

FY2017 Choice Neighborhoods Planning Grants NOFA Questions and Answers

Note: In accordance with the HUD Reform Act, HUD cannot provide a determination to questions that ask about a specific situation (e.g. whether something would be eligible or how it would be rated) outside of reviewing a submitted grant application during its formal review process. This Q&A is meant to provide general clarification to the NOFA language.

- 1. Our neighborhood has a lot of distressed housing, but it is neither “public housing” or “assisted housing.” Can we still apply for a Choice Neighborhoods Initiative Planning Grants if our application meets the other eligibility criteria, but does not have “severely distressed public or HUD-assisted housing”?**

No, the “Eligible Target Housing” threshold requires that there be a severely distressed public or HUD-assisted housing project at the center of the planning process. Please see the Eligible Target Housing threshold on page 16 of the NOFA. The terms “assisted housing,” “public housing,” and “severely distressed housing” are defined in the Program Definitions section starting on page 7.

- 2. Are these grants restricted to municipalities with 25,000 and above population?**

No, this NOFA does not restrict applicants based on population size. Your question may be referring to the Main Street program, which is separate from the Choice Neighborhoods Planning and Implementation programs.

- 3. As part of the planning activities funds are incentives for completing surveys and attending meetings an eligible cost (e.g., a \$20 gift card)? Is food for community meetings an eligible cost?**

No. Incentives are not an eligible cost and for the most part food is not considered an eligible cost. Potential applicants may also consult the detailed Planning Grant budget guidance posted on the Planning Grants page of the Choice Neighborhoods website (www.hud.gov/cn).

- 4. Our PHA received a HOPE VI Revitalization Grant for part of a public housing project. Can the remaining units now be the “target public housing development” for a Choice Neighborhoods grant?**

The NOFA states, “Public housing projects previously funded through a HOPE VI Revitalization grant may not be the target public housing project of a Choice Neighborhoods grant application. However, they may be located within the Transformation Plan neighborhood.” The prohibition applies to the entire public housing project was the subject of the HOPE VI Revitalization Plan and does not differentiate among which particular funding source paid for the rehabilitation or redevelopment of specific units. An exception would be if the PHA demonstrated that, in accordance with 24(j)(2)(A)(v) of the 1937 Act,

the target units were “sufficiently separable from the remainder of the project, of which the building is a part, to make use of the building feasible for transformation.”

5. Are future commitments of Community Development Block Grant (CDBG) funding eligible to be included for purposes of the Leverage rating factor?

As stated in the Planning Grants NOFA, leverage commitments must be “firmly committed.” Further, regarding CDBG, on page 58 of the NOFA, “the work activity must be included in the CDBG recipient’s annual action plan. Such plans may be amended to include the Choice Neighborhoods funded activity(ies).” This differs from past Implementation Grants NOFAs that have specifically stated that HUD will consider commitments of CDBG contingent on future fiscal year Federal appropriations to be firmly committed.

6. I see that one of the changes this year is that in evaluating leverage, HUD will now only consider cash leverage. What impact does this have on the match requirement, which states that ‘By the end of the grant term, you are required to have matching funds in the amount of five percent of the grant amount in cash or in-kind donations’?

For purposes of this NOFA, “match” and “leverage” are not exactly the same thing. First, let us clarify the match requirement: the statutory requirement [section 24(c)(1)(A) of the 1937 Act (42 U.S.C. 1437v(c)(1)(A))] is that by the end of the grant term, the grantee will have secured a match of at least 5 percent. As a requirement in this NOFA, the applicant certifies [as part of the form provided under the Choice Neighborhoods Application Certifications form] it will meet this requirement. It is not a requirement that the match be in place at the time of the grant application. However, to encourage applicants to have funds committed from the outset and to exceed the match requirement, the NOFA provides points for applicants that secure leverage in advance of submitting the application. In order to earn points under this rating factor, the leverage must be a cash commitment.

7. Is there a percentage limit for staffing costs for this program?

There is not a specific limit on administration, which includes staffing costs. In accordance with the section 24 statute, only direct costs associated with the Choice Neighborhoods grant may be charged to the grant. HUD will review the proposed budget to ensure that the costs are reasonable.

8. What is considered “supportive services” listed as an ineligible activity on page 29 of the NOFA?

In the context of Choice Neighborhoods, the term “supportive services” includes all activities that will promote upward mobility, self-sufficiency, or improved quality of life, including such activities as literacy training, activities that promote early learning and the continuum of educational supports, remedial and continuing education, job training, financial literacy instruction, day care, youth services, aging-in-place, public transportation, physical and mental health services, economic development activities, and other programs for which the community demonstrates need.

9. In Grants.gov, there are not enough slots for us to upload all the exhibits and attachments listed in the Choice Neighborhoods NOFA. How am I supposed to submit the application?

Grants.gov is a system used by the entire Federal government so its structure does not necessarily reflect the Choice Neighborhoods Implementation NOFA. Its attachment 1 does not explicitly mean the Choice Neighborhoods Attachment 1. Applicants should zip together the multiple attachment files (in one or more zip files, depending on the size) they have prepared in accordance with the Choice Neighborhoods Implementation NOFA and plug them into the slots provided by Grants.gov. Please be reminded that, as instructed in the NOFA, each narrative exhibit and attachment must be its own file. Do not simply create one file that includes multiple exhibits or attachments.

10. If there is a Lead Applicant and Co-Applicant, does each agency sign a separate SF-424? While Question 9 allows for more than one applicant, the signature section does not accommodate multiple parties.

Only the Lead Applicant needs to sign the form.

11. We've been working on a Planning Grant application and just saw that the FY17 Implementation Grants NOFA was published. Can we apply for both grants for the same neighborhood?

No. As stated in the Implementation Grants NOFA, "You may not apply for both a FY2017 Planning Grant and a FY2017 Implementation Grant for the same target housing and neighborhood."