

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR-5600-N-18]

Notice of Funding Availability (NOFA) for Fiscal Year (FY) 2012
Transformation Initiative: Natural Experiments Grant Program

AGENCY: Office of the Assistant Secretary for Policy Development and Research, HUD.

ACTION: Notice of Funding Availability (NOFA) for Fiscal Year (FY) 2012 Transformation Initiative: Natural Experiments Grant Program.

SUMMARY: This NOFA announces the availability of funding for approximately \$800,000 for the Transformation Initiative: Natural Experiments Grant Program. This NOFA provides information and instructions for the FY2012, Transformation Initiative: Natural Experiments Grant program subject to Congress appropriating funding for this program. This Notice is comprised of both the Notice of HUD's Fiscal Year (FY) 2012 Notice of Funding Availability (NOFA), Policy Requirements and General Section (General Section) to HUD's FY2012 NOFAs for Discretionary Programs, posted on www.Grants.gov on September 19, 2011, and this program section to the NOFA.

APPLICATION DEADLINE DATE: The application deadline is 11:59:59 p.m. eastern time on **March 29, 2012**. 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 you meet the timely receipt requirements. Please see the FY2012 **General Section** for instructions for timely receipt and grace period policies.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific program requirements should be directed to the agency contact identified in Section VII of this program NOFA. Questions regarding the **General Section** should be directed to the Grants Management Office at 202-708-0667 (this is not a toll-free number) Persons with hearing or speech impairments may access the number via TTY by calling the Federal Relay Service at 800-877-8339.

OVERVIEW INFORMATION

A. Federal Agency Name: Department of Housing and Urban Development, Office of Policy Development and Research, Housing and Demographic Analysis Division (REH).

B. Funding Opportunity Title: Transformation Initiative: Natural Experiments Grant Program.

C. Announcement Type: Initial announcement.

D. Funding Opportunity Number: FR-5600-N-18; OMB Approval Number is 2528-0281.

E. Catalog of Federal Domestic Assistance (CFDA) Number: The CFDA Number for this Transformation Initiative: Natural Experiments Grant program is 14.524.

F. Dates: The application deadline is 11:59:59 p.m. eastern time on **March 29, 2012**. 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 you meet the timely receipt requirements.

G. Additional Overview Content Information

1. Purpose of the Program. The purpose of this effort is to provide funding to support scientific research that makes use of natural experiments to evaluate the impacts of local, state, and federal policies.

2. Award Information. In FY2012, approximately \$800,000 was made available for this program by the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. Law 112-55 approved November 18, 2011). This program is approved under HUD's research authority via the Transformation Initiative Fund. An applicant can request up to \$200,000 per award for a two-year (24 months) performance period.

Awards under this NOFA will be made in the form of a Cooperative Agreement. A Cooperative Agreement means that HUD will have substantial involvement during the performance of the research project.

3. Eligible Applicants. Nonprofit organizations, for profit organizations located in the U.S (HUD will not pay fee or profit for the work conducted under this NOFA), foundations, think tanks, consortia, institutions of higher education accredited by a national or regional accrediting agency recognized by the U.S. Department of Education, and other entities that will sponsor a researcher, expert or analyst. HUD will not directly fund individual researchers. See listing of eligible applicants below.

FULL TEXT OF ANNOUNCEMENT

I. FUNDING OPPORTUNITY DESCRIPTION

HUD invites eligible applicants to submit proposals for funding to support scientific research that uses natural experiments to evaluate the impacts of local, state, and federal policies.

A. Background

HUD's objective in issuing this NOFA is to promote new and innovative ways of forming evidence-based public policy relevant to the agency's mission of creating strong, sustainable, inclusive communities and quality affordable homes for all.

One way of evaluating policy interventions is to exploit "natural experiment" methodology. Natural experiments are randomized experiments that can be used to measure the causal effect of social programs or policy interventions on an outcome of interest. Strong natural experiments

arise from unexpected situations or chance events in which participants are randomly assigned to a treatment and a control group. A naturally occurring or a chance event helps ensure that treatment selection is orthogonal to the dependent variable of interest. The use of relevant and valid instrumental variables allows researchers to estimate any causal relationships between the treatment and outcome of interest. Some examples of research involving natural experiments include Angrist's¹ (1990) evaluation of military service on earnings and Levitt's² (1997) evaluation of police on crime.

All applications eligible for funding under this Notice must propose evaluations that conform to the definition of natural experiment given above. Proposal of a natural experiment is a threshold requirement. Applications that fail to establish that their research design conforms to this definition will not be eligible for further consideration. Deliberately planned natural experiments will be considered; natural experiments involving strong and valid instruments are highly desired.

B. Goals of Research

The research funded by these HUD awards should be state-of-the-art and result in substantive contributions to the existing scholarship that is based in scientific theory and provide evidence on the effectiveness of public policies. It should also yield methodological advances to evaluating public policy. Preference will be given to proposals aimed at developing general solutions that may be applied to additional problems. Projects may focus on any local, state, or federal policy relevant to HUD's mission to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is particularly interested in funding evaluations that can help this Administration and subsequent administrations determine how to spend taxpayer dollars effectively and efficiently, though other types of projects will also be considered.

C. Topics

The following list of potential topics is intended to demonstrate the range of policy-relevant issues that may be the subject of research. Omission of a topic does not indicate that HUD would have no interest in funding research on it. Possible topics include:

- Household demand/willingness to pay for nonmarket goods, including public goods and services and environmental amenities.
- Effectiveness / impacts of local and state land use policies.
- Implications of alternative development patterns for energy consumption, public finance, public health, social interaction and other outcomes.
- Economic value of health/life.

¹ Angrist, J.D. (1990), "Lifetime Earnings and the Vietnam Era Draft Lottery: Evidence from Social Security Administrative Records," *American Economic Review* 80, 313-336.

² Levitt, S.D. (1997), "Using Electoral Cycles in Police Hiring to Estimate the Effect of Police on Crime," *American Economic Review* 87, 270-290.

- Satisfaction with public housing and/or housing choice programs.
- Effects on children and youth of housing and community interventions.

D. Authority

This program is approved by HUD's research authority via the Transformation Initiative Fund. It is being implemented through this NOFA, which, among other things, establishes the policies governing its operation.

II. AWARD INFORMATION

In FY2012, approximately \$800,000 is being made available for the Office of Policy Development and Research (PD&R) Natural Experiment Grant program. An applicant can request up to \$200,000, depending on the scope and merit of the proposed research. Awards under this NOFA will be made in the form of a Cooperative Agreements. The award performance period will be 24 months. A Cooperative Agreement means that HUD will have substantial involvement during the performance of the research project that may include, but will not be limited to:

1. Review and suggestion of amendments by HUD to the effort, including objectives, work plan, and deliverables.
2. Review by HUD and provision of preliminary deliverables by the grantee in response to quarterly progress reports.
3. Review by HUD and provision by the grantee of final deliverables. .

III. ELIGIBILITY INFORMATION

A. Eligible Applicants.

Nonprofit organizations, for profit organizations located in the U.S (HUD will not pay fee or profit for the work conducted under this NOFA), foundations, think tanks, consortia, institutions of higher education accredited by a national or regional accrediting agency recognized by the U.S. Department of Education, and other entities that will sponsor a researcher, expert or analyst. HUD will not directly fund individual researchers.

B. Cost Sharing or Matching. None Required.

C. Other

1. Eligible Activities. Funds awarded under this NOFA must be used to support direct and indirect costs incurred in the timely completion of the research product.

2. Eligible Costs. Eligible costs include but are not limited to: the researcher's salary; graduate assistants to work on the project; projected/release time for researchers who demonstrate the need for a period of intensive research focus as a means of enhancing their research career; computer software; purchase of data; travel expenses to collect data or to make presentations at

meetings; transcription services, and compensation for interviews. The funds may not be used specifically for dissertation support, internationally oriented research, or demonstration projects; HUD has other programs aimed at funding such activities. See Section IV.D. for more information on funding restrictions.

4. Threshold Requirements Applicable to All Applicants. All applicants must comply with the threshold requirements as defined in Section III.C.2 of the FY2012 **General Section** and the requirements listed below. All members of a consortium or research team must meet the threshold set forth at Section III.C.2.d of the FY2012 General Section “Resolution of Outstanding Civil Rights Matters.” **Applications that do not meet these requirements will not be eligible to receive an award:**

- a. The researcher must meet the eligibility requirement as defined in Section III. A.;
- b. All submitted proposals must involve a natural experiment as defined in Section I. A.;
- c. The applicant may not request more funding than the award maximum allocated as outlined in Section II. If the applicant requests more funding than allowed, the application will be rejected and not reviewed.
- d. Applications must receive **a minimum score of 75 points** to be considered for funding.
- e. The organization (the official applicant on behalf of the researcher) must have a DUNS number and an active registration at the Central Contractor Registration (CCR) to receive HUD award funds (See the **General Section**); and
- f. To meet timely receipt requirements electronic applications must be **received** by Grants.gov no later than 11:59:59 p.m. Eastern Time on the application deadline date. **See the General Section regarding registration requirements, timely receipt and grace period policies.**

4. Other Requirements. All applicants must comply with the nondiscrimination and other requirements as defined in Section III.C.5 of the FY2012 **General Section** and the requirements listed below.

a. Compliance with Fair Housing and Civil Rights Laws.

(1) 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 5.105(a), including, but not limited to, the Fair Housing Act; Title 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 sub-recipients must comply with those laws as well.

(2) 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 upon sexual orientation or gender identity; or, a law or laws proscribing discrimination in housing based on lawful source of income, the applicant and its subrecipients must comply with those laws of the states or localities in which the programs or activities are conducted as well;

(3) If you are a federally recognized Indian tribe, you should review the particular civil rights requirements for the funding program specified in the program’s authorizing legislation, implementing regulations, and funding notice. For example, for programs authorized under the Native American Housing Assistance and Self-Determination Act, the nondiscrimination provisions enumerated at 24 CFR 1000.12 applies. Furthermore, the applicable civil rights requirements may depend on whether the applicant is a Federally-recognized tribe.

b. Affirmatively Furthering Fair Housing Requirements. Under Section 808(e)(5) of the Fair Housing Act (42 U.S.C. 3608(e)(5)), HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Applicants under this NOFA are not required to submit an affirmatively furthering fair housing plan for their proposed research activities. However, applicants are encouraged to review the Consolidated Plans, Annual Action Plan, PHA Plan, and Analyses of Impediments to Fair Housing Choice (for example, see HUD’s regulations at 24 CFR 91.225 (a)(1) and 24 CFR 903.7(o)) in the jurisdiction in which their research activities will take place in order to take into account impediments to fair housing choice in their proposed research. For example, where appropriate, applicants should design and implement research that maximizes understanding of barriers faced by persons of different ethnic and racial backgrounds including those with limited English proficiency and persons with disabilities.

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

e. Accessible Technology. Section 508 of the Rehabilitation Act (Section 508) requires HUD and other federal departments and agencies to ensure, when developing, procuring, maintaining, or using electronic and information technology (EIT), that the EIT allow, regardless of the type of medium, persons with disabilities to access and use information and data on a comparable basis as is made available to and used by persons without disabilities. Section 508’s coverage includes, but is not limited to, computers (hardware, software, word processing, email, and Internet sites), facsimile machines, copiers, and telephones. Among other things, Section 508 requires that, unless an undue burden would result to the federal department or agency, EIT must

allow individuals with disabilities who are federal employees or members of the public seeking information or services to have access to and use of information and data on a comparable basis as made available to employees and members of the public who are not disabled. Where an undue burden exists to the federal department or agency, alternative means may be used to allow a disabled individual use of the information and data. Section 508 does not require that information services be provided at any location other than one at which the information services are generally provided. HUD encourages its funding recipients to adopt the goals and objectives of Section 508 by ensuring, whenever EIT is used, procured, or developed, that persons with disabilities have access to and use of the information and data made available through the EIT on a basis comparable as is made available to and used by persons without disabilities. This does not affect recipients' required compliance with Section 504 of the Rehabilitation Act and, where applicable, the Americans with Disabilities Act. Applicants and recipients seeking further information on accessible technology should go to <http://www.section508.gov/>.

e. Conducting Business in Accordance with Core Values and Ethical Standards/Code of Conduct. Applicants subject to 24 CFR parts 84 or 85 (most nonprofit organizations and state, local, and Indian tribal governments or government agencies or instrumentalities that receive federal awards of financial assistance) are required to develop and maintain a written code of conduct (see 24 CFR 84.42 and 85.36(b)(3)). Consistent with regulations governing specific programs, the code of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts or gratuities by officers, employees, or agents for their personal benefit in excess of minimal value; and outline administrative and disciplinary actions available to remedy violations of such standards. Before entering into an agreement with HUD, an applicant awarded assistance under a HUD program NOFA issued in FY2012 will be required to submit a copy of its code of conduct and describe the methods it will use to ensure that all officers, employees, and agents of its organization are aware of its code of conduct policy. The code of conduct must be dated and signed by the Executive Director, or Chair of the governing body of the organization. The date of the document cannot be earlier than the date the program NOFA for FY2012 was posted on Grants.gov.

IV. APPLICATION AND SUBMISSION AND TIMELY RECEIPT INFORMATION

A. Instructions to Download Application Package. Applications can be downloaded from the web at: http://www.grants.gov/applicants/apply_for_grants.jsp. All applications must be submitted electronically. The information required to submit an application is contained in the program section of this NOFA and the **General Section**. See the **General Section** for specific procedures concerning the electronic application submission and timely receipt requirements. Grants.gov provides customer support information on its website at <http://www.grants.gov/contactus/contactus.jsp>. Applicants having difficulty accessing the application and instructions or having technical problems can receive customer support from Grants.gov by calling (800) 518-GRANTS (this is a toll-free number), or by sending an email to support@grants.gov. The Grants.gov Help Desk can be reached 24 hours per day, 7 days per week, except federal holidays. HUD recommends calling the Help Desk rather than emailing, because determining the basis for the problem may take some conversation with the Grants.gov

Support Customer Service Representative. See the **General Section** for information regarding the registration process or ask for registration information from the Grants.gov Support Desk.

B. Application Content and Forms for Submission. The general process for downloading, completing, submitting, and tracking grant application packages is described at http://www.grants.gov/applicants/apply_for_grants.jsp.

1. Application Content.

Applications must consist of the following elements: a table of contents; an executive summary; a narrative for the rating factors; a budget; budget narrative; and additional forms.

a. SF424 Application for Federal Assistance. Please remember the following:

(1) The name of the official applicant for this program. Please make sure that the name of the applicant in box 8a is the applicant's legal name and that the DUNS number and address are listed on this form (not the researcher's information);

(2) The name, title, address, telephone number, facsimile number, and e-mail address of the designated contact person. This is the contact at the organization **who will receive all pertinent information from HUD regarding this application; therefore, please ensure the accuracy of the information; this person must have knowledge of the content of the application submitted under this program;**

(3) The total award amount requested for the total performance period of the grant.

(4) The organization's Employer Identification/Tax ID.

(5) The DUNS Number associated to the applicant's legal name identified in Box 8a of the SF424 form.

(6) The Catalog of Federal Domestic Assistance Number for the program is 14.524.

(7) The signature of the Authorized Organization Representative (AOR), who by virtue of submitting an application via Grants.gov, has been authenticated by the credential provider and approved by the University's eBusiness Point of Contact to submit applications on behalf of the institution. If the AOR has not been granted approval to submit the application, the application will be rejected by the Grants.gov system. The AOR must be able to make a legally binding agreement.

b. Table of Contents.

c. Executive Summary (800 words or less). The Executive Summary should, at a minimum, include a summary of the proposed research project that addresses the following information:

(1) Title and overview of the proposed research;

(2) The specific objective of the research that will be conducted;

(3) Methodology being employed to conduct the research;

- (4) Specific nature of the natural experiment involved;
- (5) How the researcher meets the eligibility criteria for the program; and
- (6) Lead researcher's address, telephone number, facsimile number, and e-mail address.

d. Narrative Statement Addressing the Rating Factors. HUD will use the narrative response to the "Rating Factors" to evaluate, rate, and rank applications. This step in the process has five rating factors that need to be addressed:

- (1) Capacity of the applicant and relevant experience to do scientific research;
- (2) Need for proposed research;
- (3) Soundness of approach; and
- (4) Realism and value to the government, including a statement of how the project may help policymakers determine how to spend taxpayer dollars effectively and efficiently, if at all.

The narrative statement is the main source of information when rating and ranking applications. Therefore, it is very important that the researcher becomes fully familiar with the rating factors for the program. The narrative should be numbered in accordance with each factor and sub-factor. Make sure to address each factor and sub-factor and provide sufficient information about every element. Do not include Social Security Numbers in the application. The application narrative, bibliographies, and any supporting references must not exceed 20 pages in length (excluding forms, assurances, budget narrative, table of contents, and executive summary), and must be submitted and formatted to fit an 8 ½ by 11-inch paper, double-spaced, with one-inch margins (for the top, bottom, left, and right sides of the document) in standard Times New Roman 12-point font. Each page must be numbered with the name of the researcher and applicant visible on each page. The double-spacing requirement applies to the narrative section of the application (excluding references and bibliographies). Submitting pages in excess of the page limit will not disqualify an application; however, HUD will not consider the information on any excess page. This exclusion may result in a lower score or failure to meet a threshold requirement. **Please do not attach responses to each factor separately. Please follow the instructions on the use of zipped files, file extensions, and file names in the General Section. File names should not contain spaces, dashes or special characters. Failure to follow the file name requirements can result in the application being rejected by the Grants.gov system.**

e. Budget. The budget submission must include the following:

(a) **HUD_424_CB Grant_Application_Detailed_Budget.** This budget form shows the total budget by year (12 month period) and by line item for the program activities to be carried out with the proposed HUD grant. Make sure that the amount shown on the SF_424, HUD_424_CB and budget narrative are consistent and the budget totals are correct. Remember to check addition in totaling the categories on the HUD_424_CB form so that all items are included in the total. The budget form must be fully completed. If there is inconsistency between any required forms and/or budget narrative, the HUD_424_CB will be used. If this correction puts an application over the grant maximum, the researcher will not be able to correct the amount requested and the application will be disqualified. If an application is selected for award, the

researcher may be required to provide greater specificity to the budget during award agreement negotiations.

(b) Budget Narrative. A narrative must be submitted that explains how the researcher arrived at the cost estimate for each line item. The proposed cost should be reasonable for the work to be performed and consistent with rates established for the level of expertise required to perform the work proposed. The researcher must pay close attention to accurately estimating costs, determining the necessity for and reasonableness of costs proposed; and correctly computing all budget items and totals.

(c) Indirect Costs. Indirect costs, if applicable, are allowable based on an established approved indirect cost rate. Applicants must have on file, and submit to HUD if selected for award, a copy of their approved indirect cost rate agreement. Applicants that are selected for funding but do not have an approved indirect cost rate agreement established by the cognizant federal agency, will be required to establish a rate. In such cases, HUD will issue an award with a provisional rate and assist applicants with the process of establishing a final rate.

f. Appendix. The appendix section of an application may include CVs and two letters of recommendation. This section will not count against the page limit.

g. Forms. All forms listed below must be placed in the appendix section of the application. The following forms are needed for submission:

(1) SF424 Supplement Survey on Ensuring Equal Opportunities for Applicants (Faith Based EEO Survey (SF424 SUPP)).

(2) SF_LLL_Disclosure_of_Lobbying_Activities, if applicable.

(3) HUD_2880_Applicant_Recipient_Disclosure_Update_Report (HUD_Applicant_Recipient_Disclosure_Report), if applicable.

(4) HUD_2993 Acknowledgement of Application Receipt. Applicants/researchers/faculty members are not required to include this form for electronic applications, as they can track their application on line by going to www.grants.gov and clicking on "Track My Application". Applicants that have requested a waiver and are approved for the submission of a paper application can use this form to obtain a receipt by HUD. Please include the full name and complete address in your application.

(5) HUD_96011 Third Party Documentation Facsimile Transmittal (Facsimile Transmittal Form) on Grants.gov. This form must be used as the cover page to transmit third party documents and other information. Applicants are advised to download the application package and complete the SF_424, which will pre-populate the Transmittal Cover page. The Transmittal Cover page will contain a unique identifier embedded in the page that will help HUD associate your faxed materials to your application. Please do not use your own fax sheet. HUD will not read any faxes that are sent without the HUD_96011 fax transmittal cover page.

NOTE: In order for the application to be transmitted you must complete this form even if you are not faxing any documents. In the section of the form titled “Name of Document Transmitting,” enter the words “Nothing Faxed with this Application.” Complete the remaining highlighted fields and enter the number “0” in the section of the form titled “How many pages (including cover) are being faxed?” It is important that you read the General Section for other specifics.

2. Certifications and Assurances. Please read the **General Section** for detailed information on all Certifications and Assurances. When submitting attachment files, please pay close attention to the requirements for naming the attachment files. Attachment file names cannot have spaces, dashes, special characters or be longer than 50 characters in length. Failure to follow these directions will result in a “VIRUSDETECT” error message and your application being rejected by the Grants.gov system.

C. Submission Date and Timely Receipt Requirements. The application deadline date is 11:59:59 p.m. eastern time on **March 29, 2012**. Once received applications go through a validation process. Applicants must allow time for the validation process. Please see the FY2012 **General Section** for instructions for timely receipt, including actions to take if the application is rejected. Applicants can then track their applications by clicking on the “Track My Application” link and logging on using their Password and ID. HUD urges applicants to submit applications early.

D. Intergovernmental Review. This program is excluded from the Intergovernmental Review process.

E. Funding Restrictions.

1. Grant funds awarded under this NOFA may not be used to pay for activities outside the scope of this NOFA.
2. Funding will only be provided to researchers who meet the standards for eligible applicants outlined in Section III (A).
3. Funds awarded under this NOFA may not be used to pay for computer hardware and/or meals.
4. Honorariums cannot be charged against awards under this program.
5. Fee or profit will not be paid for work done under this NOFA.
6. Dissertation support is not eligible under this program.
7. Applicants must comply with the Delinquent Federal Debt Requirement as defined in the **General Section**.

F. Other Submission Requirements.

1. Application and Timely Receipt Instructions

Applications under this NOFA for both steps in the process must be received electronically through the Federal website Grants.gov unless a waiver of this requirement is granted in accordance with the instructions below. Applicants are required to submit applications electronically via the website http://www.grants.gov/applicants/apply_for_grants.jsp. See the **General Section** for additional information on the electronic process requirements and how to request a waiver from the requirement if necessary. **Applicants requesting a waiver must submit their requests in writing no later than 15 days prior to the application deadline date.** The letter must be addressed to Dr. Raphael W. Bostic, Assistant Secretary for Policy Development and Research and be submitted via e-mail or fax to:

Wendy Chi
Office of Economic Affairs
E-mail: Wendy.Y.Chi@hud.gov
FAX: (202) 708-1360

Paper applications will not be accepted from applicants that have not been granted a waiver. If an applicant is granted a waiver, the approval notice will provide instructions for submission. **All applications in paper format must have received a waiver to the electronic application requirement and the application must be received by HUD no later than 3:59:59 p.m. close of business on the application deadline date.** Applicants that receive a waiver to submit a paper application are not exempt from the requirement to have a DUNS number and active registration in CCR.

The application deadline for receipt of HUD applications via Grants.gov is 11:59:59 p.m. eastern time on the application deadline date. Applications must be received by Grants.gov by the deadline in order to meet the program deadline. Received means that the application has been successfully uploaded to the Grants.gov server and the applicant has received confirmation of successful submission to Grants.gov. Following receipt the application will go through a process to be validated. Only after an application has been validated will it be made available to HUD for review purposes.

Applicants should be aware that hitting the “sign and submit” button to transmit the application does not mean the application has been successfully uploaded to Grants.gov. The upload is complete only when the application is dated and time stamped by the Grants.gov system. An application that has been rejected by Grants.gov is not deemed to have been received by Grants.gov. (Please see of the **General Section** for a detailed explanation of Timely Receipt Requirements and Proof of Timely Receipt.) As in the past, HUD encourages applicants to submit their applications early and with sufficient time to address any issues that might affect the applicant’s ability to have an application successfully uploaded and received by Grants.gov.

V. APPLICATION REVIEW INFORMATION:

A. Criteria

1. Rating Factor 1: Capacity to do the Research and Relevant Experience (20 Points). This factor, HUD will determine the extent to which the researcher(s) clearly addresses the ability of the applicant to carry out the proposed research. Applicant must identify key researchers and team members and describe the relevant skills and expertise they possess. Applicants must also

identify the role that each individual would play, including key responsibilities and projected number of hours allocated for each responsibility over the proposed timeline. Applicants must also provide for each individual a curriculum vitae that includes educational background, work experience, publications, and conference presentations (please place CVs in the appendix; these will not be included in the page count). Applicants must also provide two letters of reference (please place letters in the appendix; these will not be included in the page count). Using this information, HUD will determine the extent to which the applicant clearly demonstrates the following:

a. Key researchers and assistants have demonstrated relevant skills and expertise necessary to complete the proposed research (10 points).

b. Key researchers and assistants have allocated sufficient time to complete the proposed research (10 points).

2. Rating Factor 2: Need for the Research (25 Points). This factor addresses the extent to which there is a need and a demand for funding the proposed research. HUD encourages researchers to undertake research that will assist the Department in implementing its policy priorities and that help the Department achieve the goals of its strategic plans for FY2010 – FY2015 Strategic Plan. In reviewing this factor, HUD will determine the extent to which the researcher clearly addresses the following:

a. The proposed research fills a knowledge gap in the existing literature and has significant contribution to the existing body of literature (10 points).

b. The expected results or findings will measure causal implications of housing policies and programs, and help HUD improve its existing programs and community development initiatives (10 points).

c. The proposed research is relevant to HUD's FY2010 – FY2015 Strategic Plan. For a full list and explanation of annual goals and objectives, please refer to the **General Section** (5 points).

3. Rating Factor 3: Soundness of Approach (45 Points). This factor addresses the relationship between the need proposed in Factor 2, the quality and effectiveness of the proposal, and methodology and actions proposed. Applicants must describe a research approach including the following components, and will be rated under this factor based on the extent to which these components are technically appropriate and feasible for carrying out the proposed research:

a. Research Design. (30 Points) A research design must include:

(1) Research question(s) and how they will address the need described in rating Factor 2.

(2) Research hypotheses.

(3) Data sets that will be used to study the research question(s) above.

(4) Proposed methodology (i.e., specify the appropriate econometrics model, dependent and independent variables, instrumental variables, and underlying assumptions).

(5) A discussion of potential endogeneity problems and justify why the proposed instrumental variables are strong and valid.

(6) A discussion of why the proposed “natural experiment” is randomized.

(7) Results of hypothesis tests to ensure the validity and quality of the results.

(8) A discussion of the preliminary results.

b. Schedule. (13 Points) A schedule of all major tasks/benchmark must include: including for each:

(1) A brief description of the task.

(2) How the task fits into the research design.

(3) An estimate of the time the task will take to complete.

(4) A discussion of key inputs (including data, staff, previous tasks that must be completed first). Sources must be identified for any inputs that have not been discussed elsewhere in the proposal.

c. HUD Policy Priorities. (2 Points) HUD encourages applicants to undertake research consistent with the HUD Strategic Plan for FY2010 – FY2015. HUD’s Policy Priorities have been established to encourage applicants to take additional actions to help achieve HUD’s strategic goal. As outlined in the **General Section**, this year each NOFA will specify which Policy Priorities are applicable to receive points under the specific program, as well as the total number of possible points that may be awarded. Under this program NOFA applicants can only receive two (2) points and must respond to one of the following two policy priorities: 1) Capacity Building and Knowledge Sharing, or 2) Expand Cross-Cutting Policy Knowledge. Each policy priority listed has a value of up to two (2) points associated with the priority. It is up to the applicant to determine which of the policy priorities outlined below (and only the priorities listed below) they will address in order to receive the available two (2) points.

(1) Capacity Building and Knowledge Sharing: Applicants requesting the policy priority points must demonstrate the proposed direct impact their research can have in their field. To receive the full two (2) points under this policy priority, an applicant must respond to at least one or more of the activities listed below and explain how success will be measured during the award performance period:

(a) Activities

- Implementation of a research dissemination plan.
- Integration of the research findings with other researchers and/or practitioners in the related field of study.

(b) Measures of Success:

- Development of at least one new activity by partner organizations as a result of the outcomes of the research to enhance current program. Examples may include needs assessments, data analysis and utilization of technology, performance management and evaluation specific to the programmatic purpose of the award.
- Presentation of research findings at two or more academic and/or professional conferences in the related field of study.

(2) Expand Cross-Cutting Policy Knowledge. To receive the full two points under this policy priority, an applicant must respond to at least one or more of the activities listed below and explain how success will be measured during the award performance period:

(a) Activities:

- Identify partnerships/relationships that will be established with other entities to capture and track the data collected as a result of the research conducted.
- Meet with representatives from State and local government to share research findings.
- Conduct presentations of research to policymakers and/or decision makers to enhance knowledge of housing issues.

(b) Measure of Success:

- Development of at least two partnerships/relationships to capture and track data collected as a result of the research conducted.
- Development of a publishable document that will serve as a guide to implement a reliable cross cutting program as related to housing issues and possible modification to existing policies.
- Presentation of research findings at one or more conferences/gathering to State and local government representatives.

Applicants that just list a priority, select priorities other than those listed above, and/or fail to address the minimum required items outlined will receive no points under this subfactor. Please refer to the General Section for additional information about HUD's policy priorities.

5. Rating Factor 4: Realism and Value to Government (10 Points). This factor addresses the likelihood that the proposed research will be completed successfully and the value that it offers to the government. In assessing this factor, HUD will consider the extent to which the applicant has demonstrated the following (5 points each):

a. Realism: Key researchers and assistants have outlined a feasible plan to complete the proposed research within the 24-month performance period.

b. Value: Key researchers and assistants have demonstrated the level of funding requested is commensurate with the value of the proposed research. Value will be based on the extent to which the research would effectively measure causal implications of existing housing policies and government programs and would help HUD shape evidence-based housing policies.

B. Review and Selection Process.

1. Application Selection Process. Two types of reviews will be conducted:

a. Threshold Review. A threshold review to determine an applicant's basic eligibility, subject to the criteria outlined above;

b. Technical Review. Technical Review will rate and rank the full proposal based on the "Rating Factors" listed in this NOFA.

2. Rating Panels. To review and rate applications, HUD may establish panels that may include experts or consultants not currently employed by HUD. These individuals may be included to obtain certain expertise.

3. Ranking. In order to be funded, **an application must receive a minimum score of 75 points** out of a possible 100 for Factors 1 through

4. RC_EZ_EC_II Bonus Points. The **RC_EZ_EC_II** two bonus points described in the **General Section** do not apply to this NOFA.

5. Preferred Sustainable Status Communities Bonus Points. The Preferred Sustainability Status Communities two bonus points do not apply to this NOFA.

6. Selection. HUD will fund applications until all available program funds are awarded. If two or more applications have the same number of points, the application with the higher points for Factor 3, shall be selected. If there is still a tie, the application with the higher points for Factor 4, shall be selected. HUD reserves the right to make selections out of rank order to provide for geographic distribution of grantees.

HUD reserves the right to reduce the amount of funding requested in order to fund as many highly ranked applications as possible. Additionally, if funds remain after funding the highest ranked applications, HUD may fund part of the next highest-ranking application. If a researcher turns down the award offer, HUD will make an offer to the next highest-ranking application.

HUD will not fund any portion of an application that is not eligible for funding under regulatory requirements and that does not meet the requirements of the NOFA.

7. Correction to Deficient Applications. See the **General Section**.

8. Anticipated Announcement and Award Dates. Announcements of awards are anticipated on or before Month x, 2012.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notices

After all selections have been made, HUD will notify all winning official applicants (not researchers) in writing. HUD may require winning applicants and researchers to participate in additional negotiations before receiving an official award. For further discussion on this matter, please refer to the **General Section**.

B. Administrative and National Policy Requirements. Refer to the **General Section**.

1. Debriefing. The **General Section** provides the procedures for requesting a debriefing. All requests for debriefings must be made in writing and may be requested during the 120 day period, beginning 30 days after the awards for assistance under this NOFA are publicly announced. Submit requests to Wendy Chi, Office of Economic Affairs, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 8222, Washington, DC 20410-6000. Applicants may also write to Wendy Chi via e-mail at Wendy.Y.Chi@hud.gov.

2. Environmental Requirements. The provision of assistance under this program is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) and not subject to compliance actions for related environmental authorities under 24 CFR 50.19(b)(1) and (b)(9).

3. Administrative. Awards under this NOFA will be governed by the provisions of 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations), OMB Circular A-21 (2 CFR 220) (Cost Principles for Educational Institutions) and OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). Applicants can access the OMB circulars at the White House Web site at: <http://www.whitehouse.gov/omb/circulars/index.html>.

C. Reporting Requirements.

1. All researchers that receive award funds under this program NOFA are required to submit a quarterly progress report that describes the progress of the effort and the likelihood that it will be completed on time and a financial status report (using the form SF-425). Reports must be submitted electronically.

At the end of the award performance period, researchers must submit two copies and a CD-ROM containing an electronic copy of the paper documenting the research finding in its final version, as well as a final report which summarizes the entire work and achievements conducted under this award. These copies must be submitted to HUD.

2. Transparency Act Reporting.

a. Recipient Reporting to Meet the Requirements the Federal Financial Assistance Accountability and Transparency Act of 2006, as amended.

(1) Prime Grant Awardee Reporting. Prime recipients of HUD financial assistance are required to report certain subawards in the federal governmentwide website www.fsr.gov or its successor system.

Starting with awards made October 1, 2010 prime financial assistance awardees receiving funds directly from HUD are required to report subawards and executive compensation information both for the prime award and subaward recipients, including awards made as pass-through awards or awards to vendors, if (1) the initial prime grant award is \$25,000 or greater, or the cumulative prime grant award will be \$25,000 or greater if funded incrementally as directed by HUD in accordance with OMB guidance; and (2) the sub-award is \$25,000 or greater, or the cumulative subaward will be \$25,000 or greater. For reportable subawards, if executive compensation reporting is required and subaward recipients' executive compensation is reported through the Central Contractor Registration (CCR) system, the prime recipient is not required to report this information. The reporting of award and subaward information is in accordance with the requirements of Federal Financial Assistance Accountability and Transparency Act of 2006, as amended by section 6202 of Public Law 110-252, hereafter referred to as the "Transparency Act" and OMB Guidance issued to the Federal agencies on September 14, 2010 (75 FR 55669) and in OMB Policy guidance. The prime awardee will have until the end of the month plus one additional month after a subaward or pass-through award is obligated to fulfill the reporting requirement. Prime recipients are required to report the following information for applicable subawards. This information will be displayed on a public government website pursuant to the Transparency Act.

- (i) Name of entity receiving award;
- (ii) Amount of award
- (iii) Funding agency;
- (iv) North American Industry Classification System (NAICS) code for contracts/CFDA program for financial assistance awards;
- (v) Program source;
- (vi) Award title descriptive of the purpose of the funding action;
- (vii) Location of the entity (including Congressional district);
- (viii) Place of Performance (including Congressional district);
- (ix) Unique identifier of the entity and its parent; and
- (x) Total compensation and names of top five executives.

For the purposes of reporting into the FFATA Sub-award Reporting System (FSRS) reporting site, the unique identifier is the DUN and Bradstreet Universal Numbering System (DUNS) number the entity has obtained from Dun and Bradstreet, and for Prime awardees the DUNS number registered in the Central Contractor Registration as required by HUD regulation 24 CFR 5.1004.

(2) Prime Grant Awardee Executive Compensation Reporting. Prime awardees must also report in the governmentwide website the total compensation and names of the top five executives in the prime awardee organization if:

- (i) More than 80% of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and
- (ii) Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC.)

(3) Subaward Executive Compensation Reporting. Prime grant awardees must also report in the governmentwide website the total compensation and names of the top five executives in the subawardees if:

(i) More than 80% of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and

(ii) This required compensation information is not readily available through reporting to the Securities Exchange Commission (SEC.) For applicable subawards, if executive compensation reporting is required and subaward recipients' executive compensation is reported through the Central Contractor Registration (CCR) system, the prime recipient is not required to report this information.

(4) Transparency Act Reporting Exemptions. The Transparency Act exempts any sub-awards less than \$25,000 made to individuals and any sub-awards less than \$25,000 made to an entity whose annual expenditures are less than \$300,000. Subawards with a cumulative total of \$25,000 or greater are subject to subaward reporting beginning the date the subaward total award amount reaches \$25,000. The Transparency Act also prohibits reporting of any classified information. Any other exemptions to the requirements must be approved by the Office of Management and Budget.

NOTE: For the purposes of FFATA reporting requirements, “prime grant awardee” or “prime grant award” or “grant award” includes awardees of, and awards for, capital advances for the Section 202 Housing for the Elderly and Section 811 Housing for Persons with Disabilities programs.

3. Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), hereafter referred to as “Section 872.” Section 872 requires the establishment of a governmentwide data system – the Federal Awardee Performance and Integrity Information System (FAPIIS) - to contain information related to the integrity and performance of entities awarded federal financial assistance and making use of the information by federal officials in making awards. OMB is in the process of issuing regulations regarding federal agency implementation of section 872 requirements. A technical correction to this General section may be issued when such regulations are promulgated.

HUD anticipates that the terms and conditions to its FY2012 awards will contain requirements related to meeting Section FFATA and Section 872 requirements.

VII. AGENCY CONTACTS

Individuals may contact Wendy Chi, Office of Economic Affairs, at (202) 402-6534. Persons with speech or hearing impairments may call the Federal Relay Service TTY at 800-877-8339. Except for the “800” number, these telephone numbers are not toll-free. Individuals may also reach Wendy Chi via e-mail at Wendy.Y.Chi@hud.gov.

VIII. OTHER INFORMATION:

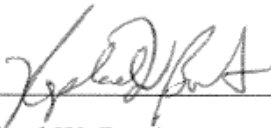
A. Proprietary Information. Because it is the intent of this program to accelerate the use of the information provided, any information or research results, which the researcher proposes to

remain proprietary, must be discussed in their application. Since it is important that the information received be made available, such request for retention of proprietary information will be considered during the review process.

B. 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 2528-0281 for the Transformation Initiative: Natural Experiments Grant Program. 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 21 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data for the application, quarterly reports, and final report. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

C. Environmental. This NOFA does not direct, provide for assistance, or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new construction, or establish, revise, or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c) (1), this NOFA is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Date: February 9, 2012



Raphael W. Bostic
Assistant Secretary for
Policy Development and Research

[FR-5600-N-18]