in this Notice.”

The description of Rating found on page 38 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

HUD will evaluate and rate all applications for funding that program eligibility threshold requirements. All applications meeting the eligibility requirements as stated in the NOFA will be rated and ranked. Funding will be made in rank order. In the case of a tie, priority will be given to those applications serving targeted MSAs with disproportionately high numbers of eligible housing units, or (when both serve the targeted areas) those serving the most units in the targeted areas. If two applications cover the same geographical area or units, the highest rated applicant will receive the award. If a higher-rated application includes some overlapping units to another application, the lower rated applicant will lose the units. If an applicant remains with fewer than 200 units, the applicant will be disqualified.”

If there are any remaining funds of less than the minimum award amount in any category, HUD may retain those funds for a future competition or elect to offer an award in a lesser amount to the next higher rated application within the a funding

category. The funding category chosen will be determined by the amount of funds remaining and the likelihood of a viable work plan and funding level for the area to be covered. In offering an award in a lesser amount, HUD may negotiate a lesser number of units to be addressed in the award.

The description of Maximum TRN awards found on page 39 of the NOFA posted to Grants.gov on October 17, 2011 is amended to read as follows:

Range of Identified Units	Maximum TRN Award	Award with Targeted Metro Area Increase (if eligible)
200-399	\$100,000	N/A
400-799	\$200,000	N/A
800-1,399	\$300,000	\$360,000
1,400-1,999	\$400,000	\$480,000
2,000-2,499	\$500,000	\$600,000
2,500+	\$600,000	\$720,000

The above award sizes are maximum levels.

Dated: November 29, 2011



Carol J. Galante, Acting Assistant Secretary for
Housing-FHA Commissioner

[FR-5500-N-31-C1]