
CHOICE NEIGHBORHOODS FY2015/2016 PLANNING GRANT NOFA

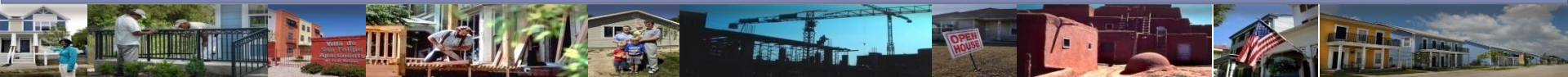
Department of Housing
and Urban Development





WEBCAST OVERVIEW

- **Choice Neighborhoods Overview**
- **Planning Grant Changes**
- **FY15/16 Planning Grant Competition**
 - Key Facts & Eligibility Basics
 - Grant Activities Overview
 - Rating Factor Highlights



CHOICE NEIGHBORHOODS OVERVIEW





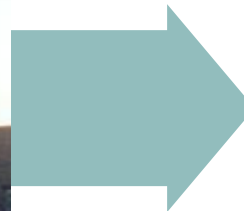
WHY CHOICE NEIGHBORHOODS?

| HOPE VI at a Glance | |
|---------------------|--|
| Revitalized | 260 communities |
| Created | 53,950 replacement units |
| Built | 39,960 affordable and market rate units |
| Leveraged | \$1.80 for every \$1 investment |

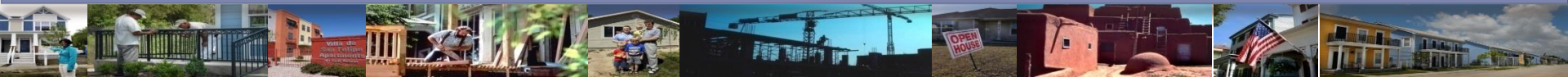
Broadway Overlook,
Baltimore, MD
Before and After
HOPE VI



Source: Landex



Source: Marks Thomas Architecture

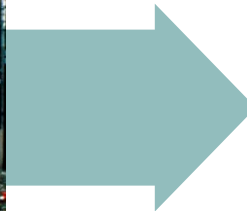




WHY CHOICE NEIGHBORHOODS?

Redevelopment of 1 large, distressed housing project

| Outcomes | Data from Urban Institute |
|--------------------|--|
| ↑ Property Values | • Boosts home values, generating \$6.5 million in local revenue over 20 years |
| ↓ Operating Costs | • \$3.9 million less in federal subsidies over 20 years |
| ↓ Crime Rates | • \$170,000 per year in public sector savings |
| Multiplier Effects | • Return of private capital, business, and market forces. E.g., \$856 million investments in Centennial Place, Atlanta |



Park Du Valle, Louisville, KY





WHAT IS CHOICE NEIGHBORHOODS?

| Best of HOPE VI |
|---|
| Revitalize distressed public housing |
| Leverage other funding |
| Encourage mixed-income, mixed-use communities |
| Catalyze neighborhood investment |
| Provide supportive services |



| Lessons & Innovations |
|--|
| Address other HUD assisted housing |
| Engage new stakeholders |
| Focus on the broader neighborhood |
| Improve critical community assets, such as schools and public safety |
| Reinstitute planning grants |

- Choice Neighborhoods moves beyond HOPE VI model and focuses on three core goals:

Housing, People, and Neighborhood.





THREE CORE GOALS

Housing | Transforming Distressed Public and Assisted Housing

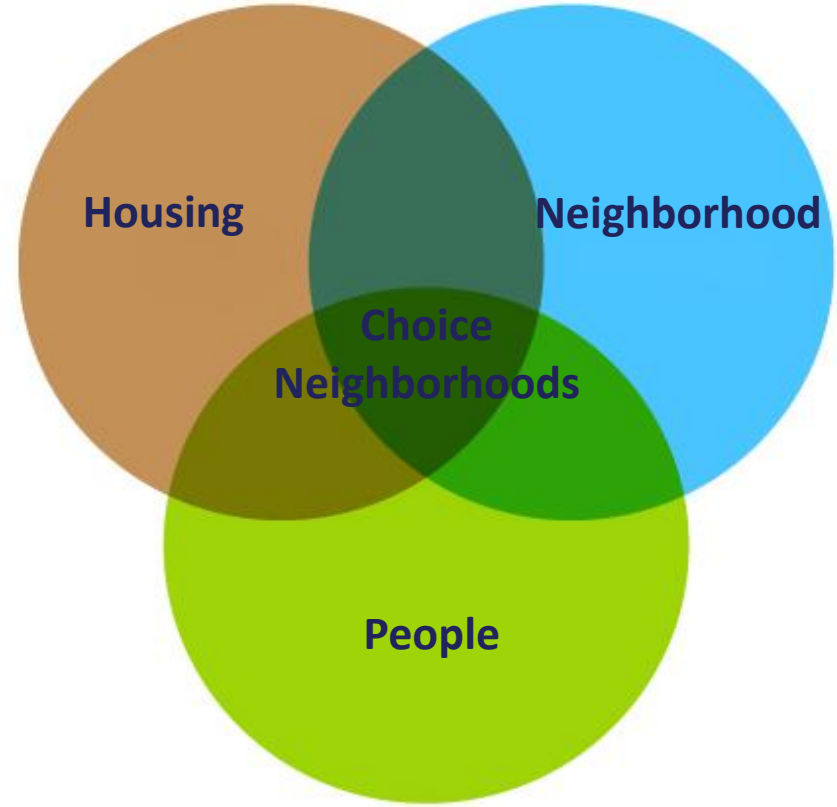
- Mixed-income housing
- Energy efficient and sustainable units
- Well-managed and financially viable
- One-for-one replacement

People | Supporting Positive Outcomes for All

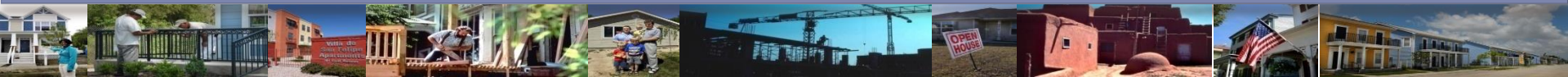
- Effective education
- Employment opportunities
- Access to quality health care
- Right of return for original residents

Neighborhood | Creating Neighborhoods of Opportunity

- Mixed-income neighborhoods
- Private and public investment
- Safe environment
- Effective public schools
- Transit and retail development
- Developmental, physical, commercial, social and recreational assets



PLANNING GRANT CHANGES





PLANNING GRANTS HISTORY

| | Planning Grants |
|-------------------------------------|---|
| Purpose | <ul style="list-style-type: none"> • Enable communities to create a community-driven plan to transform struggling neighborhoods with severely distressed public and/or HUD-assisted housing. |
| Planning Activities Examples | <ul style="list-style-type: none"> • Conduct a comprehensive needs assessment • Conduct technical planning studies • Engage & build capacity of community & partners • Develop housing, neighborhood, and people strategies • Secure partnerships & leverage |
| Outcome | <ul style="list-style-type: none"> • To develop a transformation plan that can attract investment and be readily implemented |
| Timeline | <ul style="list-style-type: none"> • 2 years |
| Maximum Award | <ul style="list-style-type: none"> • \$500,000 |
| Grants To Date | <ul style="list-style-type: none"> • 63 |





WHAT WE HAVE LEARNED

- **Tangible, early actions:**
 - Build momentum
 - Improve neighborhood confidence
 - Help transition to implementation



Memphis: Mobile food market



Columbus: Community Gateway

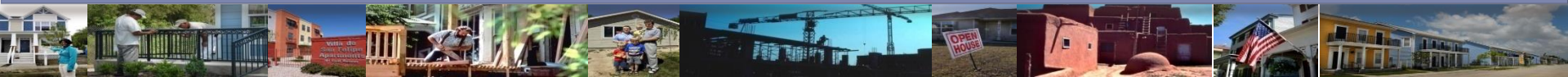




NEW GRANT: PLANNING AND ACTION GRANTS

Planning
Activities

Action
Activities





NEW GRANT: PLANNING AND ACTION GRANTS (CONT.)

| | Planning and Action Grants |
|-----------------------------------|---|
| Adds Action Activities | <ul style="list-style-type: none">• Physical improvement, community development, and economic development projects that enhance and accelerate the transformation of the neighborhood |
| Possible Action Activities | <ul style="list-style-type: none">• Reclaiming and recycling vacant property into community gardens, pocket parks, farmers markets, or land banking• Beautification, placemaking, and community arts projects• Homeowner and business façade improvement programs• Neighborhood broadband/Wi-Fi• Fresh food initiatives• Gap financing for economic development projects |
| Timeline | <ul style="list-style-type: none">• 3 years (planning process plus action activities) |
| Maximum Award | <ul style="list-style-type: none">• Up to \$2 million (up to \$1.5 million for action activities) |





KEY FACTS

***This webcast is an overview. Please review NOFA for full details.**

| | FY15/16 Planning Grant NOFA Facts |
|-----------------------------|--|
| Process | <ul style="list-style-type: none">• All applicants apply through the same application |
| Total Funding | <ul style="list-style-type: none">• Approx. \$10 million |
| Approximate Awards | <ul style="list-style-type: none">• 4 Planning and Action Grants – up to \$2 million each• 4 Planning Grants – up to \$500,000 each |
| Application Deadline | <ul style="list-style-type: none">• 2/9/2016 |
| Where to Apply | <ul style="list-style-type: none">• www.grants.gov |





MAJOR CHANGES

| | FY15/16 Planning Grant NOFA Major Changes |
|----------------------------------|--|
| Action Activities | <ul style="list-style-type: none">• Added Action Activities• New Action Activity Rating Factors |
| Early Action Activities | <ul style="list-style-type: none">• During Planning Process• Up to \$100,000 for early actions |
| Rating factor changes | <ul style="list-style-type: none">• Re-structuring of soundness of approach factors• Adjustments to capacity & other factors |
| Relation to Past Grantees | <ul style="list-style-type: none">• Past FY 2010 – 2014 Planning Grantees may apply for Action Activities portion only (up to \$1.5 million) |





ELIGIBILITY BASICS

Three major eligibility components:

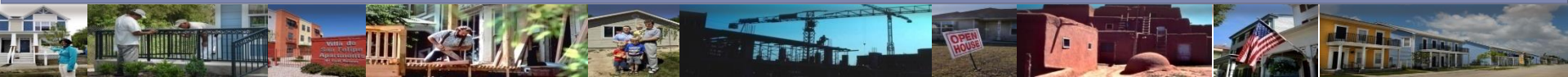




ELIGIBILITY BASICS

1. Eligible Applicant Type

- **Type:** Public Housing Authorities, local governments, tribal entities, and nonprofits.
- May have **Co-Applicant**





ELIGIBILITY BASICS

2. Eligible Target Housing

- **Eligible Type:** Public housing, Project-based Section 8, Section 202, Section 811, Section 221(d)(3), Section 236, and certain housing under the Native American Housing Assistance and Self-Determination Act of 1996, 25 U.S.C. § 4101
- **Distressed:** Property must be severely distressed, as certified by an engineer or architect
- **RAD CHAP Allowed:** Can have RAD Commitment to enter into Housing Assistance Payments (CHAP) but not RAD Conversion Commitment (RCC)

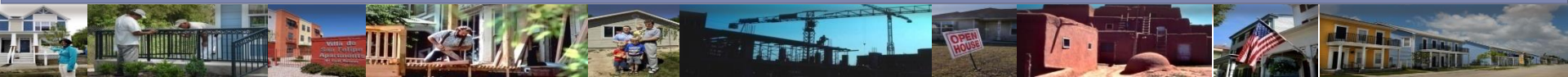




ELIGIBILITY BASICS

3. Eligible Neighborhood

- **20% + in poverty/extremely low income**
- **Neighborhood distress** in one of the following:
 - high crime
 - high vacancy or substandard homes
 - inadequate schools
- Applicant defines **neighborhood boundaries**:
 - Generally accepted as a neighborhood
 - One municipal jurisdiction
 - Larger than target housing
- Use **HUD mapping tool**



FY15/16 PLANNING GRANT COMPETITION: GRANT ACTIVITIES OVERVIEW





TWO COMPONENTS

Planning
Activities

Action
Activities





PLANNING ACTIVITIES

| | Planning Activities |
|---|---|
| Portion of Grant | <ul style="list-style-type: none">• Up to \$500,000 for planning activities |
| Purpose | <ul style="list-style-type: none">• Create a community-driven Transformation Plan |
| Planning Activity Examples: Planning Process | <ul style="list-style-type: none">• Conduct a comprehensive needs assessment• Conduct technical planning studies• Engage & build capacity of community & partners• Develop housing, neighborhood, and people strategies• Secure partnerships & leverage |





PLANNING ACTIVITIES (CONT.)

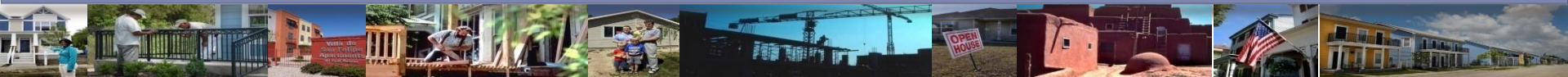
| | Planning Activities (cont.) |
|--|--|
| <p>Planning Activity Examples: Early Action Activities</p> | <ul style="list-style-type: none">• Allowable activities similar to Action Activities:<ul style="list-style-type: none">• Reclaiming and recycling vacant property into community gardens, pocket parks, farmers markets, or land banking• Beautification, placemaking, and community arts projects• Homeowner and business façade improvement programs• Neighborhood broadband/Wi-Fi• Fresh food initiatives;• Gap financing for economic development projects• But occurs during planning process (first 24 months) and supports planning process• Up to \$100,000 out of the \$500,000 for planning activities |





ACTION ACTIVITIES

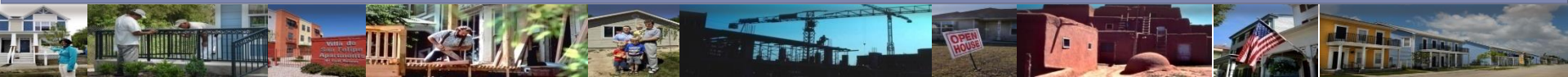
| | Action Activities |
|--|---|
| Portion of Grant | <ul style="list-style-type: none">• Up to \$1.5 million for Action Activities |
| Purpose | <ul style="list-style-type: none">• Enhance and accelerate the transformation of the neighborhood through physical improvement, community development, and economic development projects |
| Possible Action Activities | <ul style="list-style-type: none">• Reclaiming and recycling vacant property into community gardens, pocket parks, farmers markets, or land banking• Beautification, placemaking, and community arts projects• Homeowner and business façade improvement programs• Neighborhood broadband/Wi-Fi• Fresh food initiatives• Gap financing for economic development projects |
| Relation to Planning Activities | <ul style="list-style-type: none">• Identified through the planning process• Specific activities should not be proposed in application |





TIMELINE

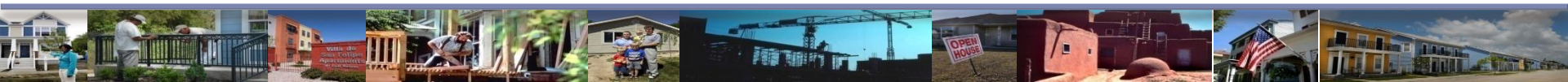
**New Applicants
(up to \$2 million):**





TIMELINE

Past FY2010 – 2014 Planning Grantees (up to \$1.5 million):

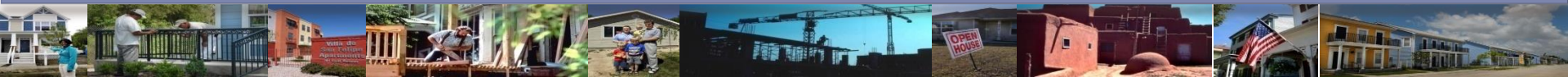


FY15/16 PLANNING GRANT COMPETITION: RATING FACTOR HIGHLIGHTS





RATING FACTORS





RATING FACTORS: CAPACITY

| | Capacity – 16 Points |
|--|---|
| Capacity to Lead Planning Process (8) | <ul style="list-style-type: none">• Past experience to lead planning process and undertake Action Activities• Experience of Lead and Co-Applicant only |
| Resident & Community Engagement (4) | <ul style="list-style-type: none">• Past planning processes substantially informed by the community, including residents & local stakeholders |
| Capacity of Planning Partners (4) | <ul style="list-style-type: none">• Partners' capacity and how it supplements your or your Co-Applicant's capacity• Includes local partners & Planning Coordinator (if applicable)• Must have documentation from partners |





RATING FACTORS: NEED

| | Need – 22 Points |
|--|--|
| Unit Distress (11) | <ul style="list-style-type: none">• Current rehabilitation costs• Structural deficiencies• Design deficiencies |
| Neighborhood Distress (10) | <ul style="list-style-type: none">• Poverty• Vacancy or Substandard Homes• Crime |
| Need for Affordable Housing (1) | <ul style="list-style-type: none">• Need for affordable housing in the community |





RATING FACTORS: SOUNDNESS OF APPROACH

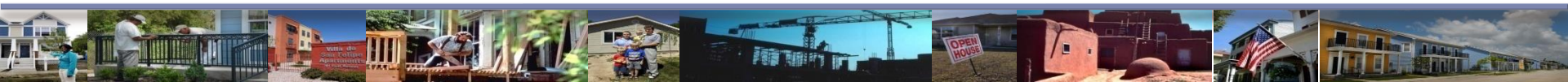
| | Soundness of Approach – 41 Points |
|-----------------------------------|---|
| Neighborhood Selection (4) | <ul style="list-style-type: none">• Reason for selecting neighborhood |
| Resident Engagement (4) | <ul style="list-style-type: none">• Plan for engaging residents of the targeted housing |
| Community Engagement (4) | <ul style="list-style-type: none">• Plan for engaging other neighborhood residents and community-based partners |





RATING FACTORS: SOUNDNESS OF APPROACH (CONT.)

| | Soundness of Approach (cont.) |
|--|--|
| Needs Assessment (4) | <ul style="list-style-type: none">• Plan for conducting the needs assessment• Includes household-level survey, other data, etc. |
| Visioning and Decision-Making (4) | <ul style="list-style-type: none">• Plan for facilitating visioning and decision-making |
| Partnerships (4) | <ul style="list-style-type: none">• Quality of partnerships and plan to work with them• Letters from partners |





RATING FACTORS: SOUNDNESS OF APPROACH (CONT.)

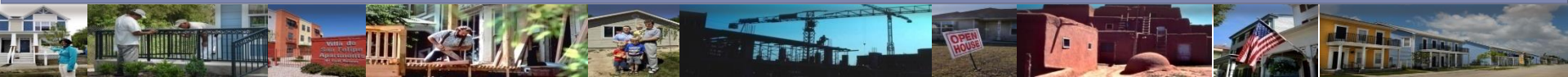
| | Soundness of Approach (cont.) |
|--------------------------------------|---|
| Doing While Planning (4) | <ul style="list-style-type: none">• Plan for a neighborhood project or projects to be implemented during the planning process• Can use Early Action Activities funds and/or leverage |
| Action Activities Process (5) | <ul style="list-style-type: none">• Plan for process used to identify Action Activities• Note: no additional planning funds for Past FY 2010 – 2014 Planning Grantees |





RATING FACTORS: SOUNDNESS OF APPROACH (CONT.)

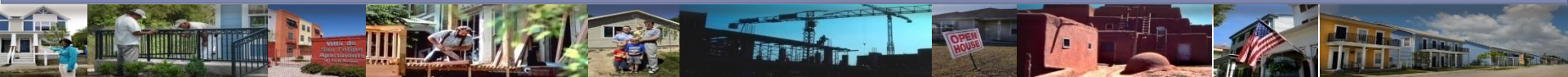
| | Soundness of Approach (cont.) |
|--|--|
| Staffing Plan (2) | <ul style="list-style-type: none">• Staffing plan with organizational chart• Past Planning Grantees – Action Activities process only |
| Planning Schedule (2) | <ul style="list-style-type: none">• Schedule for all <u>planning</u> activities• Past Planning Grantees – Planning Grant schedule |
| Budget (2) | <ul style="list-style-type: none">• Budget for all <u>planning</u> activities• Action Activities are TBD• Past Planning Grantees – Planning Grant budget |
| Consistency with Other Planning Documents (2) | <ul style="list-style-type: none">• Consolidated Plan and PHA/MTW Plan• Regional Sustainability Plan |





RATING FACTORS: LIKELIHOOD OF IMPLEMENTATION

| | Likelihood of Implementation |
|--|---|
| Alignment with Existing Efforts (5) | <ul style="list-style-type: none">• Neighborhood located in an officially designated investment priority area or have an Indian CDBG project underway |
| Creating Lasting Momentum (5) | <ul style="list-style-type: none">• 5 points - RAD CHAP for all target housing; OR• 3 points – other evidence that makes implementation likely |
| Local Government Support (3) | <ul style="list-style-type: none">• Local government letter demonstrating support for this planning process or tribal resolution |





RATING FACTORS: LEVERAGE

| | Leverage |
|---------------------|--|
| Leverage (6) | <ul style="list-style-type: none">• Leveraged commitments to carry out proposed Planning and Action Grant activities• Either cash or supporting commitment• Must be firmly committed• Action Activities leverage must be cash leverage for undefined Action Activities• Past Planning Grantees can only submit leverage for Action Activities process and undefined Action Activities• Alternate standards for non-metropolitan areas and tribal entities |



