



# Federal Register

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**Tuesday,  
July 31, 2007**

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**Part II**

## **Department of Housing and Urban Development**

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**Supplement to the Fiscal Year (FY) 2007  
SuperNOFA for HUD's Discretionary  
Programs: NOFA for the HOPE VI  
Revitalization Grants Program; Notice**

**DEPARTMENT OF HOUSING AND  
URBAN DEVELOPMENT**

[Docket No. FR-5140-N-01]

**Supplement to the Fiscal Year (FY)  
2007 SuperNOFA for HUD's  
Discretionary Programs: NOFA for the  
HOPE VI Revitalization Grants Program**

**AGENCY:** Office of the Secretary, HUD.

**ACTION:** Notice of HUD's Fiscal Year (FY) 2007 Notice of Funding Availability for HUD's Discretionary Programs (SuperNOFA); HOPE VI Revitalization Grants Program.

**SUMMARY:** On March 13, 2007, HUD published its FY2007 SuperNOFA for HUD's Discretionary Programs, which contained 38 funding opportunities. Today's publication supplements the SuperNOFA by adding funding opportunities for the HOPE VI Revitalization program. Although this NOFA was not included in the SuperNOFA announcement, this NOFA is governed by the information and instructions found in the Notice of HUD's Fiscal Year 2007 Notice of Funding Availability Policy Requirements and General Section (General Section) to the SuperNOFA that HUD published on January 18, 2007, the Introduction to the SuperNOFA published on March 13, 2007; and the Supplementary Information and Technical Corrections published on May 11, 2007.

**FOR FURTHER INFORMATION CONTACT:** Questions regarding specific program requirements should be directed to the agency contact identified in this program NOFA. Questions regarding the General Section of January 18, 2007 or the Introduction of March 13, 2007, should be directed to the Office of Departmental Grants Management and Oversight at (202) 708-0667 (this is not a toll-free number) or the NOFA Information Center at (800) HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (800) 877-8339. The NOFA Information Center is open between the hours of 10 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

**SUPPLEMENTARY INFORMATION:** Through today's publication, HUD is making available approximately \$94.52 million in assistance through the FY2007 HOPE VI Revitalization Grants program. Today's publication is in addition to the \$2 billion previously made available through the FY2007 SuperNOFA.

As is HUD's practice in publishing the SuperNOFA, the NOFA published today

provides the statutory and regulatory requirements, threshold requirements, and rating factors applicable to funding being made available today (through the HOPE VI Revitalization NOFA). Applicants for the HOPE VI NOFA must also refer to the January 18, 2007, General Section of the FY2007 SuperNOFA; the March 13, 2007, SuperNOFA; and the May 11, 2007, Supplementary Information and Technical Corrections for important application information and requirements, including submission requirements, which have changed this year.

In FY2007, HUD intends to continue to require its applicants to submit their applications electronically through <http://www.grants.gov>. If applicants have questions concerning the registration process, registration renewal, assigning a new Authorized Organization Representative, or have a question about a NOFA requirement, please contact HUD staff identified in this program NOFA. HUD staff cannot help you write your application, but can clarify requirements that are contained in the General Section to the SuperNOFA, this Notice, and in HUD's registration materials.

New applicants should note that they are required to complete a five-step registration process in order to submit their applications electronically. The General Section to the SuperNOFA included in the instructions download materials on Grants.gov provides a step-by-step explanation of the registration process, as well as where to find, on HUD's Web site, materials prepared by HUD to help guide applicants through the registration and application submission process.

Applications and Instructions are posted to Grants.gov as soon as HUD finalizes them. HUD encourages applicants to subscribe to the Grants.gov free notification service. By doing so, applicants will receive an e-mail notification as soon as items are posted to the Web site. The address to subscribe to this service is <http://www.grants.gov/search/email.do>. By joining the notification service, if a modification is made to the NOFA, applicants will receive an e-mail notification that a change has been made.

HUD encourages applicants to carefully read the General Section and program sections of the NOFA. Carefully following the directions provided can make the difference in a successful application submission.

Dated: July 25, 2007.

**Orlando J. Cabrera,**

*Assistant Secretary for Public and Indian Housing.*

**Overview Information**

**A. Federal Agency Name.** Department of Housing and Urban Development, Office of Public and Indian Housing.

**B. Funding Opportunity Title.** Revitalization of Severely Distressed Public Housing HOPE VI Revitalization Grants Fiscal Year 2007.

**C. Announcement Type.** Initial announcement.

**D. Funding Opportunity Number.** The **Federal Register** number for this NOFA is FR-5140-N-01. The OMB approval number for this program is: 2577-0208.

**E. Catalog of Federal Domestic Assistance (CFDA) Number.** The CFDA number for this NOFA is 14-866, "Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI)."

**F. Dates.**

**Application Deadline Date:** The application deadline date is November 7, 2007. Electronic applications must be received and validated by Grants.gov by 11:59:59 p.m. eastern time on the deadline date. See HUD's General Section to the SuperNOFA (FR-5100-N-01), published in the **Federal Register** on January 18, 2007, and Supplemental Information and Technical Corrections published on May 11, 2007, for application submission, faxing instructions, and timely receipt requirements. HUD will not accept an entire application submitted by fax.

**G. Additional Overview Content Information.**

**1. Available Funds.** This NOFA announces the availability of approximately \$94.52 million in FY 2007 funds for HOPE VI Revitalization Program grants.

**2. Proposed Rescission of Funds.** The public is hereby notified that although this NOFA announces the availability of Fiscal Year (FY) 2007 HOPE VI Funds, the FY 2008 budget proposes the rescission of the FY 2007 HOPE VI Appropriation. Please note, therefore, that if Congress adopts this portion of the President's budget, this NOFA may be cancelled at a later date and awards made under this NOFA may not ultimately be funded.

**3.** The maximum amount of each grant award is \$20 million. It is anticipated that four or five grant awards will be made.

**4.** All non-troubled public housing authorities (PHAs) with severely distressed public housing are eligible to apply, subject to the requirements under

Section III of this NOFA. PHAs that manage only a Housing Choice Voucher (HCV) program, tribal PHAs, and tribally designated housing entities are not eligible.

5. A match of at least 5 percent is required.

6. Application materials may be obtained from [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). Any technical corrections will be published in the **Federal Register** and posted to Grants.gov. Frequently asked questions will be posted on HUD's Web site at <http://www.hud.gov/offices/adm/grants/otherhud.cfm> and <http://www.hud.gov/offices/pih/programs/ph/hope6/>.

7. General Section Reference. Section I, "Funding Opportunity Description," of the General Section to the SuperNOFA for HUD's Discretionary Programs (General Section), Docket No. FR-5100-N-01, published in the **Federal Register** on January 18, 2007, the Introduction to the SuperNOFA published in the **Federal Register** on March 13, 2007, and the Supplementary Information and Technical Corrections published in the **Federal Register** on May 11, 2007, are hereby incorporated by reference.

## Full Text of Announcement

### I. Funding Opportunity Description

#### A. Program Description

In accordance with Section 24(a) of the United States Housing Act of 1937 (42 U.S.C. 1437v) (1937 Act), the purpose of HOPE VI Revitalization grants is to assist PHAs to:

1. Improve the living environment for public housing residents of severely distressed public housing projects through the demolition, rehabilitation, reconfiguration, or replacement of obsolete public housing projects (or portions thereof);

2. Revitalize sites (including remaining public housing dwelling units) on which such public housing projects are located and contribute to the improvement of the surrounding neighborhood;

3. Provide housing that will avoid or decrease the concentration of very low-income families; and

4. Build sustainable communities.

#### B. Authority

1. The funding authority for HOPE VI Revitalization grants under this HOPE VI NOFA is provided by the Revised Continuing Appropriations Resolution, 2007 (Pub. L. 110-5, approved February 15, 2007) under the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)."

2. The program authority for the HOPE VI program is Section 24 of the 1937 Act, as amended by section 21045 of the Revised Continuing Appropriations Resolution, 2007 (Pub. L. 110-5, approved February 15, 2007).

#### C. Definitions

1. Public Housing Project. A public housing project is a group of assisted housing units that has a single Project Number assigned by the Director of Public Housing of a HUD Field Office and has, or had (in the case of previously demolished units) housing units under an Annual Contributions Contract.

2. Replacement Housing. Under this HOPE VI NOFA, a HOPE VI replacement housing unit shall be deemed to be any combination of public housing rental units, eligible homeownership units under Section 24(d)(1)(J) of the 1937 Act, and HCV assistance that does not exceed the number of units demolished and disposed of at the targeted severely distressed public housing project.

3. Severely Distressed.

a. In accordance with Section 24(j)(2) of the 1937 Act, the term "severely distressed public housing" means a public housing project (or building in a project) that:

(1) Requires major redesign, reconstruction, or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems, and other deficiencies in the physical plan of the project;

(2) Is a significant contributing factor to the physical decline of, and disinvestment by public and private entities in, the surrounding neighborhood;

(3)(a) Is occupied predominantly by families who are very low-income families with children, have unemployed members, and are dependent on various forms of public assistance;

(b) Has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area; or (c) is lacking in sufficient appropriate transportation, supportive services, economic opportunity, schools, civic and religious institutions, and public services, resulting in severe social distress in the project;

(4) Cannot be revitalized through assistance under other programs, such as the Capital Fund and Operating Fund programs for public housing under the

1937 Act, or the programs under sections 9 or 14 of the 1937 Act (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, approved October 21, 1998)), because of cost constraints and inadequacy of available amounts; and

(5) In the case of an individual building that currently forms a portion of the public housing project targeted by the application to this NOFA:

(a) Is sufficiently separable from the remainder of the project of which the building is part, such that the revitalization of the building is feasible; or

(b) Was part of the targeted public housing project that has been legally vacated or demolished, but for which HUD has not yet provided replacement housing assistance (other than tenant-based assistance). "Replacement housing assistance" is defined as funds that have been furnished by HUD to perform major rehabilitation on, or reconstruction of, the public housing units that have been legally vacated or demolished.

b. A severely distressed project that has been legally vacated or demolished (but for which HUD has not yet provided replacement housing assistance, other than tenant-based assistance) must have met the definition of physical distress not later than the day the demolition application approval letter was dated by HUD.

4. Targeted Project. The targeted project is the current public housing project that will be revitalized with funding from this NOFA. The targeted project may include more than one public housing project or be a part of a public housing project. See Section III.C.2 of this NOFA for eligibility of multiple public housing projects and separability of a part of a public housing project.

5. Temporary Relocation. There are no provisions for "temporary relocation" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See Handbook 1378, Chapter 2, Section 207 for temporary relocation protections provided under the URA regulations and HUD policy. The Handbook can be obtained through HUDClips at <http://www.hudclips.org/>.

6. Universal Design. Universal design is the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design. The intent of universal design is to simplify life for everyone by making products, communications, and the built environment more usable by as

many people as possible at little or no extra cost. A universal design benefits people of all ages and abilities. Examples include designing wider doorways, installing levers instead of doorknobs, and putting bathtub/shower grab bars in all units. Computers and telephones can also be set up in ways that enable as many residents as possible to use them. The Department has a publication that contains a number of ideas about how the principles of Universal Design can benefit persons with disabilities. To order a copy of *Strategies for Providing Accessibility and Visitability for HOPE VI and Mixed Finance Homeownership*, go to the publications and resource page of the HOPE VI Web site at <http://www.huduser.org/publications/pubasst/strategies.html>.

## II. Award Information

### A. Availability of HOPE VI Funds

1. Proposed Rescission of Funds. The public is hereby notified that although this NOFA announces the availability of FY 2007 HOPE VI Funds, the FY 2008 budget proposes the rescission of the FY 2007 HOPE VI Appropriation. Please note, therefore, that if Congress adopts this portion of the President's budget, this NOFA may be cancelled at a later date and awards made under this NOFA may not ultimately be funded.

2. Revitalization Grants. Approximately \$94.52 million of the FY 2007 HOPE VI appropriation has been allocated to fund HOPE VI Revitalization grants and will be awarded in accordance with this NOFA. There will be approximately four or five awards.

3. Requested Amount. The maximum amount you may request in your application for grant award is limited to \$20 million or the sum of the amounts in Section IV.E.3., whichever is lower. HCV assistance is in addition to this amount.

4. Housing Choice Voucher (HCV) Assistance. Housing choice voucher (HCV) assistance is available from the tenant protection voucher fund to successful applicants that receive the Revitalization grant awards. The dollar amount of HCV assistance is in addition to the \$20 million maximum award amount and will be based upon resident relocation needs. Applicants must prepare their HCV assistance applications for the targeted project in accordance with the requirements of Notice PIH 2007-10 (and any reinstatement of or successor to that Notice) and submit it in its entirety with the HOPE VI Revitalization Application. HUD will process the HCV assistance

applications for funded HOPE VI applicants. If you are not funded by this NOFA, the HCV application will not be processed. For applicants who are granted a waiver to the electronic application process, the HCV request should be located with the Standard Forms and Certifications at the back of the application. The notice can be found on the Internet at <http://www.hudclips.org/cgi/index.cgi>.

5. Grant term. The period for completion of construction shall not exceed 54 months from the date the NOFA award is executed by HUD, as described in the grant agreement. See Section IV.E.1. for statutory time limits related to the grant and expenditure of funds.

## III. Eligibility Information

### A. Eligible Applicants

1. Only PHAs that have severely distressed housing in their inventory and that are otherwise in conformance with the threshold requirements provided in Section III.C. of this NOFA are eligible to apply.

2. HCV Programs Only, Tribal Housing Agencies, and Others. PHAs that administer only HCV/Section 8 programs, tribal housing agencies and tribally designated housing entities, are not eligible to apply. Nonprofit organizations, for-profit organizations, and private citizens and entrepreneurs are not eligible to apply.

3. Troubled Status. If HUD has designated your PHA as troubled pursuant to section 6(j)(2) of the 1937 Act, HUD will use documents and information available to it to determine whether you qualify as an eligible applicant. In accordance with section 24(j) of the 1937 Act, the term "applicant" means:

a. Any PHA that is not designated as "troubled" pursuant to section 6(j)(2) of the 1937 Act;

b. Any PHA for which a private housing management agent has been selected, or a receiver has been appointed, pursuant to section 6(j)(3) of the 1937 Act; and

c. Any PHA that is designated as "troubled" pursuant to section 6(j)(2) of the 1937 Act and that:

(1) Is designated as troubled principally for reasons that will not affect its capacity to carry out a revitalization program;

(2) Is making substantial progress toward eliminating the deficiencies of the agency that resulted in its troubled status;

(3) Has not been found to be in noncompliance with fair housing or other civil rights requirements; or

(4) Is otherwise determined by HUD to be capable of carrying out a revitalization program.

### B. Cost Sharing or Matching

#### 1. Match Requirements

a. Revitalization Grant Match. HUD is required by the 1937 Act (42 U.S.C. 1437v(c)(1)(A)) to include the requirement for matching funds for all HOPE VI-related grants. You are required to have in place a match in the amount of 5 percent of the requested grant amount in cash or in-kind donations. Applications that do not demonstrate the minimum 5 percent match will not be considered for funding.

b. Additional Community and Supportive Services (CSS) Match.

(1) In accordance with the 1937 Act (42 U.S.C. 1437v(c)(1)(B)), in addition to the 5 percent Revitalization grant match in section a above, you may be required to have in place a CSS match. Funds used for the Revitalization grant match cannot be used for the CSS match.

(2) If you are selected for funding through this NOFA, you may use up to 15 percent of your grant for CSS activities. However, if you propose to use more than 5 percent of your HOPE VI grant for CSS activities, you must have in place funds (cash or in-kind donations) from sources other than HOPE VI that match the amount between 5 and 15 percent of the grant that you will use for CSS activities. These resources do not need to be new commitments in order to be counted for match.

c. No HOPE VI Funding in Match. In accordance with section 24(c) of the Act, for purposes of calculating the amount of matching funds required by Sections a and b above, you may NOT include amounts from HOPE VI program funding, including HOPE VI Revitalization, HOPE VI Demolition, HOPE VI Neighborhood Networks or HOPE VI Main Street grants. You may include funding from other public housing sources (e.g., Capital Funds, Resident Opportunities and Self-Sufficiency (ROSS) funds), other federal sources, any state or local government source, and any private contributions. You may also include the value of donated material or buildings, the value of any lease on a building, the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs provided.

d. For match documentation requirements, see section III.C.3.pp, Program Requirements that Apply to Match and Leverage.

### C. Other

#### 1. Eligible Revitalization Activities.

HOPE VI Revitalization grants may be used for activities to carry out revitalization programs for severely distressed public housing in accordance with Section 24(d) of the 1937 Act. Revitalization activities approved by HUD must be conducted in accordance with the requirements of this NOFA. The following is a list of eligible activities.

a. Relocation. Relocation, including reasonable moving expenses, for residents displaced as a result of the revitalization of the project. See sections III.C.3. and V.A. of this NOFA for relocation requirements.

b. Demolition. Demolition of dwelling units or non-dwelling facilities, in whole or in part, although demolition is not a required element of a HOPE VI revitalization plan.

c. Disposition. Disposition of a severely distressed public housing site, by sale or lease, in whole or in part, in accordance with section 18 of the 1937 Act and implementing regulations at 24 CFR part 970. A lease of one year or longer that is not incident to the normal operation of a project is considered a disposition that is subject to section 18 of the 1937 Act.

d. Rehabilitation and Physical Improvement. Rehabilitation and physical improvement of:

(1) Public housing; and  
(2) Community facilities, provided that the community facilities are primarily intended to facilitate the delivery of community and supportive services for residents of the public housing project and residents of off-site replacement housing, in accordance with 24 CFR 968.112(b), (d), (e), and (g)-(o), and 24 CFR 968.130 and 968.135(b) and (d) or successor regulations, as applicable.

e. Development. Development of:

(1) Public housing replacement units; and  
(2) Other units (e.g., market-rate units), provided a need exists for such units and such development is performed with non-public housing funds.

f. Homeownership Activities. Assistance involving the rehabilitation and development of homeownership units. Assistance may include:

(1) Down payment or closing cost assistance;  
(2) Hard or soft second mortgages; or  
(3) Construction or permanent financing for new construction, acquisition, or rehabilitation costs related to homeownership replacement units.

g. Acquisition. Acquisition of:

(1) Rental units and homeownership units;  
(2) Land for the development of off-site replacement units and community facilities (provided that the community facilities are primarily intended to facilitate the delivery of community and supportive services for residents of the public housing project and residents of off-site replacement housing);  
(3) Land for economic development-related activities, provided that such acquisition is performed with non-public housing funds.

h. Management Improvements. Necessary management improvements, including transitional security activities.

i. Administration, Planning, Etc. Administration, planning, technical assistance, and other activities (including architectural and engineering work, program management, and reasonable legal fees) that are related to the implementation of the revitalization plan, as approved by HUD. See Cost Control Standards in Section III.C.3.v. of this NOFA.

j. Community and Supportive Services (CSS).

(1) The CSS component of the HOPE VI program encompasses all activities that are designed to promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing project involved.

(2) CSS activities. CSS activities may include, but are not limited to:

(a) Educational activities that promote learning and serve as the foundation for young people from infancy through high school graduation, helping them to succeed in academia and the professional world. Such activities, which include after-school programs, mentoring, and tutoring, must be created with strong partnerships with public and private educational institutions.

(b) Adult educational activities, including remedial education, literacy training, tutoring for completion of secondary or postsecondary education, assistance in the attainment of certificates of high school equivalency, and English as a Second Language courses, as needed.

(c) Readiness and retention activities, which frequently are key to securing private sector commitments to provide jobs.

(d) Employment training activities that include results-based job training, preparation, counseling, development, placement, and follow-up assistance after job placement.

(e) Programs that provide entry-level, registered apprenticeships in construction, construction-related,

maintenance, or other related activities. A registered apprenticeship program is one that has been registered with either a State Apprenticeship Agency recognized by the Department of Labor's (DOL) Office of Apprenticeship Training, Employer and Labor Services (OATELS) or, if there is no recognized state agency, by OATELS. See also DOL regulations at 29 CFR part 29.

(f) Training on topics such as parenting skills, consumer education, family budgeting, and credit management.

(g) Homeownership counseling that is scheduled to begin promptly after grant award so that, to the maximum extent possible, qualified residents will be ready to purchase new homeownership units when they are completed. The Family Self-Sufficiency program can also be used to promote homeownership, providing assistance with escrow accounts and counseling.

(h) Coordinating with health care providers or providing on-site space for health clinics, doctors, wellness centers, dentists, etc., that will primarily serve the public housing residents. HOPE VI funds may not be used to provide direct medical care to residents.

(i) Substance and alcohol abuse treatment and counseling.

(j) Activities that address domestic violence treatment and prevention.

(k) Child care services that provide sufficient hours of operation to facilitate parental access to education and job opportunities, serve appropriate age groups, and stimulate children to learn.

(l) Transportation, as necessary, to enable all family members to participate in available CSS activities and to commute to their places of employment.

(m) Entrepreneurship training and mentoring, with the goal of establishing resident-owned businesses.

k. Leveraging. Leveraging other resources, including additional housing resources, supportive services, job creation, and other economic development uses on or near the project that will benefit future residents of the site.

#### 2. Threshold Requirements.

Applications must meet all threshold requirements in order to be rated and ranked. If an application does not meet all threshold requirements, HUD will not consider the application as eligible for funding and will not rate and rank it. HUD will screen for technical deficiencies and administer a cure period. The subsection entitled, "Corrections to Deficient Applications," in section V.B. of the General Section is incorporated by reference and applies to this NOFA. The thresholds listed below can be cured for technical deficiencies,

except for those indicated as non-curable. If an applicant does not cure all its technical deficiencies that relate to threshold requirements within the cure period, HUD will consider the threshold(s) in question to be failed, will not consider the application as eligible for funding, and will not rate and rank it. Applicants MUST review and follow documentation requirements provided in this Thresholds Requirements Section and the Program Requirements of Section III.C.3. A false statement (or certification) in an application is grounds for denial or termination of an award and grounds for possible prosecution as provided in 18 U.S.C. 1001, 1010, and 1012, and 32 U.S.C. 3729 and 3802. Required forms, certifications and assurances must be included in the HOPE VI application and will be available on the Internet at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp).

a. Curable Thresholds. The following thresholds may be cured in accordance with the criteria above. Examples of curable (correctable) technical deficiencies include, but are not limited to, inconsistencies in the funding request, failure to submit the proper certifications (e.g., form HUD-2880), and failure to submit a signature and/or date of signature on a certification.

(1) Severe Distress of Targeted Project. The targeted public housing project must be severely distressed. See section I.C. of this NOFA for the definition of "severely distressed." If the targeted project is not severely distressed, your application will not be considered for funding. Applicants must use the severe distress certification form provided with this NOFA and place it in their attachments. The certification must be signed by an engineer or architect licensed by a state licensing board. The license does not need to have been issued in the same state as the severely distressed project. The engineer or architect must include his or her license number and state of registration on the certification. The engineer or architect may not be an employee of the housing authority or the city. See Section IV.B.3.c. of the General Section for information on submitting third party documents.

(2) Site Control. If you propose to develop off-site housing in ANY phase of your proposed revitalization plan, you MUST provide evidence in your application that you (not your developer) have site control of EVERY property. If you propose to develop off-site housing and you do not provide acceptable evidence of site control, your ENTIRE application will be disqualified from further consideration for funding.

(a) Site control documentation may only be contingent upon:

(i) The receipt of the HOPE VI grant;  
(ii) Satisfactory compliance with the environmental review requirements of this NOFA;

(iii) The site and neighborhood standards in section III.C.3. of this NOFA; and

(iv) Standard underwriting procedures.

(b) If you demonstrate site control through an option to purchase, the option must extend for at least 180 days after the application deadline date.

(c) Evidence may include an option to purchase the property, a sales agreement, a land swap, or a deed. Evidence may NOT include a letter from the mayor or other official, letters of support from members of the relevant municipal entities, or a resolution evidencing the PHA's intent to exercise its power of eminent domain.

(d) If one or more of your off-site parcels is a public housing property, you still must provide evidence of site control for those properties.

(e) You must include documented evidence of site control in your attachments.

(f) You must include a cover sheet with your documented evidence of site control in the Attachments section. This cover sheet must provide a table that matches the off-site parcels proposed in your application for housing development to the corresponding documented evidence of site control for those parcels. Specifically, this table should provide in one column the name of each parcel, as identified in your application. A second column should contain the name of the documented evidence corresponding to each parcel. A third column should provide the location of the documented evidence in the attachment (page number, etc.) and any other necessary detail about the evidence. If more than one unit will be built on a parcel, this must be identified as well in the table. The purpose of this table is to aid reviewers' ability to determine whether your application complies with this threshold. Accordingly, applicants should provide site control information as clearly and consistently as possible.

(3) Land Use. Your application must include a certification from the appropriate local official (not the Executive Director) documenting that all required land use approvals for developed and undeveloped land have been secured for any off-site housing and other proposed uses, or that the request for such approval(s) is on the agenda for the next meeting of the appropriate authority in charge of land

use. In the case of the latter, the certification must include the date of the meeting. You must include this certification in your attachments.

(4) Selection of Developer. You must assure that:

(a) You have initiated a request for quotation (RFQ) by the application deadline date for the competitive procurement of a developer for your first phase of construction, in accordance with 24 CFR 85.36 and 24 CFR 941.602(d) (as applicable). If you change developers after you are selected for funding, HUD reserves the right to rescind the grant; or

(b) You will act as your own developer for the proposed project. If you change your plan and procure an outside developer after you are selected for funding, HUD reserves the right to rescind the grant.

(c) You must demonstrate compliance with this threshold through completion and inclusion of the Assurances for HOPE VI Application document.

(5) Relocation Plan Assurance.

(a) If you have not yet relocated residents, you must assure that:

(i) A HOPE VI Relocation Plan was completed as of the application deadline date. To learn more about HOPE VI Relocation Plans, applicants may review Handbook 1378 and Notice CPD 02-08, "Guidance on the Application of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as Amended, in HOPE VI Projects" and Notice 04-02, "Revision to Notice CPD 02-08, Guidance on the Application of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as Amended, in HOPE VI Projects;"

(ii) That it conforms to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) requirements; and

(iii) That it implements HOPE VI relocation goals, as described in section V.A.6. of this NOFA. This means your plan must describe how the HOPE VI Relocation Plan incorporates the HOPE VI relocation goals contained in section V.A.6.

(b) If relocation was completed (i.e., the targeted public housing site is vacant) as of the application deadline date, rather than certifying that the HOPE VI Relocation Plan has been completed, you must assure that the relocation was completed in accordance with URA and/or section 18 requirements (depending on which of these requirements applied to the demolition in question).

(c) You must demonstrate compliance with this threshold through completion

and inclusion of the Assurances for HOPE VI Application document.

(6) Resident Involvement in the Revitalization Program Assurance. You must assure that you have involved affected public housing residents at the beginning and during the planning process for the revitalization program, prior to submission of your application. If you have not included affected residents in the planning process, your application will not be considered for funding. You MUST follow the resident involvement requirements listed in the Program Requirements section, section III.C.3. of this NOFA. You must demonstrate compliance with this threshold through completion and inclusion of the Assurances for HOPE VI Application document.

(7) Standard Forms and Certifications. The last part of your application will be comprised of standard certifications common to many HUD programs. For the HOPE VI application, the required standard forms and certifications are located in Section IV.B. of this NOFA.

(8) HOPE VI Revitalization Applicant Certifications. You must include in your application a certification from the Chairman of your Board of Commissioners to the requirements listed in the HOPE VI Revitalization Applicant Certifications. You must include this certification in your attachments.

(9) Capital Fund Financing Program (CFFP). This threshold applies to any PHA with an approved CFFP proposal or CFFP proposal submitted and under review by HUD before the announcement of FY 2007 HOPE VI Revitalization grant awards. As the pledges of Capital Funds are general in nature and not project-specific, this threshold applies to all CFFP proposals approved or submitted and under review by HUD for the PHA's public housing portfolio, not just the public housing site targeted by this HOPE VI application. HOPE VI Revitalization applications may not be from PHAs that have CFFPs approved or in process, unless:

(a) The PHA includes in the application an opinion from its legal counsel that the activities proposed under the HOPE VI Revitalization application are permitted under the financing documents, or to the extent required, any approvals required under the financing documents have been obtained; and

(b) The PHA certifies that, to the extent HUD determines that the Capital Fund projections in its CFFP Proposal did not accurately or completely incorporate the reduction in public housing units that would be caused by

the HOPE VI activity, if it receives the HOPE VI Revitalization grant, and prior to undertaking the HOPE VI activity, it will use Capital Funds, or other eligible funds to defease, redeem, or otherwise prepay the CFFP financing. This prepayment must be sufficient to maintain the same debt coverage ratio in the year immediately following any reduction in annual contribution contract (ACC) Units related to the HOPE VI grant (based on the then-current year's capital fund allocation, but giving effect to the change in ACC Units in a manner acceptable to HUD) as existed prior to any reductions occurring as a result of the HOPE VI Revitalization grant. This certification may be provided in the form of a letter from the Executive Director.

(c) HUD will consult internal CFFP records to verify which applicants have pending or approved CFFP proposals.

b. Non-Curable Thresholds. The following thresholds may NOT be cured in accordance with the criteria referenced in III.C.2. above.

(1) Number of Applications. Each applicant may submit a maximum of two HOPE VI Revitalization applications, in accordance with the criteria of this NOFA. If an applicant submits two applications, each application must target a different severely distressed public housing project, in accordance with the Contiguous, Single, and Scattered-Site Projects threshold requirement below. If HUD receives multiple applications electronically, HUD will rate and rank the last application for each severely distressed public housing development received and validated by Grants.gov by the application deadline. All other applications will not be considered eligible. In submitting multiple applications, applicants should provide the project name so that HUD's system can distinguish one application from another submitted by the same organization. If applicants find after submitting an application that they want to amend or adjust their application and it is prior to the deadline date, applicants should be aware that they must resubmit the entire application, including all fax transmissions previously sent, to ensure that HUD gets a complete application. HUD also recommends that fax transmissions associated to resubmitted applications be sent following validation by Grants.gov using the fax transmittal cover sheet (form HUD-96011) associated to the application. Submitting the fax transmittal after validation will ensure that your faxes will be associated to the most recent application and not a previously

submitted application. HUD's system matches faxes as they come into the system and if a previous application exists prior to the new application arriving, the fax will be associated to the application already in HUD's system. HUD cannot re-associate faxes once they have been attached to an application.

(a) HUD will not consider applications sent entirely by facsimile (See the General Section).

(b) HUD will not accept for review or evaluation any videos submitted as part of the application or appendices.

(c) HUD will not consider any application that does not meet the timely submission requirements for electronic submission, in accordance with the criteria of the General Section.

(2) Appropriateness of Proposal. In accordance with section 24(e)(1) of the 1937 Act, each application must demonstrate the appropriateness of the proposal (revitalization plan) in the context of the local housing market relative to other alternatives. You must discuss other possible alternatives in the local housing market and explain why the housing envisioned in the application is more appropriate. This is a statutory requirement and an application threshold. If you do not demonstrate the appropriateness of the proposal (revitalization plan) in the context of the local housing market relative to other alternatives, your application will not be considered for funding. Applicants must demonstrate compliance with this threshold in their narrative. Examples of alternative proposals may include:

(a) Rebuilding or rehabilitating an existing project or units at an off-site location that is in an isolated, non-residential, or otherwise inappropriate area;

(b) Proposing a range of incomes, housing types (rental, homeownership, market-rate, public housing, townhouse, detached house, etc.), or costs that cannot be supported by a market analysis; or

(c) Proposing to use the land in a manner that is contrary to the goals of your PHA.

(3) Contiguous, Single, and Scattered-Site Projects. Except as provided in sections (a) and (b) below, each application must target one severely distressed public housing project. The public housing project(s) may already be vacated and/or demolished but may not be disposed of, as of the application deadline date. You must provide a city map at a scale sufficient to illustrate the current targeted site(s), whether contiguous, single, or scattered-site projects.

(a) Contiguous Projects. Each application may request funds for more than one project if those projects are immediately (i) adjacent to one another or (ii) within a quarter-mile of each other. If you include more than one project in your application, you must provide a map that clearly indicates that the projects are either adjacent or within a quarter-mile of each other. If HUD determines that they are not, your application will not be considered for funding.

(b) Scattered Site Projects. Your application may request funds to revitalize a scattered site public housing project. The sites targeted in an application proposing to revitalize scattered sites (regardless of whether the scattered sites are under multiple project numbers) must fall within an area with a one-mile radius. You may identify a larger site if you can show that all of the targeted scattered site units are located within the hard edges (e.g., major highways, railroad tracks, lakeshore, etc.) of a neighborhood. If you propose to revitalize a project that extends beyond a one-mile radius or is otherwise beyond the hard edges of a neighborhood, your application will not be considered for funding. If you propose to revitalize a scattered site public housing project, you must provide a map that clearly indicates that the projects fall within an area with a one-mile radius or, if larger, are located within the hard edges (e.g., major highways, railroad tracks, lakeshore, etc.) of a neighborhood.

(4) Sites Previously Funded.

(a) You may submit a Revitalization application that targets part of a project that is being, or has been, revitalized or replaced under a HOPE VI Revitalization grant awarded in previous years. You may not apply for new HOPE VI Revitalization funds for units in that project that were funded by the existing HOPE VI Revitalization grant, even if those funds are inadequate to pay the costs to revitalize or replace all of the targeted units. For example, if a project has 700 units and you were awarded a HOPE VI Revitalization grant or other HUD public housing funds to address 300 of those units, you may submit an FY 2007 HOPE VI Revitalization application to revitalize the remaining 400 units. You may not apply for funds to supplement work on the original 300 units. If you request funds to revitalize/replace the units not funded by the previous HOPE VI Revitalization grant, you must provide a listing of which units were funded by the previous grant and which units are being proposed for funding under the current grant application. You must

demonstrate compliance with this threshold in your narrative (including as listed above, as relevant). If you request funds to revitalize units or buildings that have been funded by an existing HOPE VI Revitalization grant, your application will not be considered for funding.

(b) You may not request HOPE VI Revitalization grant funds for units currently under construction, in accordance with the section IV(E), Funding Restrictions. You must demonstrate compliance with this threshold in your narrative.

(5) Separability. In accordance with section 24(j)(2)(A)(v) of the 1937 Act, if you propose to target only a portion of a project for revitalization, in your narrative you must: (1) Demonstrate to HUD's satisfaction that the severely distressed public housing is sufficiently separable from the remainder of the project, of which the building is a part, to make use of the building feasible for revitalization. Separations may include a road, berm, catch basin, or other recognized neighborhood distinction; and (2) Demonstrate that the site plan and building designs of the revitalized portion will provide defensible space for the occupants of the revitalized building(s) and that the properties that remain will not have a negative influence on the revitalized buildings(s), either physically or socially. You must demonstrate compliance with this threshold in your narrative. If you do not propose to target only a portion of a project for revitalization, you may indicate, "n/a," for not applicable, in your narrative.

(6) Desegregation Orders. You must be in full compliance with any desegregation or other court order, and with any voluntary compliance agreements related to Fair Housing (e.g., Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and section 504 of the Rehabilitation Act of 1973) that affects your public housing program and that is in effect on the date of application submission. If you are not in full compliance, your application will be ineligible for funding. HUD will evaluate your compliance with this threshold.

(7) Dun and Bradstreet Data Universal Numbering System (DUNS) Number Requirement. This threshold is hereby incorporated from the General Section (Section III.C.2.b.). All applicants seeking funding directly from HUD must obtain a DUNS number and include the number in its Application for Federal Assistance submission. Failure to provide a DUNS number will prevent you from obtaining an award, regardless of whether it is a new award

or renewal of an existing award. Applicants should read the complete instructions in the General Section for completing the Grants.gov registration process. See the General Section for additional information regarding this requirement.

(8) Compliance with Fair Housing and Civil Rights Laws. This threshold is hereby incorporated from the General Section (Section III.C.2.c.).

(9) Delinquent Federal Debts. This threshold is hereby incorporated from the General Section (Section III.C.2.e). Applicants that at the time of award have federal debt or are in default of an agreement with the Internal Revenue Service (IRS) will not be funded. Applicants selected for funding have an obligation to report to HUD changes in status of a current IRS agreement covering federal debt.

(10) Debarment and Suspension. This threshold is hereby incorporated from the General Section (Section III.C.2.j).

(11) Default. Existing HOPE VI Revitalization Grantees that are in default of the HOPE VI Revitalization grant agreement as of the application deadline date are not eligible for funding under this NOFA. A grantee is in default if it has received a letter from HUD indicating its default status and has not resolved the issues to HUD's satisfaction.

3. Program Requirements.

a. Demolition.

(1) You may not carry out nor permit others to carry out the demolition of the targeted project or any portion of the project until HUD approves, in writing, one of the following ((a)-(c)), and until HUD has also: (i) Approved a Request for Release of Funds submitted in accordance with 24 CFR part 58, or (ii) if HUD performs an environmental review under 24 CFR part 50, has approved the property for demolition, in writing, following its environmental review:

(a) Information regarding demolition in your HOPE VI Revitalization Application, along with Supplemental Submissions requested by HUD after the award of the grant. Section 24(g) of the 1937 Act provides that severely distressed public housing that is demolished pursuant to a revitalization plan is not required to be approved through a demolition application under section 18 of the 1937 Act or regulations at 24 CFR part 970. If you do not receive a HOPE VI Revitalization grant, the information in your application will not be used to process a request for demolition;

(b) A demolition application under section 18 of the 1937 Act. While a section 18 approval is not required for



HOPE VI related demolition, you will not have to wait for demolition approval through your supplemental submissions, as described in section (a) above; or

(c) A section 202 Mandatory Conversion Plan, in compliance with regulations at 24 CFR part 971 and other applicable HUD requirements, if the project is subject to Mandatory Conversion (section 202 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, Pub. L. 104-134, approved April 26, 1996). A Mandatory Conversion Plan concerns the removal of a public housing project from a PHA's inventory.

b. Development.

(1) For any standard (non-mixed finance) public housing development activity (whether on-site reconstruction or off-site development), you must obtain HUD approval of a standard development proposal submitted under 24 CFR part 941 (or successor part).

(2) For mixed-finance housing development, you must obtain HUD approval of a mixed finance proposal, submitted under 24 CFR part 941, subpart F (or successor part and subpart).

(3) For new construction of community facilities primarily intended to facilitate the delivery of community and supportive services for residents of the project and residents of off-site replacement housing, you must comply with 24 CFR part 941 (or successor part). Information required for this activity must be included in either a standard or mixed finance development proposal, as applicable.

c. Disposition.

(1) Disposition of a severely distressed public housing site, by sale or lease, in whole or in part, may be done in accordance with section 18 of the 1937 Act and implementing regulations at 24 CFR part 970.

(2) The Grantee will comply with the provisions of section 18 of the 1937 Act, 24 CFR part 970, as may be modified or amended from time to time, and the provisions of its approved disposition application (the approved "Disposition Application"), unless otherwise modified in writing by HUD. The Grantee will also comply with procedures for processing dispositions associated with mixed-finance projects as set forth by HUD.

(3) A lease of one year or more that is not incident to the normal operation of a development is considered to be a disposition that is subject to section 18 of the 1937 Act.

d. Homeownership.

(1) For homeownership replacement units developed under a revitalization

plan, you must obtain HUD approval of a homeownership proposal. Your homeownership proposal must conform to either:

(a) Section 24(d)(1)(J) of the 1937 Act; or

(b) Section 32 of the 1937 Act (see 24 CFR part 906). Additional information on this option may be found at <http://www.hud.gov/offices/pih/centers/sac/homeownership>.

(2) The homeownership proposal must be consistent with the Section 8 Area Median Income (AMI) limitations (80 percent of AMI) and any other applicable provisions under the 1937 Act. (HUD publishes AMI tables for each family size in each locality annually. The income limit tables can be found at <http://www.huduser.org/datasets/il/il06/index.html>.)

e. Acquisition.

(1) Acquisition Proposal. Before you undertake any acquisition activities with HOPE VI or other public housing funds, you must obtain HUD approval of an acquisition proposal that meets the requirements of 24 CFR 941.303.

(2) Rental Units. For acquisition of rental units in existing or new apartment buildings, single family subdivisions, etc., with or without rehabilitation, for use as public housing replacement units, you must obtain HUD approval of a Development Proposal in accordance with 24 CFR 941.304 (conventional development) or 24 CFR 941.606 (mixed-finance development).

(3) Land for Off-Site Replacement Units. For acquisition of land for public housing or homeownership development, you must comply with 24 CFR part 941 or successor part.

(4) Land for Economic Development-Related Activities.

(a) Acquisition of land for this purpose is eligible only if the economic development-related activities specifically promote the economic self-sufficiency of residents.

(b) Limited infrastructure and site improvements associated with developing retail, commercial, or office facilities, such as rough grading and bringing utilities to (but not on) the site, are eligible activities with prior HUD approval.

f. Access to Services. For both on-site and any off-site units, your overall Revitalization plan must result in increased access to municipal services, jobs, mentoring opportunities, transportation, and educational facilities; *i.e.*, the physical plan and self-sufficiency strategy must be well-integrated and strong linkages must be established with the appropriate federal, state, and local agencies, nonprofit

organizations, and the private sector to achieve such access.

g. Building Standards.

(1) Building Codes. All activities that include construction, rehabilitation, lead-based paint removal, and related activities must meet or exceed local building codes. You are encouraged to visit HUD's Web site on Accessibility Analysis of Model Building Codes at <http://www.hud.gov/offices/fheo/disabilities/modelcodes/>. You are encouraged to read the "Final Report of HUD Review of the Fair Housing Accessibility Requirements in the 2003 International Building Code," which can be accessed from the webpage above, along with other valuable information on model codes and fair housing accessibility guidelines.

(2) Deconstruction. HUD encourages you to design programs that incorporate sustainable construction and demolition practices, such as the dismantling or "deconstruction" of public housing units, recycling of demolition debris, and reusing of salvage materials in new construction. "A Guide to Deconstruction: An Overview of Destruction with a Focus on Community Development Opportunities" can be found at <http://www.huduser.org/publications/destech/decon.html>.

(3) Partnership for Advancing Technology in Housing (PATH). HUD encourages you to use PATH technologies in the construction and delivery of replacement housing. PATH is a voluntary initiative that seeks to accelerate the creation and widespread use of advanced technologies to radically improve the quality, durability, environmental performance, energy efficiency, and affordability of our nation's housing.

(a) PATH's goal is to achieve dramatic improvement in the quality of U.S. housing by the year 2010. PATH encourages leaders from the home building, product manufacturing, insurance, and financial industries, and representatives from federal agencies dealing with housing issues to work together to spur housing design and construction innovations. PATH will provide technical support in design and cost analysis of advanced technologies to be incorporated in project construction.

(b) Applicants are encouraged to employ PATH technologies to exceed prevailing national building practices by:

- (i) Reducing costs;
- (ii) Improving durability;
- (iii) Increasing energy efficiency;
- (iv) Improving disaster resistance; and
- (v) Reducing environmental impact.

(c) More information, the list of technologies, the latest PATH Newsletter, results from field demonstrations, and PATH projects can be found at [www.pathnet.org](http://www.pathnet.org).

(4) Energy Efficiency.

(a) New construction must comply with the latest HUD-adopted Model Energy Code (International Energy Conservation Code (IECC) 2003 or successor codes) issued by the Council of American Building Officials.

(b) HUD encourages you to set higher standards, where cost effective, for energy and water efficiency in HOPE VI new construction, which can achieve utility savings of 30 to 50 percent with minimal extra cost.

(c) You are encouraged to negotiate with your local utility company to obtain a lower rate. Utility rates and tax laws vary widely throughout the country. In some areas, PHAs are exempt or partially exempt from utility rate taxes. Some PHAs have paid unnecessarily high utility rates because they were billed at an incorrect rate classification.

(d) Local utility companies may be able to provide grant funds to assist in energy efficiency activities. States may also have programs that will assist in energy efficient building techniques.

(e) You must use new technologies that will conserve energy and decrease operating costs, where cost effective. Examples of such technologies include:

- (i) Geothermal heating and cooling;
- (ii) Placement of buildings and size of eaves that take advantage of the directions of the sun throughout the year;
- (iii) Photovoltaics (technologies that convert light into electrical power);
- (iv) Extra insulation;
- (v) Smart windows; and
- (vi) Energy Star appliances.

(5) Universal Design. HUD encourages you to incorporate the principles of universal design in the construction or rehabilitation of housing, retail establishments, and community facilities, or when communicating with community residents at public meetings or events.

(6) Energy Star. HUD has adopted a wide-ranging energy action plan for improving energy efficiency in all program areas. As a first step in implementing the energy plan, HUD, the Environmental Protection Agency, and the Department of Energy have signed a joint partnership to promote energy efficiency in HUD's affordable housing efforts and programs. The purposes of the Energy Star partnership are to promote energy efficiency in affordable housing stock and to help protect the environment. Applicants constructing,

rehabilitating, or maintaining housing or community facilities are encouraged to promote and adopt energy efficiency in design and operations. They are urged especially to purchase and use Energy Star-labeled products. Applicants providing housing assistance or counseling services are encouraged to promote and adopt Energy Star building by homebuyers and renters. Program activities can include developing Energy Star promotional and information materials, outreach to low- and moderate-income renters and buyers on the benefits and savings when using Energy Star products and appliances, and promoting the designation of community buildings and homes as Energy Star-compliant. For further information about Energy Star, see <http://www.energystar.gov> or call 888-STAR-YES (888-782-7937), or, for the hearing-impaired, call 888-588-9920 TTY. See also the energy efficiency requirements in section III.C.3. above. See section V.A.9.g. of this NOFA for the Energy Star sub-rating factor.

(7) Lead-Based Paint. You must comply with lead-based paint evaluation and reduction requirements as provided for under the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, *et seq.*). You also must comply with regulations at 24 CFR part 35, 24 CFR 965.701, and 24 CFR 968.110(k), as they may be amended or revised from time to time. Unless otherwise provided, you will be responsible for lead-based paint evaluation and reduction activities. The National Lead Information Hotline is (800) 424-5323.

h. Labor Standards. The following standards must be implemented as appropriate in regard to HOPE VI grants:

(1) Labor Standards.

(a) Davis-Bacon wage rates apply to development of any public housing rental units or homeownership units developed with HOPE VI grant funds and to demolition followed by construction on the site. Davis-Bacon rates are "prevailing" minimum wage rates set by the Secretary of Labor that all laborers and mechanics employed in the development, including rehabilitation, of a public housing project must be paid, as set forth in a wage determination that the PHA must obtain prior to bidding on each construction contract. The wage determination and provisions requiring payment of these wage rates must be included in the construction contract;

(b) HUD-determined wage rates apply to:

- (i) Operation (including nonroutine maintenance) of revitalized housing, and

(ii) Demolition followed only by filling in the site and establishing a lawn.

(2) Exclusions. Under section 12(b) of the 1937 Act, wage rate requirements do not apply to individuals who:

(a) Perform services for which they volunteered;

(b) Do not receive compensation for those services or are paid expenses, reasonable benefits, or a nominal fee for the services; and

(c) Are not otherwise employed in the work involved (24 CFR part 70).

(3) If other federal programs are used in connection with your HOPE VI activities, labor standards requirements apply to the extent required by the other federal programs on portions of the project that are not subject to Davis-Bacon rates under the 1937 Act.

i. Operation and Management Principles and Policies, and Management Agreement. HOPE VI Revitalization grantees will be required to develop Management Agreements that describe their operation and management principles and policies for their public housing units. You and your procured property manager, if applicable, must comply (to the extent required) with the provisions of 24 CFR part 966 in planning for the implementation of the operation and management principles and policies described below.

(a) Rewarding work and promoting family stability by promoting positive incentives such as income disregards and ceiling rents;

(b) Instituting a system of local preferences adopted in response to local housing needs and priorities, e. g., preferences for victims of domestic violence, residency preferences, working families, and disaster victims. Note that local preferences for public housing must comply with Fair Housing requirements at 24 CFR 960.206;

(c) Encouraging self-sufficiency by including lease requirements that promote involvement in the resident association, performance of community service, participation in self-sufficiency activities, and transitioning from public housing;

(d) Implementing site-based waiting lists that follow project-based management principles for the redeveloped public housing. Note that site-based waiting lists for public housing must comply with Fair Housing requirements at 24 CFR 903.7(b)(2);

(e) Instituting strict applicant screening requirements such as credit checks, references, home visits, and criminal records checks;

(f) Strictly enforcing lease and eviction provisions;

(g) Improving the safety and security of residents through the implementation of defensible space principles and the installation of physical security systems such as surveillance equipment, control engineering systems, etc.;

(h) Enhancing ongoing efforts to eliminate drugs and crime from neighborhoods through collaborative efforts with federal, state, and local crime prevention programs and entities.

j. Non-Fungibility for Moving To Work (MTW) PHAs. Funds awarded under this NOFA are not fungible under MTW agreements and must be accounted for separately, in accordance with the HOPE VI Revitalization grant Agreement, the requirements in OMB Circulars A-87, "Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments;" A-133, "Audits of States, Local Governments, and Non-Profit Organizations;" the regulations 24 CFR part 85, "Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Government" and generally accepted accounting principles (GAAP).

k. Resident and Community Involvement.

(1) General. You are required to involve the affected public housing residents, state and local governments, private service providers, financing agencies, and developers in the planning process, proposed implementation, and management of your revitalization plan. This involvement must be continuous from the beginning of the planning process through the implementation and management of the grant, if awarded.

(2) Resident Training Session. You must conduct at least one training session for residents of the severely distressed project on the HOPE VI development process. HUD does not prescribe the content of this meeting.

(3) Public Meetings.

(a) You must conduct at least three public meetings with residents and the broader community, in order to involve them in a meaningful way in the process of developing the revitalization plan and preparing the application. One of these meetings must have taken place at the beginning of the planning process.

(b) These three public meetings must take place on different days from each other and from the resident training session.

(c) During these three meetings, you must address the issues listed below (i.e., all issues need not be addressed at each meeting):

(i) The HOPE VI planning and implementation process;

(ii) The proposed physical plan, including site and unit design, and whether the unit design is in compliance with Fair Housing Act and Uniform Federal Accessibility Standards (UFAS) standards;

(iii) The extent of proposed demolition;

(iv) Planned community and supportive service activities;

(v) Other proposed revitalization activities;

(vi) Relocation issues, including relocation planning, mobility counseling, and maintaining the HOPE VI community planning process during the demolition and reconstruction phases, where temporary relocation, i.e., relocation for a reasonable period (less than one year), is involved;

(vii) Reoccupancy plans and policies, including site-based waiting lists; and

(viii) Section 3 and employment opportunities to be created as a result of redevelopment activities.

(4) Accessibility. All training sessions and meetings must be held in facilities that are accessible to persons with disabilities; provide services such as day care, transportation, and sign language interpreters, as needed; and, as practical and applicable, be conducted in English and the language(s) most appropriate for the community.

(5) Allowable Time Period for Training and Meetings.

(a) At least one public meeting, which included representation from both the affected public housing residents and the community, must have been held at the beginning of the revitalization planning period;

(b) At least one training session must have been held after the publication date of this NOFA in the **Federal Register**; and

(c) A minimum of two more public meetings must have been held after the publication date of this NOFA in the **Federal Register**.

(d) The above minimum number of training sessions and meetings is required to meet the Resident Involvement threshold in section III.C.2. of this NOFA. Additional meetings and training sessions will be counted in the rating factors toward demonstration of continual inclusion of the residents and community.

l. CSS Program Requirements.

(1) Term Period. CSS programs and services must last for the life of the grant and must be carefully planned so that they will be sustainable after the HOPE VI grant period ends.

(2) Allowed Funding Mechanisms:

(a) Maximum CSS grant amount.

Consistent with sections 24(d)(1)(L) and 24(j)(3) of the 1937 Act, you may use up

to 15 percent of the total HOPE VI grant to pay the costs of CSS activities. See section III.B.1. of this NOFA for CSS grant matching requirements. You may spend additional sums on CSS activities using donations; other HUD funds made available for that purpose; and other federal, state, local, PHA, or private-sector donations (leverage).

(b) CSS Endowment Trust. Consistent with section 24(d)(2) of the 1937 Act, you may deposit up to 15 percent of your HOPE VI grant (the maximum amount of the award allowable for CSS activities) into an endowment trust to provide CSS activities. In order to establish an endowment trust, you must first execute with HUD a HOPE VI Endowment Trust Addendum to the grant agreement. When reviewing your request to set up an endowment trust, HUD will take into consideration your ability to pay for current CSS activities with HOPE VI or other funds and the projected long-term sustainability of the endowment trust to carry out those activities.

(3) CSS Team and Partners.

(a) The term "CSS Team" refers to PHA staff members and any consultants who will have the responsibility to design, implement, and manage your CSS program.

(b) The term "CSS Partners" refers to the agencies and organizations that you will work with to provide supportive services for residents. A partner could be a local service organization such as a Boys or Girls Club that donates its building and staff to the program, or an agency such as the local Temporary Assistance for Needy Families (TANF) agency that works with you to ensure that their services are coordinated and comprehensive.

(c) Partner Agreements. There are several relationships that you may have with your partners including subgrant agreements, contracts, memoranda of understanding (MOUs), memoranda of agreement (MOAs), and/or informal relationships.

(4) Tracking and Case Management. If selected, the grantee is responsible for tracking and providing CSS programs and services to residents currently living on the targeted public housing site and residents already relocated from the site. It is imperative that case management services begin immediately upon award so that residents who will be relocated have time to participate in and benefit from CSS activities before leaving the site, and that residents who have already been relocated are able to participate in and benefit from CSS activities.

(5) CSS Strategy and Objectives Requirements.

(a) Transition to Housing Self-Sufficiency. One of HUD's major priorities is to assist public housing residents in their efforts to become financially self-sufficient and less dependent on direct government housing assistance. Your CSS program must include a well-defined, measurable endeavor that will enable public housing residents to transition to other affordable housing programs and to regular market housing. Family Self-Sufficiency (FSS) and CSS activities that are designed to increase education and income levels are considered a part of this endeavor, as is the establishment of reasonable limits on the length of time any household that is not headed by an elderly or disabled person can reside in a public housing unit within a HOPE VI Revitalization Development.

(b) Neighborhood Networks. All FY2007 Revitalization grantees will be required to establish Neighborhood Networks Centers (NNC) and to promote the inclusion of infrastructure that permits unit-based access to broadband Internet connectivity in all new and replacement public housing units. This program provides residents with on-site access to computer and training resources that create knowledge and experience with computers and the Internet as tools to increase access to CSS, job training, and the job market. Grantees may use HOPE VI funds to establish NNCs and to provide unit-based Internet connectivity. More information on the requirements of the NNC program is available on the Neighborhood Networks Web site at <http://www.hud.gov/nnw/nnwindex.html>. There will not be a separate FY2007-funded NOFA for HOPE VI Neighborhood Networks programs.

(c) Quantifiable Goals. The objectives of your CSS program must be results-oriented, with quantifiable goals and outcomes that can be used to measure progress and make changes in activities as necessary.

(d) Appropriate Scale and Type.

(i) CSS activities must be of an appropriate scale, type, and variety to meet the needs of all residents (including adults, seniors, youth ages 16 to 21, and children) of the severely distressed project, including residents remaining on-site, residents who will relocate permanently to other PHA units or HCV-assisted housing, residents who will relocate temporarily during the construction phase, and new residents of the revitalized units.

(ii) Non-public housing residents may also participate in CSS activities, as long as the primary participants in the

activities are residents as described in section (i) above.

(e) Coordination.

(i) CSS activities must be consistent with state and local welfare reform requirements and goals.

(ii) Your CSS activities must be coordinated with the efforts of other service providers in your locality, including nonprofit organizations, educational institutions, and state and local programs.

(iii) CSS activities must be well-integrated with the physical development process, both in terms of timing and the provision of facilities to house on-site service and educational activities.

(f) Your CSS program must provide appropriate community and supportive services to residents prior to any relocation.

m. CSS Partnerships and Resources. The following are examples of the kinds of organizations and agencies (local, state, and federal) that can provide you with resources necessary to carry out and sustain your CSS activities.

(1) Local Boards of Education, public libraries, local community colleges, institutions of higher learning, nonprofit or for-profit educational institutions, and public/private mentoring programs that will lead to new or improved educational facilities and improved educational achievement of young people in the revitalized development, from birth through higher education.

(2) Temporary Assistance for Needy Families (TANF) agencies/welfare departments for TANF and non-TANF in-kind services, and non-TANF cash donations, e.g., donation of TANF agency staff time.

(3) Job development organizations that link private sector or nonprofit employers with low-income prospective employees.

(4) Workforce Development Agencies.

(5) Organizations that provide residents with job readiness and retention training and support.

(6) Economic development agencies such as the Small Business Administration, which provide entrepreneurial training and small business development centers.

(7) National corporations, local businesses, and other large institutions such as hospitals that can commit to provide entry-level jobs. Employers may agree to train residents or commit to hire residents after they complete jobs preparedness or training programs that are provided by you, other partners, or the employer itself.

(8) Programs that integrate employment training, education, and counseling, and where creative

partnerships with local boards of education, state charter schools, TANF agencies, foundations, and private funding sources have been or could be established.

(9) Sources of capital such as foundations, banks, credit unions, and charitable, fraternal, and business organizations.

(10) Nonprofit organizations such as the Girl Scouts and the Urban League (each of which has a Memorandum of Agreement (MOA) with HUD). Copies of these MOAs can be found on the Community and Supportive Services page of the HOPE VI Web site at <http://www.hud.gov/hopevi>.

(11) Civil rights and fair housing organizations.

(12) Local area agencies on aging.

(13) Local agencies and organizations serving persons with disabilities.

(14) Nonprofit organizations such as grassroots faith-based and other community-based organizations. HUD encourages you to partner or subgrant with nonprofit organizations, including grassroots faith-based and other community-based organizations, to provide CSS activities. See HUD's Center for Faith-Based and Community Initiatives Web site at <http://www.hud.gov/offices/fbci/index.cfm>.

(a) HUD will consider an organization a "grassroots" organization if it is headquartered in the local community to which it provides services; and

(i) Has an annual social services budget of no more than \$300,000. This cap includes only the portion of the organization's budget allocated to providing social services. It does not include other portions of the budget such as salaries and expenses; or

(ii) Has six or fewer full-time equivalent employees.

(b) Local affiliates of national organizations are not considered "grassroots."

(15) Federal agencies and their community and supportive service-related programs, including youth-related programs such as the Department of Justice's Weed and Seed program; the Department of Agriculture's 4-H program; the Department of Labor's Youthbuild program; and programs within the Department of Health and Human Services.

n. Fair Housing and Equal Opportunity Requirements.

(1) Site and Neighborhood Standards for Replacement Housing. You must comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, and regulations thereunder. In determining the location of any

replacement housing, you must comply with either the site and neighborhood standards regulations at 24 CFR 941.202(b)–(d) or with the standards outlined in this NOFA. Because the objective of the HOPE VI program is to alleviate distressed conditions at the development and in the surrounding neighborhood, replacement housing under HOPE VI that is located on the site of the existing development or in its surrounding neighborhood will not require independent approval by HUD under Site and Neighborhood Standards. The term “surrounding neighborhood” means the neighborhood within a 3-mile radius of the site of the existing development.

(a) HOPE VI Goals Related to Site and Neighborhood Standards. You are expected to ensure that your revitalization plan will expand assisted housing opportunities outside low-income areas and areas of minority concentration and will accomplish substantial revitalization in the project and its surrounding neighborhood. You are also expected to ensure that eligible households of all races and ethnic groups will have equal and meaningful access to the housing.

(b) Objectives in Selecting HUD-Assisted Sites. The fundamental goal of HUD’s fair housing policy is to make full and free housing choice a reality. Housing choice requires that all households may choose the type of neighborhood where they wish to reside; that minority neighborhoods are no longer deprived of essential public and private resources; and that stable, racially mixed neighborhoods are available as a meaningful choice for all. To make full and free housing choice a reality, sites for HUD-assisted housing investment should be selected so as to advance two complementary goals:

(i) Expand assisted housing opportunities in non-minority neighborhoods, opening up choices throughout the metropolitan area for all assisted households; and  
(ii) Reinvest in minority neighborhoods, improving the quality and affordability of housing there to represent a real choice for assisted households.

(c) Nondiscrimination and Equal Opportunity Requirements. In determining the location of any replacement housing, you must comply with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and implementing regulations.

(d) Grantee Election of Requirements. You may, at your election, separately with regard to each site you propose, comply with the development

regulations regarding Site and Neighborhood Standards (24 CFR 941.202(b)–(d)), or with the Site and Neighborhood Standards contained in this section.

(e) Replacement housing located on-site or in the surrounding neighborhood. Replacement housing under HOPE VI that is located on the site of the existing project or in its surrounding neighborhood will not require independent approval under Site and Neighborhood Standards, since HUD will consider the scope and impact of the proposed revitalization to alleviate severely distressed conditions at the public housing project and its surrounding neighborhood, in assessing the application to be funded under this NOFA.

(f) Off-Site Replacement Housing Located Outside the Surrounding Neighborhood. Unless you demonstrate that there are already significant opportunities in the metropolitan area for assisted households to choose non-minority neighborhoods (or that these opportunities are under development), HOPE VI replacement housing not covered by section (e) above may not be located in an area of minority concentration (as defined in paragraph (g) below) without the prior approval of HUD. Such approval may be granted if you demonstrate to the satisfaction of HUD that:

(i) You have made determined and good faith efforts, and found it impossible with the resources available, to acquire an appropriate site(s) in an area not of minority concentration; or

(ii) The replacement housing, taking into consideration both the CSS activities or other revitalizing activities included in the revitalization plan, and any other revitalization activities in operation or firmly planned, will contribute to the stabilization or improvement of the neighborhood in which it is located, by addressing any serious deficiencies in services, safety, economic opportunity, educational opportunity, and housing stock.

(g) Area of Minority Concentration. The term “area of minority concentration” is any neighborhood in which:

(i) The percentage of households in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the housing market area; i.e., the Metropolitan Statistical Area (MSA) in which the proposed housing is to be located;

(ii) The neighborhood’s total percentage of minority persons is at least 20 percentage points higher than

the total percentage of all minorities for the MSA as a whole; or

(iii) In the case of a metropolitan area, the neighborhood’s total percentage of minority persons exceeds 50 percent of its population.

(2) Housing and Services for Persons with Disabilities.

(a) Accessibility Requirements. HOPE VI developments are subject to the accessibility requirements contained in several federal laws. All applicable laws must be read together and followed. PIH Notice 2003–31, available at <http://www.hud.gov/offices/pih/publications/notices/>, and subsequent updates or successor notices, provide an overview of all pertinent laws and implementing regulations pertaining to HOPE VI. All HOPE VI multifamily housing projects, whether they involve new construction or rehabilitation, are subject to the section 504 accessibility requirements described in 24 CFR part 8. See, in particular, 24 CFR 8.20–8.24. In addition, under the Fair Housing Act, all new construction of covered multifamily buildings must contain certain features of accessible and adaptable design. Units covered are all those in elevator buildings with four or more units and all ground floor units in buildings without elevators. The relevant accessibility requirements are provided on HUD’s Fair Housing and Equal Opportunity (FHEO) Web site at <http://www.hud.gov/groups/fairhousing.cfm>.

(b) Specific Fair Housing requirements are:

(i) The Fair Housing Act (42 U.S.C. 3601–19) and regulations at 24 CFR part 100.

(ii) The prohibitions against discrimination on the basis of disability, including requirements that multifamily housing projects comply with the Uniform Federal Accessibility Standards, and that you make reasonable accommodations to individuals with disabilities under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and regulations at 24 CFR part 8.

(iii) Title II of the Americans with Disabilities Act (42 U.S.C 12101 *et seq.*) and its implementing regulations at 28 CFR part 35.

(iv) The Architectural Barriers Act of 1968 (42 U.S.C. 4151) and the regulations at 24 CFR part 40.

(c) Accessible Technology. The Rehabilitation Act Amendments of 1998 apply to all electronic information technology (EIT) used by a grantee for transmitting, receiving, using, or storing information to carry out the responsibilities of any federal grant awarded. It includes, but is not limited

to, computers (hardware, software, word processing, e-mail, and web pages), facsimile machines, copiers, and telephones. When developing, procuring, maintaining, or using EIT, grantees must ensure that the EIT allows:

(i) Employees with disabilities to have access to and use information and data that are comparable to the access and use of data by employees who do not have disabilities; and

(ii) Members of the public with disabilities seeking information or service from a grantee must have access to and use of information and data that are comparable to the access and use of data by members of the public who do not have disabilities. If these standards impose an undue burden on a grantee, they may provide an alternative means to allow the individual to use the information and data. No grantee will be required to provide information services to a person with disabilities at any location other than the location at which the information services are generally provided.

o. Relocation Requirements.

(1) Requirements.

(a) You must carry out relocation activities in compliance with a relocation plan that conforms to the following statutory and regulatory requirements, as applicable:

(i) Relocation or temporary relocation carried out as a result of rehabilitation under an approved revitalization plan is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), the URA regulations at 49 CFR part 24, and regulations at 24 CFR 968.108 or successor part.

(ii) Relocation carried out as a result of acquisition under an approved revitalization plan is subject to the URA and regulations at 24 CFR 941.207 or successor part.

(iii) Relocation carried out as a result of disposition under an approved revitalization plan is subject to section 18 of the 1937 Act, as amended.

(iv) Relocation carried out as a result of demolition under an approved revitalization plan is subject to the URA regulations at 49 CFR part 24.

(b) You must provide suitable, accessible, decent, safe, and sanitary housing for each family required to relocate as a result of revitalization activities under your revitalization plan. Any person (including individuals, partnerships, corporations, or associations) who moves from real property or moves personal property from real property directly (1) because of a written notice to acquire real property in whole or in part, or (2)

because of the acquisition of the real property, in whole or in part, for a HUD-assisted activity, is covered by federal relocation statute and regulations. Specifically, this type of move is covered by the acquisition policies and procedures and the relocation requirements of the URA, and the implementing government-wide regulation at 49 CFR part 24 and Handbook 1378. These relocation requirements cover any person who moves permanently from real property or moves personal property from real property directly because of acquisition, rehabilitation, or demolition for an activity undertaken with HUD assistance.

(2) Relocation Plan. Each applicant must complete a HOPE VI Relocation plan, in accordance with the requirements stated in section III.C.2. of this NOFA.

(a) The HOPE VI Relocation plan is intended to ensure that PHAs adhere to the URA and that all residents who have been or will be temporarily or permanently relocated from the site are provided with CSS activities such as mobility counseling and direct assistance in locating housing. Your HOPE VI Relocation plan must serve to minimize permanent displacement of current residents of the public housing site who wish to remain in or return to the revitalized community. Your HOPE VI Relocation plan must also furnish alternative permanent housing for current residents of the public housing site who do not wish to remain in or return to the revitalized community. Your CSS program must provide for the delivery of community and supportive services to residents prior to any relocation, temporary or permanent.

(b) You are encouraged to involve HUD-approved housing counseling agencies, including faith-based, nonprofit, and other organizations, and individuals in the community to which relocatees choose to move, in order to ease the transition and minimize the impact on the neighborhood. HUD will view favorably innovative programs such as community mentors, support groups, and the like.

(c) If applicable, you are encouraged to work with surrounding jurisdictions to assure a smooth transition if residents choose to move from your jurisdiction to the surrounding area.

p. Design. HUD is seeking excellence in design. You must carefully select your architects and planners, and enlist local affiliates of national architectural and planning organizations such as the American Institute of Architects, the American Society of Landscape Architects, the American Planning

Association, the Congress for the New Urbanism, and the department of architecture at a local college or university to assist you in assessing qualifications of design professionals or in participating on a selection panel that results in the procurement of excellent design services. You should select a design team that is committed to a process in which residents, including young people and seniors, the broader community, and other stakeholders participate in designing the new community.

Your proposed site plan, new units, and other buildings must be designed to be compatible with and enrich the surrounding neighborhood. Local architecture and design elements and amenities should be incorporated into the new or rehabilitated homes so that the revitalized sites and structures will blend into the broader community and appeal to the market segments for which they are intended. Housing, community facilities, and economic development space must be well integrated. You must select members of your team who have the ability to meet these requirements.

q. Internet Access. You must have access to the Internet and provide HUD with e-mail addresses of key staff and contact people.

r. Non-Public Housing Funding for Non-Public Housing or Replacement Units. Public housing funds may only be used to develop Replacement Housing. You may not use public housing funds, which include HOPE VI funds, to develop retail or commercial space, economic development space, or housing units that are not Replacement Housing, as defined in this NOFA.

s. Market-Rate Housing and Economic Development. If you include market-rate housing, economic development, or retail structures in your revitalization plan, such proposals must be supported by a market assessment from an independent third party, credentialed market research firm, or professional. This assessment should describe its assessment of the demand and associated pricing structure for the proposed residential units, economic development or retail structures, based on the market and economic conditions of the project area.

t. Eminent Domain and Public Use.

Section 726 of the FY 2007 HUD Appropriations Act, under which this NOFA is funded, prohibits any use of these funds "to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is used only for a public use." The term "public use" is expressly stated *not* "to include economic development that primarily

benefits private entities.” Accordingly, applications under this NOFA may not propose mixed-use projects in which housing is complemented appreciably with commercial facilities (i.e., economic development), if eminent domain is used for the site.

u. Cost Control Standards. (1) Your hard development costs must be realistically developed through the use of technically competent methodologies, including cost estimating services, and should be comparable to industry standards for the kind of construction to be performed in the proposed geographic area.

(2) Your cost estimates must represent an economically viable preliminary plan for designing, planning, and carrying out your proposed activities, in accordance with local costs of labor, materials, and services.

(3) Your projected soft costs must be reasonable and comparable to industry standards. Upon award, soft costs will be subject to HUD’s “Safe Harbor” cost control standards. For rental units, these safe harbors provide specific limitations on such costs as developer’s fees (between 9 and 12 percent), PHA administration/consultant cost (no more than 3 to 6 percent of the total project budget), contractor’s fee (6 percent), overhead (2 percent), and general conditions (6 percent). HUD’s Cost Control and Safe Harbor Standards can be found on HUD’s HOPE VI Web site.

(4) If you are eligible for funding, HUD will delete any unallowable items from your budget and may reduce your grant accordingly.

v. Timeliness of Development Activity. Grantees must proceed within a reasonable timeframe, as indicated below. In determining reasonableness of such timeframe, HUD will take into consideration those delays caused by factors beyond your control. These timeframes must be reflected in the form of a program schedule, in accordance with the timeframes below:

(1) Grantees must submit Supplemental Submissions within 90 days from the date of HUD’s written request.

(2) Grantees must submit CSS work plans within 90 days from the execution of the grant agreement.

(3) Grantees must start construction within 12 months from the date of HUD’s approval of the Supplemental Submissions, as requested by HUD after grant award. This time period may not exceed 18 months from the date the grant agreement is executed.

(4) Grantees must submit the development proposal (i.e., whether mixed-finance development, homeownership development, etc.) for

the first phase of construction within 12 months of grant award. The program schedule must indicate the date on which the development proposal for each phase of the revitalization plan will be submitted to HUD.

(5) The closing of the first phase must take place within 15 months of grant award. For this purpose, “closing” means all financial and legal arrangements have been executed and actual activities (construction, etc.) are ready to commence.

(6) Grantees must complete construction within 48 months from the date of HUD’s approval of your Supplemental Submissions. This time period for completion may not exceed 54 months from the date the grant agreement is executed.

(7) All other required components of the revitalization plan and any other submissions not mentioned above must be submitted in accordance with the Quarterly Report Administrative and Compliance Checkpoints Report, as approved by HUD.

w. HOPE VI Endowment Trust Addendum to the Grant Agreement. This document must be executed between the grantee and HUD in order for the grantee to use CSS funds in accordance with this NOFA.

x. Revitalization Plan. After HUD conducts a post-award review of your application and makes a visit to the site, you will be required to submit components of your revitalization plan to HUD, as provided in the HOPE VI Revitalization Grant Agreement. These components include, but are not limited to:

(a) Supplemental Submissions, including a HOPE VI Program Budget;

(b) A Community and Supportive Services work plan, in accordance with guidance provided by HUD;

(c) A standard or mixed-finance development proposal, as applicable;

(d) A demolition and disposition application, as applicable; and

(e) A homeownership proposal, as applicable.

y. Pre-Award Accounting System Surveys. This requirement is hereby incorporated from Section III.C. of the General Section.

z. Name Check Review. This requirement is hereby incorporated from Section III.C. of the General Section.

aa. False Statements. A false statement in an application is grounds for denial or termination of an award and possible punishment as provided in 18 U.S.C. 1001.

bb. Prohibition Against Lobbying Activities. This requirement is hereby incorporated from Section III.C. of the General Section.

cc. Conducting Business in Accordance with Core Values and Ethical Standards. This requirement is hereby incorporated from Section III.C. of the General Section.

dd. Providing Full and Equal Access to Grassroots Faith-Based and Other Community-Based Organizations in HUD Program Implementation. This requirement is hereby incorporated from Section III.C. of the General Section.

ee. Number of Units. The number of units that you plan to develop should reflect your need for replacement units, the need for other affordable units, and the market demand for market units, along with financial feasibility. The number of planned new construction public housing units may not result in a net increase from the number of public housing units owned, assisted, or operated by the PHA on October 1, 1999, including any public housing units demolished as part of any revitalization effort. The total number of units to be developed may be less than, or more than, the original number of public housing units in the targeted public housing project. HUD will review requests to revitalize projects with small numbers of units on an equal basis with those with large numbers of units.

ff. Environmental Requirements.

(1) HUD Approval. HUD notification that you have been selected to receive a HOPE VI grant constitutes only preliminary approval. Grant funds may not be released under this NOFA (except for activities that are excluded from environmental review under 24 CFR part 58 or 50) until the responsible entity, as defined in 24 CFR 58.2(a)(7), completes an environmental review and you submit and obtain both HUD approval of a request for release of funds and the responsible entity’s environmental certification, in accordance with 24 CFR part 58 (or HUD has completed an environmental review under 24 CFR part 50, where HUD has determined to conduct the environmental review).

(2) Responsibility. If you are selected for funding and an environmental review has not been conducted on the targeted site, the responsible entity must assume the environmental review responsibilities for projects being funded by HOPE VI. If you object to the responsible entity conducting the environmental review, on the basis of performance, timing, or compatibility of objectives, HUD will review the facts and determine who will perform the environmental review. At any time, HUD may reject the use of a responsible entity to conduct the environmental review in a particular case on the basis of performance, timing, or compatibility

of objectives, or in accordance with 24 CFR 58.77(d)(1). If a responsible entity objects to performing an environmental review, or if HUD determines that the responsible entity should not perform the environmental review, HUD may designate another responsible entity to conduct the review or may itself conduct the environmental review in accordance with the provisions of 24 CFR part 50. You must provide any documentation to the responsible entity (or HUD, where applicable) that is needed to perform the environmental review.

(3) Phase I and Phase II Environmental Site Assessments. If you are selected for funding, you must have a Phase I environmental site assessment completed in accordance with the ASTM Standards E 1527-05, as amended, for each affected site. A Phase I assessment is required whether the environmental review is completed under 24 CFR part 50 or 24 CFR part 58. The results of the Phase I assessment must be included in the documents that must be provided to the responsible entity (or HUD) for the environmental review. If the Phase I assessment recognizes environmental concerns or if the results are inconclusive, a Phase II environmental site assessment will be required.

(4) Request for Release of Funds. You, and any participant in the development process, may not undertake any actions with respect to the project that are choice-limiting or could have environmentally adverse effects, including demolishing, acquiring, rehabilitating, converting, leasing, repairing, or constructing property proposed to be assisted under this NOFA, and you, and any participant in the development process, may not commit or expend HUD or local funds for these activities, until HUD has approved a Request for Release of Funds following a responsible entity's environmental review under 24 CFR part 58, or until HUD has completed an environmental review and given approval for the action under 24 CFR part 50. In addition, you must carry out any mitigating/remedial measures required by the responsible entity (or HUD). If a remediation plan, where required, is not approved by HUD and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

(5) If the environmental review is completed before HUD approval of the HOPE VI Supplemental Submissions and you have submitted your Request for Release of Funds (RROF), the

supplemental submissions approval letter shall state any conditions, modifications, prohibitions, etc., required as a result of the environmental review, including the need for any further environmental review. You must carry out any mitigating/remedial measures required by HUD, or select an alternate eligible property, if permitted by HUD. If HUD does not approve the remediation plan and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

(6) If the environmental review is not completed and you have not submitted the RROF before HUD approval of the supplemental submissions, the letter approving the supplemental submissions will instruct you and any participant in the revitalization process to refrain from undertaking, obligating, or expending HUD or non-HUD funds on physical activities or other choice-limiting actions until HUD approves your RROF and the related certification of the responsible entity (or HUD has completed the environmental review). The supplemental submissions approval letter also will advise you that the approved supplemental submissions may be modified on the basis of the results of the environmental review.

(7) There must not be any open issues or uncertainties related to environmental issues, public policy factors (such as sewer moratoriums), proper zoning, availability of all necessary utilities, or clouds on title that would preclude development in the requested locality. You will certify to these facts when signing the HOPE VI Revitalization Grant Application Certifications.

(8) HUD's environmental Web site is located at <http://www.hud.gov/offices/cpd/environment/index.cfm>.

gg. Match Donations and Leverage Resources—Post Award. After award, during review of grantee mixed-finance, development, or homeownership proposals, HUD will evaluate the nature of Match and Leverage resources to assess the conditions precedent to the availability of the funds to the grantee. HUD will assess the availability of the participating party(ies)'s financing, the amount and source of financing committed to the proposal by the participating party(ies), and the firm commitment of those funds. HUD may require an opinion of the PHA's and the owner entity's counsel (or other party designated by HUD) attesting that counsel has examined the availability of the participating party's financing, and the amount and source of financing

committed to the proposal by the participating party(ies), and has determined that such financing has been firmly committed by the participating party(ies) for use in carrying out the proposal, and that such commitment is in the amount required under the terms of the proposal.

hh. Evidence of Use. Grantees will be required to show evidence that matching resources were actually received and used for their intended purposes through quarterly reports as the project proceeds. Sources of matching funds may be substituted after grant award, as long as the dollar requirement is met.

ii. Grantee Enforcement. Grantees must pursue and enforce any commitment (including commitments for services) obtained from any public or private entity for any contribution or commitment to the project or surrounding area that was part of the match amount.

jj. LOCCS Requirements. The grantee must record all obligations and expenditures in LOCCS.

kk. Final Audit. Grantees are required to obtain a complete final closeout audit of the grant's financial statements by a certified public accountant, in accordance with generally accepted government audit standards. A written report of the audit must be forwarded to HUD within 60 days of issuance. Grant recipients must comply with the requirements of 24 CFR part 84 or 24 CFR part 85, as stated in OMB Circulars A-110, A-87, and A-122, as applicable.

ll. Section 3. HOPE VI grantees must comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Economic Opportunities for Low- and Very-Low-Income Persons in Connection with Assisted Projects) and its implementing regulations at 24 CFR part 135. Information about section 3 can be found at HUD's section 3 Web site at <http://www.hud.gov/offices/fheo/section3/section3.cfm>.

mm. General Section References. The following subsections of section III.C. of the General Section are hereby incorporated by reference:

(1) The Americans with Disabilities Act of 1990;

(2) Affirmatively Furthering Fair Housing;

(3) Economic Opportunities for Low- and Very Low-Income Persons (section 3);

(4) Executive Order 13166, Improving Access to Services for Persons With Limited English Proficiency (LEP);

(5) Accessible Technology;

(6) Procurement of Recovered Materials;



(7) Participation in HUD-Sponsored Program Evaluation;

(8) Executive Order 13202, Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects;

(9) OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs; and

(10) Drug-Free Workplace.

nn. Program Requirements that Apply to Match. See Section III.B.1.

oo. Program Requirements that Apply to Match and Leverage. Applicants must follow these requirements in compiling and documenting their match and leverage resources for purposes of the NOFA.

(1) You must actively enlist other stakeholders who are vested in and can provide significant financial assistance to your revitalization effort, both for match and leverage, and for physical development and CSS.

(2) Types of Resources. HUD seeks to fund mixed-finance developments that use HOPE VI funds to match funds requested and leverage the maximum amount of other funds, particularly from private sources, that will result in revitalized public housing, other types of assisted and market-rate housing, and private retail and economic development. There are four types of resources: Development, CSS, Anticipatory, and Collateral. Development and CSS match and leverage are program requirements, the types of resources for which are discussed below. Anticipatory and Collateral leverage are included only in the Leverage rating factor, but follow the requirements below for purposes of scoring.

(3) General Requirements. These general requirements apply to all match and leverage resource commitments.

(a) Firmly Committed. All resources for match and leverage must be firmly committed. "Firmly committed" means that the amount of the resource and its dedication to HOPE VI Revitalization activities must be explicit, in writing, and signed by a person authorized to make the commitment.

(b) Endorsements or general letters of support from organizations or vendors alone will not count as resources and should not be included in the application or on a Resources Summary Form. As noted above, resources must be firmly committed.

(c) Commitment letters must detail the dollar amount and term of the commitment (e.g., Agency X has committed to the residents of the public housing development \$100,000 for each

of 5 years, for a total of \$500,000). Letters that do not include specific dollar amounts or terms will not be counted.

(d) Signature. Resource commitments must be written and be signed by the appropriate official.

(e) Dating. Match and leverage commitment letters must represent valid and accurate commitments. Resource commitment letters dated prior to 5 years before the NOFA publication date will not be accepted.

(f) If the commitment document for any match or leverage funds/in-kind services is not included in the application and provided before the NOFA deadline date, the related match or leverage will not be considered.

(g) Depending upon the specific Memorandum of Understanding (MOU), an MOU alone may not firmly commit funds, e.g., when an MOU states that a donation agreement may be discussed in the future. If an MOU does firmly commit funds, MOU language that does so should be highlighted or mentioned in the application. To ensure inclusion of funds, MOUs should be accompanied by commitment letters or contracts.

(h) The PHA's staff time and benefits are not an eligible match or leverage resource.

(4) Development Resources.

(a) Types of Development Resources. Types of Development Resources may include:

(i) Private mortgage-secured loans, insured loans and other debt.

(a) Where there is both a construction loan and a permanent take-out loan that will replace that construction loan, you must provide documentation of both, but only the value of the permanent loan will be counted.

(b) If you have obtained a construction loan but not a permanent loan, the value of the acceptably documented construction loan will be counted.

(c) Your application or commitment letters must include each loan's interest rate, expected term maturity, and the frequency of repayment.

(d) For privately financed homeownership, acceptable documentation of construction loans only will be considered. Permanent financing will not be counted as a development resource.

(ii) Donations and contributions.

(iii) Housing trust funds.

(iv) Net sales proceeds from a completed homeownership project.

Homeownership down payments from homebuyers will not be counted. Down payment assistance may be counted as a physical development resource if it is provided by a third-party entity not related to the homebuyer.

(v) Funds committed to build private sector housing in direct connection with the HOPE VI Revitalization plan.

(vi) Tax Increment Financing (TIF). A TIF will only be considered for match/leverage scoring under this NOFA if, as documented in a letter from the unit of local government responsible for approving the TIF: The TIF district has been formally created; the unit of local government responsible for approving the TIF has issued an approval (as of the application deadline) allowing the TIF to benefit the HOPE VI project; and the letter includes an estimate of the amount of resources anticipated to be generated by the TIF in relation to the HOPE VI.

(vii) Tax Exempt Bonds. Your application must include a description of the use and term.

(viii) Other Public Housing Funds. Other public housing sources include HOPE VI Revitalization funds from other grants, HOPE VI Demolition funds, HOPE VI Neighborhood Networks funds, HOPE VI Main Street funds, Capital Fund program funds, and proposals to use operating subsidy for debt service. These HUD public housing funds will NOT be counted for points under CSS, Development, and Collateral leverage in this NOFA. (However, they can be used as part of your revitalization plan.) Other public housing funds, except for HOPE VI Revitalization funds, will be counted toward your leverage rating for Anticipatory leverage. You may NOT include amounts from HOPE VI program funding, including HOPE VI Revitalization, HOPE VI Demolition, HOPE VI Neighborhood Networks, or HOPE VI Main Street grants, toward your match requirement. (Capital Funds may be counted for match; see Section III.B.1 for information on match).

(ix) Other Federal Funds. Other federal sources may include non-public housing funds provided by HUD.

(x) Sale of Land. The value of land may be included as a development resource only if this value is a sales proceed. Absent a sales transaction, the value of land may not be counted.

(xi) Donations of Land. Donations of land may be counted as a development resource, only if the donating entity owns the land to be donated. Donating entities may include a city, county/parish, church, community organization, etc. The application must include documentation of this ownership, signed by the appropriate authorizing official.

(xii) Low-Income Housing Tax Credits (LIHTC).

(a) Low-Income Tax Credits are authorized by section 42 of the IRS

Code, which allows investors to receive a credit against federal tax owed in return for providing funds to developers to help build or renovate housing that will be rented only to lower-income households, for a minimum period of 15 years.

(b) There are two types of credits, both of which are available over a 10-year period: A 9 percent credit on construction/rehab costs, and a 4 percent credit on acquisition costs and all development costs financed partially with below-market federal loans (e.g., tax-exempt bonds). Tax credits are generally reserved annually through State Housing Finance Agencies, a directory of which can be found at <http://www.ncsha.org/section.cfm/4/39/187>.

(c) Only LIHTC commitments that have been secured as of the application deadline date will be considered for match/leverage scoring under this NOFA. LIHTC commitments that are not secured (i.e., documentation in the application does not demonstrate they have been reserved by the state or local housing finance agency) will not be counted for match/leverage scoring. Only tax credits that have been reserved specifically for revitalization performed through this NOFA will be counted.

(d) Endorsements or general letters of support from organizations or vendors alone will not count as resources and should not be included in the application or on a Resources Summary Form.

(e) If you propose to include LIHTC equity as a development resource for any phase of development, your application must include a LIHTC reservation letter from your state or local housing finance agency in order to have the tax credit amounts counted in match/leverage scoring. This letter must constitute a firm commitment and can only be conditioned on the receipt of the HOPE VI grant. HUD acknowledges that, depending on the housing finance agency, documentation for 4 percent tax credits may be represented in the form of a tax-exempt bond award letter. Accordingly, it will be accepted for match/leverage scoring purposes under this NOFA if you demonstrate that this is the only available evidence of 4 percent tax credits, and assuming that this documentation clearly indicates that tax-exempt bonds have been committed to the project.

(b) Sources of Development Resources. Sources of Development Resources may include:

- (i) Public, private, and nonprofit entities, including LIHTC purchasers;
- (ii) State and local housing finance agencies;

- (iii) Local governments;
- (iv) The city's housing and redevelopment agency or other comparable agency. HUD will consider this to be a separate entity with which you are partnering if your PHA is also a redevelopment agency or otherwise has citywide responsibilities.

(v) You may seek a pledge of Community Development Block Grant (CDBG) funds for improvements to public infrastructure such as streets, water mains, etc. related to the revitalization effort. CDBG funds are awarded by HUD by formula to units of general local government and to states, which may then award a grant or loan to certain other entities for revitalization activities. As a general rule, CDBG funds may not be used for the construction of new permanent housing. More information about the CDBG at <http://www.hud.gov/offices/cpd/index.cfm>.

(vi) The city, county/parish, or state may provide HOME funds to be used for the development of housing units assisted with HOPE VI funds. The HOME Investment Partnership program provides funds for affordable housing that are distributed from HUD to units of general local governments and states. Funds may be used for new construction, rehabilitation, acquisition of standard housing, assistance to homebuyers, and tenant-based rental assistance. HOME-assisted rental housing units are subject to HOME rent limits, income limits, property standards, leases, tenant selection, and long-term affordability requirements. HOME funds may be used for the development of units assisted with HOPE VI funds, but they may not be used for housing assisted with public housing capital funds under section 9(d) of the 1937 Act. Information about the HOME program can be found at <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm>.

- (vii) Foundations;
- (viii) Government Sponsored Enterprises such as the Federal Home Loan Bank, Fannie Mae, and Freddie Mac;
- (ix) HUD and other federal agencies;
- (x) Financial institutions, banks, or insurers; and
- (xi) Other private funders.

(5) Community and Supportive Services Resources.

a. General.

(1) HUD seeks to fund mixed-finance developments that use HOPE VI funds to leverage the maximum amount of other resources to support CSS activities in order to ensure the successful transformation of the lives of residents and the sustainability of the revitalized

public housing development. Match and leveraging of HOPE VI CSS funds with other funds and services is critical to the sustainability of CSS activities so that they will continue after the HOPE VI funds have been expended.

Commitments of funding or in-kind services related to the provision of CSS activities may be counted as CSS resources and toward match and the calculation of CSS leverage, in accordance with the requirements below.

(a) For CSS leverage (not match), include only funds/in-kind services that will be newly generated for HOPE VI activities. If an existing service provider significantly increases the level of services provided at the site, the increased amount of funds may be counted, except for TANF cash benefits. HUD will not count any funds for leverage points that have already been provided on a routine basis, such as TANF cash benefits and in-kind services that have been supporting ongoing CSS-type activities.

(b) Existing and newly generated TANF cash benefits will not count as leverage. Newly generated non-cash services provided by TANF agencies will count as leverage.

(c) Even though an in-kind CSS contribution may count as a resource, it may not be appropriate to include on the sources and uses attachment. Each source on the sources and uses attachment must be matched by a specific and appropriate use. For example, donations of staff time may not be used to offset costs for infrastructure.

(d) Note that wages projected to be paid to residents through jobs or projected benefits (e.g., health/insurance/retirement benefits) related to projected resources to be provided by CSS partners may not be counted.

(e) Resources must be directly applicable to the revitalization of the targeted public housing project and the transformation of the lives of residents of the targeted public housing project. Resources that are committed to individuals other than the residents of the targeted public housing development cannot be counted.

(2) Types of Community and Supportive Services Resources. Types of Community and Supportive Services resources may include, but are not limited to:

- (a) Materials;
- (b) A building;
- (c) A lease on a building;
- (d) Other infrastructure;
- (e) Time and services contributed by volunteers;
- (f) PHA staff salaries and benefits;

(g) Supplies;

(h) The value of supportive services provided by a partner agency, in accordance with the eligible CSS activities described in section III.C.1.

(3) Sources of Community and Supportive Services Resources. In order to achieve quantifiable self-sufficiency results, you must form partnerships with organizations that are skilled in the delivery of services to residents of public housing and that can provide commitments of resources to support those services. You must actively enlist as partners other stakeholders who are vested in and can provide commitments of funds and in-kind services for the CSS portion of your revitalization effort. See Section III.C.3.m. above for examples of the kinds of organizations and agencies that can provide you with resources necessary to carry out and sustain your CSS activities.

#### IV. Application and Submission Information

##### A. Addresses To Request Application Package

This section describes how applicants may obtain application packages and request technical assistance. Copies of the published NOFA and application forms for HUD programs are made available at Grants.gov at the following Web site: [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp).

##### 1. Technical Assistance and Resources for Electronic Grant Applications

a. Grants.gov Customer Support. 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 e-mail to [support@grants.gov](mailto:support@grants.gov). The customer support center is open from 7 a.m. to 9 p.m. eastern time, Monday through Friday, except federal holidays. The customer service representatives will assist applicants in accessing the information and addressing technology issues.

b. Desktop Users Guide for Submitting Electronic Grant Applications. HUD has published on its Web site a detailed Desktop Users Guide that walks applicants through the application submission process, beginning with finding a funding opportunity, completing the registration process, and downloading and submitting the electronic application. The guide includes helpful step-by-step instructions, screen shots, and error-proof tips to assist applicants in becoming familiar with submitting

applications electronically. The guide is available online at <http://www.hud.gov/offices/adm/grants/deskuserguide.pdf>.

c. HUD's Registration Brochure. HUD has a registration brochure that provides detailed information on the registration process. See <http://www.hud.gov/offices/adm/grants/regbrochure.pdf>.

d. HUD's Finding and Applying for Grant Opportunities Brochure. HUD also has a brochure that will guide you through the process of finding and applying for grants. See HUD's Finding and Applying for Grant Opportunities brochure at <http://www.hud.gov/offices/adm/grants/findapplybrochure.pdf>.

e. HUD's NOFA Information Center. Applicants that do not have Internet access and need to obtain a copy of a NOFA can contact HUD's NOFA Information Center toll-free at (800) HUD-8929. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at (800) 877-8339. The NOFA Information Center is open between 10 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

f. HUD Staff. HUD staff will be available to provide you with general guidance and technical assistance about this notice or about individual program NOFAs. However, HUD staff is not permitted to help prepare your application. Following selection of applicants, but before announcement of awards are made, HUD staff is available to assist in clarifying or confirming information that is a prerequisite to the offer of an award or annual contributions contract (ACC) by HUD. If you have program-related questions, contact the agency contact listed in this NOFA.

##### B. Content and Form of Application Submission

##### 1. Instructions on How To Register for Electronic Application Submission

Applicants must submit their applications electronically through Grants.gov. Before you can do so, you must complete several important steps to register as a submitter. The registration process can take approximately 2 to 4 weeks to complete. Therefore, registration should be done in sufficient time before you submit your application. See Section IV.B. of the General Section for detailed information regarding the Grants.gov registration process.

##### 2. Instructions on How To Download an Application Package and Application Instructions

a. The Application Package and Application Instructions. The general

process for downloading, completing, submitting, and tracking grant application packages is described at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). See Section IV.B. of the General Section for additional information on this topic.

##### 3. Instructions on How To Complete the Selected Grant Application Package

See Section IV.B. of the General Section for detailed information on this topic.

##### 4. Application Submission

a. Paper Application Submissions. HUD's regulations allow for a waiver of the electronic submission requirement for cause. If your organization is granted a waiver, you should follow the instructions below regarding paper application submissions. Unless otherwise indicated, the executive director of the applicant PHA, or his or her designee, must sign each form or certification that is required to be submitted with the application, whether part of an attachment or a standard certification; signatures need not be original in the duplicate Headquarters copy and the duplicate field office copy.

b. Application Layout. These criteria apply to all applicants, unless otherwise noted.

(1) Double-space your narrative pages. Single-spaced pages will be counted as two pages;

(2) Use 8½ × 11-inch paper (one side only, if you receive a waiver of the electronic submission). Only the city map may be submitted on an 8½ by 14-inch sheet of paper. Larger pages will be counted as two pages;

(3) All margins should be approximately one inch. If any margin is smaller than ½ inch, the page will be counted as two pages;

(4) Use 12-point, Times New Roman font;

(5) Any pages marked as sub-pages (e.g., with numbers and letters such as 75A, 75B, 75C), will be treated as separate pages;

(6) If a section is not applicable, indicate n/a;

(7) Mark each Exhibit and Attachment with the appropriate tab/title page, as listed below. No material on the tab/title page will be considered for review purposes;

(8) No more than one page of text may be placed on one sheet of paper; i.e., you may not shrink pages to get two or more on a page. Shrunken pages, or pages where a minimized/reduced font are used, will be counted as multiple pages;

(9) Do not format your narrative in columns. Pages with text in columns will be counted as two pages;

(10) If you are granted a waiver from the electronic submission requirement: The applications (copy and original) should each be packaged in a three-ring binder; and

(11) Narrative pages must be numbered. HUD recommends that applicants consecutively number the pages of the Attachments section to ensure proper assembly of their application if submitted electronically.

c. Application Page Count. These criteria apply to all applicants.

(1) Narrative Exhibits.

(a) The first part of your application will be comprised of narrative exhibits. Your narratives will respond to each rating factor in the NOFA and will also respond to threshold requirements. Among other things, your narratives must describe your overall planning activities, including, but not limited to, relocation, community, and supportive services, and development issues.

(b) Each HOPE VI Revitalization application must contain no more than 100 pages of narrative exhibits. Any pages after the first 100 pages of narrative exhibits will not be reviewed. Although submitting pages in excess of the page limitations will not disqualify an application, HUD will not consider the information on any excess pages, which may result in a lower score or failure of a threshold. Text submitted at the request of HUD to correct a technical deficiency will not be counted in the 100-page limit.

(2) Attachments.

(a) The second part of your application will be comprised of Attachments. These documents will also respond to the rating factors in the NOFA, as well as threshold and mandatory documentation requirements. They will include documents such as maps, photographs, letters of commitment, application data forms, various certifications unique to HOPE VI Revitalization, and other certifications.

(b) Each HOPE VI Revitalization application must contain no more than 125 pages of attachments. Any pages after the first 125 pages of attachments will not be considered. Although submitting pages in excess of the page limit will not disqualify an application, HUD will not consider the information on any excess pages, which may result in a lower score or failure to meet a threshold.

(3) Exceptions to page limits. The documents listed below constitute the only exceptions and are not counted in

the page limits listed in Sections (1) and (2) above:

(a) Additional pages submitted at the request of HUD in response to a technical deficiency.

(b) Attachments that provide documentation of commitments from Development, CSS, Collateral, and Anticipatory resource providers (Attachments 19–22).

(c) Attachments that provide documentation of site control and site acquisition, in accordance with Section III of this NOFA (Attachment 18).

(d) Narratives and Attachments, as relevant, required to be submitted only by existing HOPE VI Revitalization grantees, in accordance with Sections V.A. of this NOFA (Capacity).

(e) Information required of MTW applicants only.

(f) Standard forms (Attachment 33).

(g) Blank/extra pages generated as part of standard forms.

(h) Tabs/title pages that are blank or display a title/header.

d. Electronic Submissions: Additional Format and Title Instructions.

(1) Exhibits. Exhibits are as listed below in Section IV.B.6. of this NOFA. Each Exhibit should be contained in a separate file and section of the application. Each file should contain one title page. Do not create title pages separately from the document it goes with.

(a) Exhibit Title Pages. HUD will use title pages as tabs when it downloads and prints the application. Provided the information on the title page is limited to the list in Section (b) below, the title pages will not be counted when HUD determines the length of each Exhibit, or the overall length of the Exhibits.

(i) Each title page should only contain:

(A) The name of the Exhibit, as described below in section IV.B.6. of this NOFA, e.g., “Narrative Exhibit A: Summary Information;”

(B) The name of the applicant; and

(C) The name of the file that contains the Exhibit.

(b) Exhibit File Names and Types.

(i) All Exhibit files in the application must be contained in one Exhibit ZIP file.

(ii) Each file within the ZIP file must be formatted so it can be read by Microsoft Word (.doc (version 9)).

(iii) Each file name must include the information below, in the order stated:

(A) Short version of the applicant’s name, e.g., town, city, county/parish, etc., and state; and

(B) The word “Exhibit” and the Exhibit letter (A through I), as listed in section IV.B.6. of this NOFA;

(C) An example of an Exhibit file name is, “Atlanta GA Exhibit A.”

(2) Attachments. Attachments are as listed below in section IV.B.6. of this NOFA. Each Attachment should be contained in a separate file and section of the application. Each Attachment that is not a HUD form should contain one title page.

(a) Attachment Title Pages. HUD will use title pages as tabs if it downloads and prints the application. Provided the information on the title page is limited to the list in section (b) below, the title pages will not be counted when HUD determines the length of each

Attachment or the overall length of the Attachments. HUD forms do not require title pages.

(i) Each title page should only contain:

(A) The name of the Attachment, as described below in section IV.B.6. of this NOFA, e.g., “Attachment 10: Extraordinary Site Costs Certification;”

(B) The name of the applicant; and

(C) The name of the file that contains the Attachment.

(b) Attachment File Names and Types.

(i) All Attachments that are not listed separately on grants.gov and are formatted as PureEdge forms, e.g., SF-424, must be contained in one (or more as needed) Attachment ZIP file.

(ii) Each file within the ZIP file must be formatted so it can be read by Microsoft Word (.doc (version 9)), Microsoft Excel 2000 (.xls), or Acrobat (.pdf) format compatible with Adobe Reader 6.0 or later. Grants.gov does not accept Vista or Microsoft Office 2007 formats.

(A) Attachments that are downloaded from grants.gov in MS Excel format may be submitted in Excel format.

(B) Attachments that are downloaded from grants.gov in text format, e.g., certifications, should be submitted in Adobe Acrobat (.pdf) format.

(C) Third-party documents, e.g., leverage commitment letters, pictures, etc., should be scanned and attached to your electronic application in Adobe Acrobat (.pdf) format or may be submitted via facsimile using form HUD-96011, Third Party Documentation Facsimile Transmittal (“Facsimile Transmittal Form” on Grants.gov). Also:

(iii) Each file name must include the information below, in the following order:

(A) A short version of the applicant’s name, e.g., the town, city, county/parish, etc., and state; and

(B) The word “Attachment” and the Attachment number, as listed in section IV.B.6. of this NOFA;

(C) An example of an Exhibit file name is, “Atlanta GA Attachment 1.”

5. Documentation requirements are provided in the “Threshold

Requirements" section (Section III.C.2.), "Program Requirements" section (Section III.C.3), and "Rating Factors" section (Section V.A) of this NOFA. Applicants must carefully review and follow documentation requirements.

6. Application Content. The following is a list of narrative exhibits, attachments, and instructions for each, that are required as part of the application. Non-submission of these items may lower your rating score or make you ineligible for award under this NOFA. Review the threshold requirements in section III.C. and the Rating Factors of section V.A. to ascertain the effects of non-submission. HUD forms required by this NOFA are included in the electronic application at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). Applicants that are granted a waiver to the electronic submission requirement must include the narrative exhibits and attachments in the application in the order listed below. Here is the order for the Table of Contents and the order in which paper applications must be submitted, if you are granted a waiver to the electronic application submission requirement:

(1) Acknowledgment of Application Receipt, form HUD-2993 (applies only if you are granted a waiver to the electronic submission requirement);  
 (2) Application for Federal Assistance, Standard Form SF-424; and  
 (3) HOPE VI Revitalization Application Table of Contents.

a. Narrative Exhibits

(1) Narrative Exhibit A: Summary Information  
 (2) Narrative Exhibit B: Capacity  
 (3) Narrative Exhibit C: Need  
 (4) Narrative Exhibit D: Resident and Community Involvement  
 (5) Narrative Exhibit E: Community and Supportive Services  
 (6) Narrative Exhibit F: Relocation  
 (7) Narrative Exhibit G: Fair Housing and Equal Opportunity  
 (8) Narrative Exhibit H: Well-Functioning Communities  
 (9) Narrative Exhibit I: Soundness of Approach

b. Attachments

(1) Attachments 1 through 7: HOPE VI Application Data Form, form HUD-52860-A  
 (2) Attachment 8: HOPE VI Budget, form HUD-52825-A  
 (3) Attachment 9: TDC-Grant Limitations Worksheet, form HUD-52799  
 (4) Attachment 10: Extraordinary Site Costs Certification, if applicable  
 (5) Attachment 11: City Map  
 (6) Attachment 12: Assurances for a HOPE VI Application: for Developer,

HOPE VI Revitalization Resident Training & Public Meeting Certification, Relocation Plan (whether relocation is completed or is yet to be completed)

(7) Attachment 13: Program Schedule  
 (8) Attachment 14: Certification of Severe Physical Distress  
 (9) Attachment 15: Photographs of the Severely Distressed Housing  
 (10) Attachment 16: Neighborhood Conditions

(11) Attachment 17: Preliminary Market Assessment Letter, if relevant  
 (12) Attachment 18: Documentation of Site Control for Off-Site Public Housing  
 (13) Attachments 19 through 22:

HOPE VI Revitalization Leverage Resources, form HUD-52797  
 (14) Attachment 23: Documentation of Environmental, and Neighborhood Standards  
 (15) Attachment 24: Land Use Certification or Documentation  
 (16) Attachment 25: Evaluation Commitment Letter(s)

(17) Attachment 26: Current Site Plan  
 (18) Attachment 27: Photographs of Architecture in the Surrounding Community  
 (19) Attachment 28: Conceptual Site Plan  
 (20) Attachment 29: Conceptual Building Elevations  
 (21) Attachment 30: HOPE VI Revitalization Application Certifications  
 (22) Attachment 31: HOPE VI Revitalization Project Readiness Certification, form HUD-52787  
 (23) Attachment 32: Capital Fund Financing Program Threshold: Legal Counsel Opinion and Executive Director Certification, if applicable

(24) Attachment 33: Standard Forms and Certifications  
 (a) Application for Federal Assistance (SF-424);  
 (b) Acknowledgment of Application Receipt (form HUD-2993), applicable ONLY if the applicant obtains a waiver from the electronic submission requirement;  
 (c) Disclosure of Lobbying Activities (SF-LLL), if applicable;  
 (d) Applicant/Recipient Disclosure/Update Report (form HUD-2880) ("HUD Applicant Recipient Disclosure Report" on Grants.gov);  
 (e) Program Outcome Logic Model (form HUD-96010);  
 (f) America's Affordable Communities Initiative (form HUD-27300) (and supporting documentation);  
 (g) If applicable, Funding Application for Housing Choice Voucher Assistance prepared in accordance with Notice PIH 2007-10 (and any reinstatement of or successor to that Notice), including the Section 8 Tenant-Based Assistance Rental Certificate Program and the

Rental Voucher Program, form HUD-52515;

(h) form HUD-96011, "Third Party Documentation Facsimile Transmittal" ("Facsimile Transmittal Form" on Grants.gov), if applicable.

Further Documentation Guidance on Narrative Exhibits and Attachments. Please be sure to carefully review sections III, IV, and V for program and documentation requirements for all the elements below.

a. Exhibit A. Verify that you have included information relating to the following exhibits.

(1) Executive Summary. Provide an Executive Summary, not to exceed three pages. Describe your Revitalization plan, as clearly and thoroughly as possible. Do not argue for the need for the HOPE VI grant, but explain what you would do if you received such a grant. Briefly describe why the targeted project is severely distressed, provide the number of units, and indicate how many of the units are occupied. Describe specific plans for the revitalization of the site. Include income mix, basic features (such as restoration of streets), and any mixed use or non-housing components. If you are proposing off-site replacement housing, provide the number and type of units and describe the off-site locations. Describe any homeownership components included in your Plan, including the numbers of units. Briefly summarize your plans for community and supportive services. State the amount of HOPE VI funds you are requesting and list the other major funding sources you will use for your mixed-finance development. Identify whether you have procured a developer or whether you will act as your own developer.

(2) Physical Plan. Describe your planned physical revitalization activities:

(a) Rehabilitation of severely distressed public housing units, in accordance with sections I(C) and III(C) of the NOFA;

(b) Development of public housing replacement rental housing, both on-site and off-site, in accordance with sections I(C) and III(C) of the NOFA;

(c) Indicate whether you plan to use PATH technologies and Energy Star in the construction of replacement housing, in accordance with section III(C) of the NOFA;

(d) Market rate housing units (see sections III(C));

(e) Units to be financed with low-income housing tax credits;

(f) Replacement homeownership assistance for displaced public housing residents or other public housing-

eligible low-income families, in accordance with sections I(C) and III(C) of the NOFA. Also describe any market-rate homeownership units planned, sources, and uses of funds. Describe the relationship between the HOPE VI activities and costs and the development of homeownership units, both public housing and market rate. If you are selected for funding, you will be required to submit a Homeownership Proposal (homeownership term sheet);

(g) Rehabilitation or new construction of community facilities primarily intended to facilitate the delivery of community and supportive services for residents of the targeted development and residents of off-site replacement housing, in accordance with sections I(C) and III(C). Describe the type and amount of such space and how the facilities will be used in CSS program delivery or other activities;

(h) Zoning, land acquisition, and infrastructure and site improvements. Note that HOPE VI grant funds may not be used to pay hard development costs or to buy equipment for retail or commercial facilities;

(3) Hazard Reduction. Review sections I(C), III(C), and IV(E) of the NOFA. For units to be rehabilitated or demolished, describe the extent of any required abatement of environmentally hazardous materials such as asbestos.

(4) Demolition. Review sections I(C) and III(C) of the NOFA. Describe your plans for demolition, including the buildings (dwelling and non-dwelling units) proposed to be demolished, the purpose of the demolition, and the use of the site after demolition. If the proposed demolition was previously approved as a section 18 demolition application, state the date the section 18 demolition application was submitted to HUD and the date it was approved by HUD. Indicate whether you plan to implement the concept of Deconstruction, as described in section III(C) of the NOFA.

(5) Disposition. Review sections I(C) and III(C) of the NOFA. Describe the extent of any planned disposition of any portion of the site. Cite the number of units or acreage to be disposed, the method of disposition (sale, lease, trade), and the status of any disposition application made to HUD.

(6) Site Improvements. Review sections I(C), III(C), and IV(E) of the NOFA. Describe any proposed on-site improvements, including infrastructure requirements, changes in streets, etc. Describe all public improvements needed to ensure the viability of the proposed project with a narrative description of the sources of funds

available to carry out such improvements.

(7) Site Conditions. Review sections I(C), III(C), and IV(E) of the NOFA. Describe the conditions of the site to be used for replacement housing. Listing all potential contamination or danger sources (e.g., smells, fire, heat, explosion, and noise) that might be hazardous or cause discomfort to residents, PHA personnel, or construction workers. List potential danger sources, including commercial and industrial facilities, brownfields and other sites with potentially contaminated soil, commercial airports, and military airfields. Note any facilities and/or activities within one mile of the proposed site.

(8) Separability. See Section III(C) of the NOFA. If applicable, address the separability of the revitalized building(s) within the targeted project. This is a threshold.

(9) Proximity. If applicable, describe how two contiguous projects meet the requirement of section III(C) of the NOFA, or how scattered sites meet the requirements of section III(C) of the NOFA.

b. Exhibit B. Capacity. Verify that you have included information relating to the following exhibits:

(1) PHAS, Maintenance, and SEMAP. Respond to the Rating Factors at V(A)(1)(g), V(A)(1)(h), and V(A)(1)(i) of the NOFA.

(2) Development Capacity of Developer. Respond to Rating Factor V(A)(1)(a).

(3) Development Capacity of Applicant. Respond to Rating Factor V(A)(1)(b).

(4) Capacity of Existing HOPE VI Revitalization grantees. Respond to Rating Factor V(A)(1)(c) of the NOFA. This rating factor applies only to PHAS with existing HOPE VI Revitalization grants from FYs 1993 to 2003. Expenditure information will be taken from Line of Credit Control System (LOCCS) as of the application deadline date.

(5) CSS Program Capacity. Respond to Rating Factor V(A)(1)(d) of the NOFA.

(6) Property Management Capacity. Respond to Rating Factor V(A)(1)(e) of the NOFA.

(7) PHA or MTW Plan. Respond to Rating Factor V(A)(1)(f) of the NOFA.

c. Exhibit C. Need. Verify that you have included information relating to the following:

(1) Need for Revitalization: Severe Physical Distress of the Public Housing Site. Respond to Rating Factor V(A)(2)(a) of the NOFA.

(2) Need for Revitalization: Impact of the Severely Distressed Site on the

Surrounding Neighborhood. Respond to Rating Factor V(A)(2)(b) of the NOFA.

(3) Need for HOPE VI Funding (Obligation of Capital Funds). Respond to Rating Factor V(A)(2)(c) of the NOFA.

(4) Previously Funded Sites. Respond to section III(C)(2) of the NOFA. This is a threshold requirement.

(5) Need for Affordable, Accessible Housing in the Community. Respond to Rating Factor V(A)(2)(d) of the NOFA.

(6) Need for Affordable Accessible Housing in the Nation. Respond to Rating Factor V(A)(2)(e) of the NOFA.

d. Exhibit D. Resident and Community Involvement. Verify that you have included information relating to the following. Discuss your communications about your development plan and HUD communications with residents, community members, and other interested parties. Include the resident training attachment. Review program requirements in section III and respond to Rating Factor V(A)(4).

e. Exhibit E. Community and Supportive Services. Respond to section V(A)(5). Verify that you have included information relating to the following: *Endowment Trust*. If you plan to place CSS funds in an Endowment Trust, review section III(C) and section V(A)(5), and state the dollar amount and percentage of the entire grant that you plan to place in the Trust.

f. Exhibit F. Relocation. Verify that you have included information relating to the following:

(1) *Housing Choice Voucher (HCV) Needs*. Review section III(C) and V(A)(6) of the NOFA. State the number of HCVs that will be required for relocation if this HOPE VI application is approved, both in total and the number needed for FY 2007. Indicate the number of units and the bedroom breakout. Applicants must prepare their HCV assistance applications for the targeted project in accordance with the requirements of Notice PIH 2007-10 (and any reinstatement of or successor to that Notice) and submit it in its entirety with the HOPE VI Revitalization Application (not just form HUD 52515). This application should be placed at the back of the application with the other Standard Forms and Certifications. HUD will process the HCV assistance applications for funded HOPE VI applicants.

(2) *Relocation Plan*. Review sections III(C)(2) and III(C)(3) of the NOFA and respond to Rating Factor V(A)(6). For additional guidance, refer to Handbook 1378 and form HUD-52774.

g. Exhibit G. Fair Housing and Equal Opportunity. Verify that you have

included information relating to the following:

(1) Accessibility. Respond to Rating Factor V(A)(7)(a)(1).

(2) Universal Design. Respond to Rating Factor V(A)(7)(a)(2).

(3) Fair Housing. Respond to Rating Factor V(A)(7)(b).

(4) Section 3. Respond to Rating Factor V(A)(7)(c).

h. Exhibit H. Verify that you have included information relating to the following:

(1) Unit Mix and Need for Affordable Housing. Respond to Rating Factor V(A)(8)(a);

(2) Off-Site Housing. Respond to Rating Factor V(A)(8)(b); and

(3) Homeownership Housing. Respond to Rating Factor V(A)(8)(c).

i. Exhibit I. Verify that you have included information relating to the following:

(1) Appropriateness of Proposal. Respond to the threshold requirement in section III(C)(2).

(2) Appropriateness and Feasibility of the Plan. Respond to Rating Factor V(A)(9)(b);

(3) Neighborhood Impact and Sustainability of the Plan. Respond to Rating Factor V(A)(9)(c);

(4) Project Readiness. Respond to Rating Factor V(A)(9)(d) by completing the certification form provided;

(5) Program Schedule. Respond to Rating Factor V(A)(9)(e);

(6) Design. Describe the features of your proposed design and respond to Rating Factor V(A)(9)(f);

(7) Energy Star. Respond to Rating Factor V(A)(9)(g); and

(8) Evaluation. Respond to Rating Factor V(A)(9)(h).

j. Attachments 1 through 7. These attachments are required in all applications. For instruction on how to fill out Attachments 1 through 7, see Appendix 1, Instructions for the HOPE VI Application Data Forms.

k. Attachment 8. This attachment is required in all applications. In addition to the instructions included in the HOPE VI Budget form, general guidance on *preparing* a HOPE VI budget can be found on the Grant Administration page of the HOPE VI Web site, <http://www.hud.gov/offices/pih/programs/ph/hope6/>.

l. Attachment 9. Form HUD-52799, "TDC/Grant Limitations Worksheet." This attachment is required in all applications. The Excel workbook will assist you in determining your TDC limits required in section IV.E.

m. Attachment 10. Extraordinary Site Costs Certification. This attachment is applicable only if you request funds to pay for extraordinary site costs, outside the TDC limits. See section IV.E.

n. Attachment 11. City Map. This attachment is required in all applications. Review section III(C). Provide a to-scale city map that clearly identifies the following in the context of existing city streets, the central business district, other key city sites, and census tracts:

(1) the existing development;

(2) replacement neighborhoods, if available;

(3) off-site properties to be acquired, if any;

(4) the location of the federally designated Empowerment Zone or Enterprise Community (if applicable); and

(5) other useful information to place the project in the context of the city, county/parish, or municipality, and other revitalization activity underway or planned.

If you request funds for more than one project or for scattered site housing, the map must clearly show that the application meets the NOFA's site and unit requirements. If you have received a waiver from the electronic submission requirement, this map may be submitted on 8½" by 14" paper.

o. Attachment 12. Assurances for a HOPE VI Application: for Developer, HOPE VI Revitalization Resident Training and Public Meeting Certification, and Relocation Plan (whether relocation is completed or is yet to be completed). Please complete this assurance document. Do not sign; a signature is not required.

p. Attachment 13. Program Schedule. Review Rating Factor V.A.9.e.

q. Attachment 14. Certification of Severe Physical Distress. This attachment is required in all applications. In accordance with sections I(C) and III(C)(2) and (3), an engineer or architect must complete Attachment 14. No backup documentation is required for this certification.

r. Attachment 15. Photographs of the Severely Distressed Housing. This attachment is required in all applications. Review Rating Factor V(A)(2)(a). Submit photographs of the targeted severely distressed public housing that illustrate the extent of physical distress.

s. Attachment 16. Neighborhood Conditions. This attachment is required in all applications. Submit documentation described in Rating Factor V(A)(2)(b). Documentation may include crime statistics, photographs or renderings, socio-economic data, trends in property values, evidence of property deterioration and abandonment, evidence of underutilization of surrounding properties, and other

indications of neighborhood distress and/or disinvestment.

t. Attachment 17. Preliminary Market Assessment Letter, if relevant. This is applicable if you include market rate housing in your application, in accordance with section V.9., Soundness of Approach.

u. Attachment 18. Documentation of Site Control for Off-Site Public Housing. This is applicable if your plan includes off-site housing or other development. If applicable, provide evidence of site control for rental replacement units or land, in accordance with section III(C)(2). See section IV(B) for documentation requirements. You must include a cover sheet with your documented evidence of site control in the Attachments section. This cover sheet must provide a table that matches the off-site parcels proposed in your application for housing development to the corresponding documented evidence of site control for those parcels. Specifically, this table should provide in one column the name of each parcel, as identified in your application. A second column should contain the name of the documented evidence corresponding to each parcel. A third column should provide the location of the documented evidence in the attachment (page number, etc.) and any other necessary detail about the evidence. If more than one unit will be built on a parcel, this must also be identified in the table. The purpose of this table is to aid reviewers' ability to determine whether your application complies with this threshold.

Accordingly, applicants should provide site control information as clearly and consistently as possible.

v. Attachments 19 through 22. HOPE VI Revitalization Leverage Resources, form HUD-52797. These attachments are included in form HUD-52797, "HOPE VI Revitalization Leverage Resources" and are required in all applications.

(1) Physical Development Resources. In accordance with Rating Factor V(A)(3)(b), complete Attachment 19, as provided in the application, by entering the dollar value of each resource that will be used for physical development. For each resource entered, you must submit backup documentation in Attachment 19. See section III.C, "Program Requirements" and "Program Requirements that Apply to Match and Leverage" for resource and documentation requirements.

(2) CSS Resources. In accordance with Rating Factor V(A)(3)(c), complete this Attachment 20, as provided in the application, by entering the dollar value of all resources that will be used for CSS

activities. For each resource entered, submit backup documentation in Attachment 20. See section III.C, "Program Requirements" and "Program Requirements that Apply to Match and Leverage" for resource and documentation requirements.

(3) Anticipatory Resources. Complete Attachment 21, as provided in the Application, by entering the dollar value of all anticipatory resources as described in Rating Factor V(A)(3)(d). For each resource entered, submit backup documentation in Attachment 21. See section III.C, "Program Requirements" and "Program Requirements that Apply to Match and Leverage" for resource and documentation requirements.

(4) Collateral Resources. Complete Attachment 22, as provided in the Application, by entering the dollar value of all collateral resources as described in Rating Factor V(A)(3)(e). For each resource entered, submit backup documentation behind Attachment 22. See section III.C, "Program Requirements" and "Program Requirements that Apply to Match and Leverage" for resource and documentation requirements.

w. Attachment 23. Documentation of Environmental, and Neighborhood Standards. This is applicable if your plan includes off-site housing or other off-site development. Provide a certification that the site(s) acquired for off-site *public* housing meet environmental and site and neighborhood standards, as provided in section V(A)(8)(b)(2). This certification may be in the form of a letter.

x. Attachment 24. Land Use Certification or Documentation. Complete this certification in accordance with the land use threshold in section III(C)(2). This attachment may be a certification or copies of the actual land use documentation. The certification may be in the form of a letter.

y. Attachment 25. Evaluation Commitment Letter(s). This attachment is required in all applications. Review section V(A)(9)(h) and provide the requested commitment letter(s) that addresses the indicated evaluation areas.

z. Attachment 26. Current Site Plan. This attachment is required in all applications. The Site Plan shows the targeted public housing site's various buildings and identifies which buildings are to be rehabilitated, demolished, or disposed of. Demolished buildings should be shown and labeled as such.

aa. Attachment 27. Photographs of Architecture in the Surrounding

Community. This attachment is required in all applications. Provide photographs to demonstrate that your plan conforms to the Design requirements of section III.C.3. and Rating Factor V(A)(9)(f).

bb. Attachment 28. Conceptual Site Plan. This attachment is required in all applications. The Conceptual Site Plan indicates where your plan's proposed construction *and* rehabilitation activities will take place and any planned acquisition of adjacent property and/or buildings. Review the design requirements of section III.C.3. and Rating Factor V(A)(9)(f).

cc. Attachment 29. Conceptual Building Elevations. This attachment is required in all applications. Review the design requirements of section III.C.3. and Rating Factor V(A)(9)(f). Include building elevation drawings for the various types of your proposed housing.

dd. Attachment 30. HOPE VI Revitalization Application Certifications. This attachment is required in all applications. This form is contained in the electronic application at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp). Note that these certifications (four page document) must be signed by the chairman of the board of the PHA, NOT the executive director.

ee. Attachment 31. HOPE VI Revitalization Project Readiness Certification, form HUD-52787. This attachment is required in all applications. Complete Attachment 31 by indicating which of the items in Rating Factor V(A)(9)(d) of the NOFA have been completed.

ff. Attachment 32. Capital Fund Financing Program Threshold: Legal Counsel Opinion and Executive Director Certification, if applicable. Review the CFFP threshold requirement in section III.C. and provide an opinion from your legal counsel and certification from the executive director, if applicable.

gg. Attachment 33. Standard Forms and Certifications.

(a) Application for Federal Assistance (SF-424). **Note:** Applicants must enter their legal name in box 8.a. of the SF-424 as it appears in the Central Contractor Register (CCR). See the General Section regarding CCR registration. This form will be placed at the front of your application;

(b) Acknowledgment of Application Receipt (form HUD-2993), which is applicable ONLY if the applicant obtains a waiver from the electronic submission requirement; this will be placed at the front of your application;

(c) Disclosure of Lobbying Activities (SF-LLL), if applicable;

(d) Applicant/Recipient Disclosure/Update Report (form HUD-2880) ("HUD

Applicant Recipient Disclosure Report" on Grants.gov);

(e) Program Outcome Logic Model (form HUD-96010);

(f) America's Affordable Communities Initiative (form HUD-27300) and supporting documentation;

(g) If applicable, Funding Application for Housing Choice Voucher Assistance prepared in accordance with Notice PIH 2007-10 (and any reinstatement of or successor to that Notice), including Section 8 Tenant-Based Assistance Rental Certificate Program, Rental Voucher Program, and form HUD-52515. It is applicable only if you are requesting HCVs that are related to your proposed plan. In preparing the request for vouchers, applicants must follow PIH Notice 2007-10 and any successor notices;

(h) Form HUD-96011, "Third Party Documentation Facsimile Transmittal" ("Facsimile Transmittal Form" on Grants.gov), if applicable.

### C. Submission Dates and Times

1. Applications submitted through Grants.gov must be received and validated by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Because there are several steps in the upload and receipt process, applicants are advised to submit their applications at least 48 to 72 hours in advance of the deadline date and when the Grants.gov help desk is open, so that any issues can be addressed prior to the deadline date and time. HUD recommends uploading your application using Internet Explorer or Netscape.

2. See the General Section for detailed information regarding the following topics:

a. Confirmation of Submission to Grants.gov.

b. Application Submission Validation Check.

c. Application Validation and Rejection Notification.

d. Late applications.

### D. Intergovernmental Review/State Points of Contact (SPOC)

Executive Order 12372, "Intergovernmental Review of Federal Programs," was issued to foster intergovernmental partnership and strengthen federalism by relying on state and local processes for the coordination and review of federal financial assistance and direct federal development. HUD's implementing regulations are published at 24 CFR part 52. The executive order allows each state to designate an entity to perform a state review function. Applicants can find the official listing of State Points of



Contact (SPOCs) for this review process at <http://www.whitehouse.gov/omb/grants/spoc.html>. States not listed at that web address have chosen not to participate in the intergovernmental review process and, therefore, do not have a SPOC. If your state has a SPOC, you should contact the SPOC to see if it is interested in reviewing your application before submission to HUD.

Please make sure that you allow ample time for SPOC review when developing and submitting your applications. If your state does not have a SPOC, you can submit your application directly to HUD using [Grants.gov](http://Grants.gov).

### E. Funding Restrictions

#### 1. Statutory Time Limits

a. **Required Obligation Date.** Funds appropriated for the HOPE VI program for FY 2007 must be obligated on or before September 30, 2008. Any funds that are not obligated by that date will be recaptured by the Treasury, and thereafter will not be available for obligation for any purpose.

b. **Required Expenditure Date.** In accordance with 31 U.S.C. 1552, all FY 2007 HOPE VI funds must be expended by September 30, 2013. Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or expenditure for any purpose.

#### 2. Ineligible Activities

a. You may not use HOPE VI Revitalization grant funds to pay for any revitalization activities carried out on or before the date of the letter announcing the award of the HOPE VI Grant.

b. **Market-Rate Units.** HOPE VI funds may not be used to develop market-rate units or affordable housing units that do not qualify as public housing or homeownership replacement units.

c. **Retail or Commercial Development.** HOPE VI funds may not be used for hard construction costs related to, or for the purchase of equipment for, retail, commercial, or non-public housing office facilities.

#### 3. Total Development Cost (TDC)

a. The "TDC Limit" (24 CFR 941.306, Notice PIH 2007-19 (HA), or extending Notice) refers to the maximum amount of HUD funding that HUD will approve for development of specific public housing and other eligible replacement housing units to be developed under a HOPE VI Revitalization grant and/or under an Annual Contributions Contract for public housing development and modernization of public housing under

the Capital Fund. The TDC limit applies only to the costs of development of public housing that are paid directly with HUD public housing funds, including HOPE VI funds; a PHA may exceed the TDC limit using non-public housing funds such as CDBG, HOME, low-income housing tax credit equity, etc.

b. The HUD TDC Cost Tables are issued for each calendar year for the building type and bedroom distribution for the public housing replacement units. When making your TDC calculations, use the TDC limits in effect at the time this HOPE VI NOFA is published. TDC definitions and limits in the final rule are summarized as follows:

(1) The total cost of development, which includes relocation costs, is limited to the sum of:

(a) Up to 100 percent of HUD's published TDC limits for the costs of demolition and new construction, multiplied by the number of HOPE VI public housing replacement units; and

(b) Ninety percent of the TDC limits, multiplied by the number of public housing units after substantial rehabilitation and reconfiguration.

(2) The TDC limit for a project is made up of the following components:

(a) **Housing Cost Cap (HCC):** HUD's published limit on the use of public housing funds for the cost of constructing the public housing units, which includes unit hard costs, builder's overhead and profit, utilities from the street, finish landscaping, and a hard cost contingency. Estimates should take into consideration the Davis-Bacon minimum wage rate and other requirements as described in "Labor Standards," section III.C. of this NOFA. You may not request HOPE VI Revitalization grant funds for units currently under construction.

(b) **Community Renewal (CR):** The balance of funds remaining within the project's TDC limit after the housing construction costs described in (a) above are subtracted from the TDC limit. This is the amount of public housing funds available to pay for PHA administration, planning, infrastructure and other site improvements, community and economic development facilities, acquisition, relocation, demolition, and remediation of units to be replaced on-site, and all other development costs.

(3) **CSS.** You may request an amount not to exceed 15 percent of the total HOPE VI grant to pay the costs of CSS activities, as described in section III.C. of this NOFA. These costs are in addition to, i.e., excluded from, the TDC calculation above.

(4) **Demolition and Site Remediation Costs of Unreplaced On-site Units.** You may request an amount necessary for demolition and site remediation costs of units that will not be replaced on-site. This cost is in addition to (i.e., excluded from) the TDC calculation above.

(5) **Extraordinary Site Costs.**

(a) You may request a reasonable amount to pay extraordinary site costs, which are construction costs related to unusual pre-existing site conditions that are incurred, or anticipated to be incurred. If such costs are significantly greater than those typically required for similar construction, are verified by an independent, certified engineer or architect (see section IV.B. for documentation requirements), and are approved by HUD, they may be excluded from the TDC calculation above. Extraordinary site costs may be incurred in the remediation and demolition of existing property, as well as in the development of new and rehabilitated units. Examples of such costs include, but are not limited to: Abatement of extraordinary environmental site hazards; removal or replacement of extensive underground utility systems; extensive rock and soil removal and replacement; removal of hazardous underground tanks; work to address unusual site conditions such as slopes, terraces, water catchments, lakes, etc.; and work to address flood plain and other environmental remediation issues. Costs to abate asbestos and lead-based paint from structures are normal demolition costs. Extraordinary measures to remove lead-based paint that has leached into the soil would constitute an extraordinary site cost.

(b) Extraordinary site costs must be justified and verified by a licensed engineer or architect who is not an employee of the PHA or the city. The engineer or architect must provide his or her license number and state of registration. If this certification is not included in the application after the cure period described in section IV.B.4. of the General Section, extraordinary site costs will not be allowed in the award amount. In that case, the amount of the extraordinary site costs included in the application will be subtracted from the grant amount.

#### 4. Cost Control Standards

See the Cost Control Standards in Section III.C.3.u.

#### 5. Withdrawal of Grant Amounts

In accordance with section 24(i) of the 1937 Act, if a grantee does not proceed within a reasonable timeframe, as described in section III.C.3.w.

(Timeliness of Development Activities) of this NOFA, HUD shall withdraw any unobligated grant amounts. HUD shall redistribute any withdrawn amounts to one or more other applicants eligible for HOPE VI assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the Revitalization plan of the original grantee.

#### F. Other Submission Requirements

1. Waiver of Electronic Submission Requirement. Applicants interested in applying for funding under this NOFA must submit their applications electronically or request a waiver from the electronic submission process. Waiver requests must be submitted in writing and sent via fax (followed in the mail by the original signed request). Waiver requests must be submitted (received via fax) no later than 15 days prior to the application deadline date and should be addressed to Ms. Dominique Blom, Deputy Assistant Secretary for Public Housing Investments, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4130, Washington, DC 20410, and faxed to the attention of Ms. Leigh van Rij at (202) 401-2370. The original version of the request must follow in the mail, sent to the above address. If you are granted a waiver from the electronic submission process, your application must be received by HUD no later than 11:59:59 p.m. eastern time on the application deadline date. See the General Section for additional information.

If you are granted a waiver from the electronic application submission requirement, your waiver approval will provide the information on the number of copies of the application you are required to submit and where to submit the application. Paper applications must be received in the designated HUD office by the application deadline date.

2. Proof of Timely Submission. All applicants must submit their applications via grants.gov [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp) in time for receipt and validation by 11:59:59 p.m. eastern time on the application deadline date. Because validation can take up to 72 hours, applicants should submit with ample time for the process to be completed. Applicants are also advised to submit with sufficient time to correct any deficiencies that would prevent the acceptance of their application by Grants.gov. (Refer to the General Section for specific procedures regarding proof of timely submission of applications.)

### V. Application Review Information

#### A. Criteria

##### 1. Rating Factor: Capacity—23 Points Total

##### a. Capacity of the Development Team—5 Points

Address this Rating Factor through your narrative. This rating factor looks at the capacity of the development team as a whole. The term “your Team” includes PHA staff who will be involved in HOPE VI grant administration, and any alternative management entity that will manage the revitalization process and be responsible for meeting construction time tables and obligating amounts in a timely manner. This includes any developer partners, program managers, property managers, subcontractors, consultants, attorneys, financial consultants, and other entities or individuals identified and proposed to carry out program activities.

(1) You will receive up to 5 points if your application demonstrates that:

(a) Your developer or other team members have extensive, recent (within the last 5 years), and successful experience in the redevelopment of public housing, including planning, implementing, and managing physical development, financing, leveraging, and partnership activities;

(b) Your developer or other team members have extensive, recent (within the last five years), and successful experience in mixed-finance and mixed-income development, including planning, implementing, and managing physical development, financing, leveraging, and partnership activities;

(c) You propose development using low-income tax credits, and your developer or other team members have relevant tax credit experience; and

(d) If homeownership, rent-to-own, cooperative ownership, or other major development components are proposed, your developer or other team member has relevant, successful experience in development, sales, or conversion activities.

(2) You will receive up to 3 points if your developer or other team members have some but not extensive experience in the factors described above.

(3) You will receive zero points if your developer or other team members do not have the experience described above and the application does not demonstrate that it has the capacity to carry out your Revitalization plan. You will also receive zero points if your application does not address this factor to an extent that makes HUD’s rating of this factor possible.

##### b. Development Capacity of Applicant—5 Points

Address this Rating Factor through your narrative. This rating factor looks at the development capacity of ONLY the applicant (not other members of the development team).

(1) You will receive up to 5 points if your application demonstrates that:

(a) Separate from your team, you have extensive, recent (within the last 5 years), and successful experience in the redevelopment of public housing, including planning, implementing, and managing physical development, financing, leveraging, and partnership activities;

(b) Separate from your team, you have extensive, recent (within the last 5 years), and successful experience in mixed-finance and mixed-income development, including planning, implementing, and managing physical development, financing, leveraging, and partnership activities;

(c) As relevant, you have identified potential gaps in your current staffing in relation to development activities, and you have plans to fill such gaps, internally or externally, in a timely manner in order to implement successfully your Revitalization plan;

(d) You have demonstrated that physical development activities will proceed as promptly as possible following grant award, and you will be able to begin significant construction within 18 months of the award of the grant. Applicants must provide a program schedule, developed in accordance with the timeframes in section III.C. (Timeliness of Development) and V.A.9.e., in order to demonstrate this criterion.

(1) You will receive up to 3 points if you have some but not extensive experience in the factors described above.

(2) You will receive zero points if you do not have the experience described and the application does not demonstrate that it has the capacity to carry out your Revitalization plan. You will also receive zero points if your application does not address this factor to an extent that makes HUD’s rating of this factor possible.

##### c. Capacity of Existing HOPE VI Revitalization Grantees

HUD will use data from the Quarterly Reports to evaluate this Rating Factor.

(1) This section applies only to applicants that have received HOPE VI Revitalization grants for FYs 1993 to 2003. If an applicant has more than one HOPE VI Revitalization grant, each will be rated separately, not averaged, and

the highest deduction will be made. Applicants with HOPE VI Revitalization grants only from FY 2004, 2005 or FY 2006, or no existing HOPE VI Revitalization grants are not subject to this section.

(2) As indicated in the following tables, up to 5 points will be deducted if a grantee has failed to achieve adequate progress in relation to expenditure of HOPE VI Revitalization grant funds. Expenditure data will be taken from LOCCS as of the application deadline date.

Percent of HOPE VI Revitalization grant funds Expended	Points deducted
<b>Grants Awarded in FY 1993–1999</b>	
Less than 100 Percent .....	5 Points
<b>Grants Awarded in FY2000</b>	
90–100 Percent .....	0 Points.
80–89 Percent .....	1 Point.
75–79 Percent .....	2 Points.
70–74 Percent .....	3 Points.
65–69 Percent .....	4 Points.
Less than 65 Percent .....	5 Points.
<b>Grants Awarded in FY2001</b>	
80–100 Percent .....	0 Points.
70–79 Percent .....	1 Point.
60–69 Percent .....	2 Points.
50–59 Percent .....	3 Points.
40–49 Percent .....	4 Points.
Less than 40 Percent .....	5 Points.
<b>Grants Awarded in FY2002</b>	
60–100 Percent .....	0 Points.
50–59 Percent .....	1 Point.
40–49 Percent .....	2 Points.
30–39 Percent .....	3 Points.
20–29 Percent .....	4 Points.
Less than 20 Percent .....	5 Points.
<b>Grants Awarded in FY2003</b>	
25–100 Percent .....	0 Points.
20–24 Percent .....	1 Point.
15–19 Percent .....	2 Points.
10–14 Percent .....	3 Points.
5–9 Percent .....	4 Points.
Less than 5 Percent .....	5 Points.

d. CSS Program Capacity—3 Points

See sections I. and III. of this NOFA for detailed information on CSS activities. Address this Rating Factor through your narrative.

(1) You will receive 2 points if your application demonstrates one of the following. If you fail to demonstrate one of the following, you will receive zero points:

(a) If you propose to carry out your CSS plan in-house and you have recent, quantifiable, successful experience in planning, implementing, and managing

the types of CSS activities proposed in your application, or

(b) If you propose that a member(s) of your team will carry out your CSS plan; that this procured team member(s) has the qualifications and demonstrated experience to plan, implement, manage, and coordinate the types of activities proposed; and that you have the capacity to manage that team member, including a plan for promptly hiring staff or procuring this team member.

(2) You will receive 1 point if your application demonstrates that:

(a) You have an existing HOPE VI grant and your current CSS team will be adequate to implement a new program, including new or changing programs, without weakening your existing team.

(b) You do not have an existing HOPE VI Revitalization grant and you demonstrate how your proposed CSS team will be adequate to implement a new program, including new or changing services, without weakening your existing staffing structure.

e. Property Management Capacity—3 Points

Address this Rating Factor through your narrative.

(1) Property management activities may be the responsibility of the PHA or another member of the team, which may include a separate entity that you have procured or will procure to carry out property management activities. In your application you will describe the number of units and the condition of the units currently managed by you or your property manager, your annual budget for those activities, and any awards or recognition that you or your property manager have received.

(2) Past Property Management Experience—2 Points.

(a) You will receive 2 points if your application demonstrates that you or your property manager currently have extensive knowledge and recent (within the last 5 years), successful experience in property management of the housing types included in your revitalization plan. This may include market-rate rental housing, public housing, and other affordable housing, including rental units developed with low-income housing tax credit assistance. If your Revitalization plan includes cooperatively owned housing, rent-to-own units, or other types of managed housing, in order to receive the points for this factor, you must demonstrate recent, successful experience in the management of such housing by the relevant member(s) of your team.

(b) You will receive one point if your application demonstrates that you or your property manager has some but not

extensive experience of the kind required for your Revitalization plan.

(c) You will receive zero points if your application does not demonstrate that you or your property manager have the experience to manage your proposed plan, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(3) Property Management Plan—1 Point.

(a) You will receive one point if your application describes how you or your property manager will administer the following elements of a property management plan:

- (i) Property maintenance
- (ii) Rent collection
- (iii) Public and Indian Housing Information Center (PIC) 50058 reporting
- (iv) Site-based management experience
- (v) Tenant grievances
- (vi) Evictions
- (vii) Occupancy rate
- (viii) Unit turnaround
- (ix) Preventive maintenance
- (x) Work order completion
- (xi) Project-based budgeting
- (xii) Management of homeownership

and rent-to-own programs

- (xiii) Energy Audits
- (xiv) Utility/Energy Incentives

(b) You will receive zero points if your application does not describe how you or your property manager will administer all the elements of a property management plan as listed above, or if there is not sufficient information provided to evaluate this factor.

f. PHA or MTW Plan—1 Point

(1) You will receive one point if your application demonstrates that you have incorporated the revitalization plan described in your application into your most recent PHA plan or MTW Annual plan (whether approved by HUD or pending approval). In order to qualify as "incorporated" under this factor, your PHA or MTW plan must indicate the intent to pursue a HOPE VI Revitalization grant and the public housing development for which it is targeted.

(2) You will receive zero points if you have not incorporated the revitalization plan described in your application into your PHA or MTW plan, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

g. Public Housing Assessment System (PHAS)—2 Points

(1) If you have been rated as an Overall High Performer for your most

recent PHAS review as of the application deadline date, you will receive 2 points.

(2) If you have been rated as an Overall Standard Performer for your most recent PHAS review as of the application deadline date, you will receive one point.

(3) If you have been rated as a Troubled Performer that is either Troubled in One Area or Overall Troubled as of the application deadline date, you will receive zero points.

(4) For this rating factor, MTW PHA applicants will be rated on their compliance with their MTW Agreements.

(a) If you are in compliance with your MTW Agreement, you will receive 2 points.

(b) If you are not in compliance with your MTW Agreement, you will receive zero points.

#### h. Regular Maintenance—2 Points

(1) Through PHAS, HUD measures the prevalence of items that need to be fixed (defects) in PHAs' public housing developments. PHAs receive a report entitled "Comparison of the Top 20 Observed Defects (Projected)." HUD conducts analyses related to this report. In these analyses, HUD separates the regular maintenance projected defects from the total projected defects (other categories of defects include capital and life threatening/exigent health and safety), applies them across all units in the PHA's inventory and develops a rate of defects per unit. HUD will compare the PHA's most recent PHAS-projected number of regular maintenance defects per unit to the previous projected number of regular maintenance defects per unit.

(a) You will receive 2 points if your projected number of regular maintenance defects per unit has improved.

(b) You will receive zero points if your projected number of regular maintenance defects per unit have not improved.

(2) MTW PHA. For this rating factor, MTW PHA applicants will be rated on their compliance with their MTW Agreements.

(a) If you are in compliance with your MTW Agreement, you will receive 2 points.

(b) If you are not in compliance with your MTW Agreement, you will receive zero points.

#### i. Section 8 Management Assessment Program (SEMAP)—2 Points

(1) If you have been rated as a High Performer for your most recent SEMAP

rating as of the application deadline date, you will receive 2 points.

(2) If you have been rated as Standard for your most recent SEMAP rating as of the application deadline date, you will receive one point.

(3) If you have been rated as Troubled for your most recent SEMAP rating as of the application deadline date, you will receive zero points.

(4) For this rating factor, MTW PHA applicants will be rated on their compliance with their MTW Agreements.

(a) If you are in compliance with your MTW Agreement, you will receive 2 points.

(b) If you are not in compliance with your MTW Agreement, you will receive zero points.

#### 2. Rating Factor: Need—20 Points Total

##### a. Severe Physical Distress of the Public Housing Development—6 Points

(1) HUD will evaluate the extent of the severe physical distress of the targeted public housing development. If the targeted units have already been demolished, HUD will evaluate your description of the extent of the severe physical distress of the site as of the day the demolition application was approved by HUD. You will receive points for the following separate subfactors, as indicated.

(a) You will receive up to 2 points if your application demonstrates that there are major deficiencies in the project's infrastructure, including roofs, electrical, plumbing, heating and cooling, mechanical systems, settlement, and other deficiencies in Housing Quality Standards.

(b) You will receive up to 2 points if your application demonstrates that there are major deficiencies in the project site, including poor soil conditions, inadequate drainage, deteriorated laterals and sewers, and inappropriate topography.

(c) You will receive up to 2 points if your application demonstrates that there are major design deficiencies, including inappropriately high population density, room, and unit size and configurations; isolation; indefensible space; significant utility expenses caused by energy conservation deficiencies that may be documented by an energy audit; and inaccessibility for persons with disabilities with regard to individual units (less than 5 percent of the units are accessible), entranceways, and common areas.

##### b. Severe Distress of the Surrounding Neighborhood—3 Points

(1) HUD recognizes that public housing developments that meet the

criteria of severe distress (as defined in the Definitions section) have a negative impact on their surrounding neighborhood. HUD will evaluate the extent of the distress existing in the surrounding neighborhood, as of the NOFA publication date, in order to identify those public housing development neighborhoods in greatest need. HUD will evaluate this by looking at physical decline of, and disinvestment by, public and private entities in the surrounding neighborhood; crime statistics; poverty levels; socio-economic data; trends in property values; evidence of property deterioration and abandonment; evidence of underutilization of surrounding properties; indications of neighborhood disinvestment; and photographs of the surrounding neighborhood. This information must be provided by the applicant in their narrative and attachments.

(2) You will receive 3 points if your application demonstrates that the surrounding neighborhood has a severe level of distress, based on the items above. Every item above must be addressed in order to earn full points.

(3) You will receive 2 points if your application demonstrates the surrounding neighborhood has a moderate level of distress, based on the items above.

(4) You will receive zero points if your application does not demonstrate that the surrounding neighborhood is distressed, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

##### c. Need for HOPE VI Funding—3 Points

(1) HUD will evaluate the extent to which you could undertake the proposed revitalization activities without a HOPE VI grant. Large amounts of available FY 2002 to 2006 Capital Funds (but not Replacement Housing Factor funds (RHF)) for purposes of this NOFA indicate that the revitalization could be carried out without a HOPE VI grant. Available Capital Funds are defined as non-obligated funds that have not been earmarked for other purposes in your PHA Plan. Funds earmarked in the PHA Plan for uses other than the revitalization proposed in this application will not be considered as available. Based on the above definition, to determine the amount of available FY 2002 to 2006 Capital Funds, applicants must indicate in their application the amount in the narrative of their application. See section IV.B. of this NOFA for documentation requirements.

(2) You will receive 3 points if your available Capital Funds balance is up to 20 percent of the amount of HOPE VI funds requested.

(3) You will receive 2 points if your available balance is 21 to 45 percent of the amount of HOPE VI funds requested.

(4) You will receive 1 point if your available balance is 46 to 80 percent of the amount of HOPE VI funds requested.

(5) You will receive zero points if your available balance is more than 80 percent of the amount of HOPE VI funds requested.

d. Need for Affordable Accessible Housing in the Community—3 Points

(1) Your application must demonstrate the need for other housing available and affordable to families receiving tenant-based assistance under Section 8 (HCV), as described below and must be the most recent information available at the time of the application deadline.

(2) For purposes of this factor, the need for affordable housing in the community will be measured by HCV program utilization rates or public housing occupancy rates, whichever of the two reflects the most need. In figuring the HCV utilization rate, determine and provide the percentage of HCV units out of the total number authorized or the percentage of HCV funds expended out of the total amount authorized, whichever percentage is higher. In figuring the public housing occupancy rate, provide the percentage of units occupied out of the total in your federal public housing inventory, excluding the targeted public housing site. You should base your calculation only on the federal public housing units you manage. You may not exclude units in your public housing inventory that are being reserved for relocation needs related to other HOPE VI Revitalization grant(s); or units in your public housing inventory that are being held vacant for uses related to a section 504 voluntary compliance agreement. If you are a non-MTW site, you must use information consistent with the Section Eight Management Assessment Program (SEMAP) and/or the Public Housing Assessment System (PHAS) submissions. If you are an MTW site, and do not report into SEMAP and/or PHAS, you must demonstrate your utilization and/or occupancy rate using similar methods and information sources in order to earn points under this rating factor.

(3) You will receive 3 points if your application demonstrates that the higher of:

(a) The utilization rate of your HCV program is 97 percent or higher; or

(b) The occupancy rate of your public housing inventory is 97 percent or higher.

(c) HUD will use the higher of the two rates to determine your score.

(4) You will receive 2 points if your application demonstrates that the higher of:

(a) The utilization rate of your HCV program is between 95 and 96 percent; or,

(b) The occupancy rate of your public housing inventory is between 95 and 96 percent.

(c) HUD will use the higher of the two rates to determine your score.

(5) You will receive one point if your application demonstrates that the higher of:

(a) The utilization rate of your HCV program is between 93 and 94 percent; or

(b) The occupancy rate of your public housing inventory is between 93 and 94 percent.

(c) HUD will use the higher of the two rates to determine your score.

(6) You will receive zero points if both the utilization rate of your Housing Choice Voucher program and the occupancy rate of your public housing inventory are less than 93 percent.

e. Need for Affordable Housing in the Nation—5 Points Total

(1) HUD will award 5 points to each application for which the targeted public housing development(s) is located in a Gulf Opportunity (GO) Zone (either Katrina only, Rita only, or Rita and Katrina). The applicant must demonstrate this in their narrative, as certified to via the SF-424. This information will be verified by HUD. For more information on GO Zones, see <http://www.hud.gov/offices/cpd/economicdevelopment/programs/rc/index.cfm>.

(2) If the targeted public housing development(s) is not located in a Gulf Opportunity Zone, the application will earn zero points for this rating factor.

3. Rating Factor: Leveraging—16 Points Total

a. Leverage

Although related to match, leverage is strictly a rating factor. Leverage consists of firm commitments of funds and other resources. HUD will rate your application based on the amount of funds and other resources that will be leveraged by the HOPE VI grant as a percentage of the amount of HOPE VI funds requested. There are four types of Leverage: Development and CSS, as described in the "Program Requirements" in section III.C.3. of this

NOFA; Anticipatory and Collateral, as described in this rating factor. Each resource may be used for only one leverage category. Any resource listed in more than one category will be disqualified from all categories. In determining Leverage ratios, HUD will include as Leverage the match amounts that are required by section III.C.2. of this NOFA. Applicants must follow the Program Requirements for Match and Leverage section of section III.C.3. of this NOFA when preparing their leverage documentation. If leverage sources and amounts are not documented in accordance with sections III.C.3., they will not be counted toward your leverage amounts.

b. Development Leveraging—7 Points

For each commitment document, HUD will evaluate the strength of commitment and add the amounts that are acceptably documented. HUD will then calculate the ratio of the amount of HUD funds requested to the amount of funds that HUD deems acceptably documented. HUD will round figures to two decimal points, using standard rounding rules. See section III.C.3, Program Requirements, and Program Requirements for Match and Leverage for resource and documentation requirements. These requirements MUST be followed in order to earn points under the leverage rating factor.

(1) You will receive 7 points if the ratio of the amount of HOPE VI funds requested for physical development activities (not including CSS, administration, or relocation) to the dollar value of documented, committed development resources from other sources is 1:3 or higher.

(2) You will receive 6 points if the ratio is between 1:2.50 and 1:2.99

(3) You will receive 5 points if the ratio is between 1:2.0 and 1:2.49.

(4) You will receive 4 Points if the ratio is between 1:1.50 and 1:1.99.

(5) You will receive 3 points if the ratio is between 1:1.0 and 1:1.49.

(6) You will receive 2 points if the ratio is between 1:0.50 and 1:0.99.

(7) You will receive one point if the ratio is between 1:0.25 and 1:0.49.

(8) You will receive zero points if the ratio is less than 1:0.25, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible. You will receive 0 Points if your application does not request HOPE VI funds for CSS purposes.

c. CSS Leveraging—5 Points

See section III.C.3., Program Requirements, Program Requirements for Match and Leverage for resource and

documentation requirements. These requirements MUST be followed in order to earn points under the leverage rating factor.

(1) You will receive 5 points if the ratio of the amount of HOPE VI funds requested for CSS activities to the dollar value of documented, committed CSS resources leveraged from other sources is 1:2 or higher.

(2) You will receive 4 points if the ratio is between 1:1.75 and 1:1.99.

(3) You will receive 3 points if the ratio is between 1:1.5 and 1:1.749.

(4) You will receive 2 points if the ratio is between 1:1.25 and 1:1.49.

(5) You will receive one point if the ratio is between 1:1 and 1:1.249.

(6) You will receive zero points if the ratio is less than 1:1, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible. You will receive zero points if your application does not request HOPE VI funds for CSS purposes.

#### d. Anticipatory Resources Leveraging—2 Points

Anticipatory Resources relate to activities that have taken place in the past and that were conducted in direct relation to a HOPE VI Revitalization grant. In many cases, PHAs, cities, or other entities may have carried out revitalization activities (including demolition) in previous years in anticipation of your receipt of a HOPE VI Revitalization grant. These expenditures, if documented, may be counted as leveraged anticipatory resources. They cannot duplicate any other type of resource and cannot be counted towards match. Public Housing funds other than HOPE VI Revitalization, e.g., HOPE VI Demolition grant funds, HOPE VI Neighborhood Networks grant funds, HOPE VI Main Street grant funds, and Capital Fund Program, may be included, and will be counted, toward your Anticipatory Resources rating below. For Anticipatory Resources ratios, "HOPE VI funds requested for physical development activities" is defined as your total requested amount of funds minus your requested CSS, administration amounts, and relocation. HUD will presume that your combined CSS, administration, and relocation amounts are the total of Budget Line Items 1408 (excluding non-CSS Management Improvements), 1410, and 1495 on the form HUD-52825-A, "HOPE VI Budget," that is included in your application. See section III.C.3, Program Requirements, Program Requirements for Match and Leverage for resource and documentation

requirements. These requirements MUST be followed as relevant in order to earn points under the leverage rating factor.

(1) You will receive 2 points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented anticipatory resources is 1:0.1 or higher.

(2) You will receive zero points if the ratio of the amount of HOPE VI funds requested for physical development activities to the amount of your documented anticipatory resources is less than 1:0.1.

#### e. Collateral Investment Leveraging—2 Points

Collateral investment includes physical redevelopment activities that are currently underway, or have yet to begin but are projected to be completed before October 1, 2010. The expected completion time must be addressed in your application. In order for a leverage source to be counted as collateral investment, your application must demonstrate that the related activities will directly enhance the new HOPE VI community, but will occur whether or not a Revitalization grant is awarded to you and the public housing project is revitalized. This includes economic or other kinds of development activities that would have occurred with or without the anticipation of HOPE VI funds. These resources cannot duplicate any other type of resource and cannot be counted as match. Examples of collateral investments include local schools, libraries, subways, light rail stations, improved roads, day care facilities, and medical facilities. See section III.C.3, Program Requirements, and Program Requirements for Match and Leverage for resource and documentation requirements. These requirements MUST be followed as relevant in order to earn points under the leverage rating factor.

(1) You will receive 2 points if the ratio of the amount of HOPE VI funds requested for physical development activities (not including CSS or administration) to the amount of your documented collateral resources is 1:1.0 or higher.

(2) You will receive zero points if the ratio of the amount of HOPE VI funds requested for physical development activities (not including CSS or administration) to the amount of your documented collateral resources is less than 1:1.0.

#### 4. Rating Factor: Resident and Community Involvement—3 Points Total

a. HUD will evaluate the nature, extent, and quality of the resident and community outreach and involvement you have achieved by the time your application is submitted, as well as your plans for continued and additional outreach and involvement beyond the minimum threshold requirements. See section III.C. of this NOFA for Resident and Community Involvement requirements.

#### b. Resident and Community Involvement—3 Points

You will receive one point for each of the following criteria met in your application, which are *over and above* the threshold requirements listed in section III.C. of this NOFA.

(1) Your application demonstrates that you have communicated regularly and significantly with affected residents, state and local governments, private service providers, financing entities, developers, and other members of the surrounding community about the development of your revitalization plan by giving residents and community members information about your actions regarding the revitalization plan and providing a forum where residents and community members can contribute recommendations and opinions with regard to the development and implementation of the revitalization plan.

(2) Your application demonstrates your efforts, past and proposed, to make appropriate HUD communications about HOPE VI available to affected residents and other interested parties, e.g., a copy of the NOFA, computer access to the HUD Web site, etc.

(3) Your application demonstrates your plans to provide affected residents with reasonable training on the general principles of development, technical assistance, and capacity building so that they may participate meaningfully in the development and implementation process.

#### 5. Rating Factor: Community and Supportive Services—12 Points Total

a. CSS Program Requirements. See section III.C.3. for CSS program requirements. In your application, you will describe your CSS plan, including any plans to implement a CSS Endowment Trust. Each of the following subfactors will be rated separately.

#### b. Case Management—2 points.

(1) You will receive 2 points if your application (including the Logic Model) demonstrates that you are already providing case management services to

the targeted residents by this proposal as of the application deadline;

(2) You will receive one point if your application (including the Logic Model) demonstrates that you will be able to provide case management within 30 days from the date of the grant award letter so that residents who will be relocated have time to participate and benefit from CSS activities before leaving the site.

(3) You will receive zero points if your application (including the Logic Model) does not demonstrate either of the above criteria, or if your application does not include sufficient information to be able to evaluate this factor.

#### c. Needs Assessment and Results—3 Points

(1) You will receive 3 points if your application (including the Logic Model) demonstrates that a comprehensive resident needs assessment has been completed as of the application deadline date and that this needs assessment is the basis for the CSS program proposed in the application. You must describe and quantify the results of the needs assessment.

(2) You will receive up to 2 points if your application (including the Logic Model) demonstrates that a resident needs assessment has been completed as of the application deadline date, but does not show that the needs assessment was comprehensive and clearly linked to the proposed CSS program, and/or does not describe and quantify the results of the needs assessment.

(3) You will receive zero points if your application (including the Logic Model) does not demonstrate any of the above criteria, or if your application does not include sufficient information to be able to evaluate this factor.

#### d. Transition to Housing Self-Sufficiency—5 Points

You will receive up to 5 points if you address the methods you will use to assist public housing residents in their efforts to transition to other affordable and market-rate housing, i.e., to gain "housing self-sufficiency." Please see section III(C)(3)(I) for information on transition to housing self-sufficiency.

(1) You will receive up to 5 points if your application (including the Logic Model) demonstrates that your CSS program includes and addresses all three of the below items. Your CSS Program:

(a) Provides measurable outcomes for this endeavor;

(b) Describes in detail how your other CSS and FSS activities relate to the

transition of public housing residents to housing self-sufficiency; and

(c) Specifically addresses the grassroots, community-based and faith-based organizations, etc. that will join you in the endeavor.

(2) You will receive up to 2 points if your application (including the Logic Model) demonstrates that your CSS program includes and addresses at least two of the above three items (a) through (c) above.

(3) You will receive zero points if your application (including the Logic Model) demonstrates that your CSS Program includes and addresses less than two of the above items in (a) through (c) above.

#### e. Quality and Results Orientation in CSS Program—2 Points

(1) You will receive 2 points if you have proposed in your application (including the Logic Model) a comprehensive, high quality, results-oriented CSS program that is based on a case management system and that provides services/programs to meet the needs of all residents groups (e.g., youth, adult, elderly, disabled) targeted by the application. These services/programs may be provided directly or by partners. They must be designed to assist residents affected by the revitalization in transforming their lives and becoming self-sufficient, as relevant.

(2) You will receive up to 1 point if you have proposed in your application (including the Logic Model) a CSS program that meets some but not all of the criteria in the paragraph above;

(1) You will receive zero points if your application (including the Logic Model) does not demonstrate any of the above criteria, or if your application does not include sufficient information to be able to evaluate this factor.

#### 6. Rating Factor: Relocation—5 Points Total

See sections III.C. of this NOFA for Relocation and Relocation Plan requirements. For all applicants, whether you have completed, or have yet to complete, relocation of all residents of the targeted project, your HOPE VI Relocation Plan must include the three goals set out in section 24 of the 1937 Act, as described in sections a.(1), a.(2), and a.(3) below.

a. You will receive up to 5 points for this Factor if you describe thoroughly how your Relocation Plan:

(1) Includes a description of specific activities that have minimized, or will minimize, permanent displacement of residents of the units that will be rehabilitated or demolished in the

targeted public housing site, provided that those residents wish to remain in or return to the revitalized community;

(2) Includes a description of specific activities that will give existing residents priority over other families for future occupancy of public housing units in completed HOPE VI Revitalization Development projects, or, for existing residents that can afford to live in non-public housing HOPE VI units, priority for future occupancy of those planned units; and

(3) Includes a description of specific CSS activities that will be provided to residents prior to any relocation;

b. You will receive up to 3 points for this Factor if your Relocation Plan complies with some but not all of the criteria above.

c. You will receive zero points for this Factor if: (1) Your Relocation Plan does not comply with any of the requirements above; or (2) Your application does not provide sufficient information to evaluate this rating factor.

#### 7. Rating Factor: Fair Housing and Equal Opportunity—6 Points Total

##### a. FHEO Disability Issues—3 Points Total

(1) Accessibility—2 Points.

(a) Over and above the accessibility requirements listed in section III.C.3. of this NOFA, you will receive 2 points if your application demonstrates that you have a *detailed* plan to:

(i) Provide accessibility in homeownership units (e.g., setting a goal of constructing a percentage of the homeownership units as accessible units for persons with mobility impairments; promising to work with prospective disabled buyers on modifications to be carried out at a buyer's request; exploring design alternatives that result in townhouses that are accessible to persons with disabilities);

(ii) Provide accessible units for all eligible populations ranging from one-bedroom units for non-elderly single persons with disabilities through units in all bedroom sizes to be provided;

(iii) Provide for accessibility modifications, where necessary, to HCV-assisted units of residents who relocate from the targeted project to private or other public housing due to revitalization activities. The Department has determined that the costs of such modifications are eligible costs under the HOPE VI program;

(iv) Where playgrounds are planned, propose ways to make them accessible to children with disabilities, over and above statutory and regulatory requirements; and

(v) Where possible, design units with accessible front entrances.

(b) You will receive one point if your application demonstrates that you have a detailed plan to implement from one to four of the accessibility priorities stated above, explaining why and how you will implement the identified accessibility priorities.

(c) You will receive zero points if your application does not demonstrate that you have a detailed plan that meets the specifications above, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

(2) Universal Design—1 Point.

(a) You will receive one point if your application demonstrates that you have a specific plan to meet:

(i) The adaptability standards adopted by HUD at 24 CFR 8.3 that apply to those units not otherwise covered by the accessibility requirements. Adaptability is the ability of certain elements of a dwelling unit, such as kitchen counters, sinks, and grab bars, to be added to, raised, lowered, or otherwise altered, to accommodate the needs of persons with or without disabilities, or to accommodate the needs of persons with different types or degrees of disability. For example, the wiring for visible emergency alarms may be installed so that a unit can be made ready for occupancy by a hearing-impaired person (For information on adaptability, see <http://www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf>); and

(ii) The visitability standards recommended by HUD that apply to units not otherwise covered by the accessibility requirements. Visitability standards allow a person with mobility impairments access into the home, but do not require that all features be made accessible. A visitable home also serves persons without disabilities, such as a mother pushing a stroller or a person delivering a large appliance. See <http://www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf> for information on visitability. The two standards of visitability are:

(A) At least one entrance at grade (no steps), approached by a sidewalk; and

(B) The entrance door and all interior passage doors are at least 2 feet, 10 inches wide, allowing 32 inches of clear passage space.

(b) You will receive zero points if your application does not demonstrate that you have specific plans to implement both (i) and (ii) as specified above, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

b. Fair Housing and Affirmative Marketing—1 Point Total

(1) Fair Housing—one point

(a) You will receive one Point if your application demonstrates that:

(i) You have made and will make specific efforts to attract families from all segments of the population on a nondiscriminatory basis and with a broad spectrum of incomes to the revitalized site through intensive affirmative marketing efforts and how these efforts contribute to the deconcentration of low-income neighborhoods;

(ii) You have made and will make specific efforts to target your marketing and outreach activities to those persons and groups least likely to know about these housing opportunities, in order to promote housing choice and opportunity throughout your jurisdiction and contribute to the deconcentration of both minority and low-income neighborhoods. In your application, you must describe how your outreach and marketing efforts will reach out to persons of different races and ethnic groups, families with or without children, persons with disabilities and able-bodied persons, and the elderly; and

(iii) The specific steps you plan to take through your proposed activities to affirmatively further fair housing. These steps can include, but are not limited to:

(A) Addressing impediments to fair housing choice relating to your operations;

(B) Working with local jurisdictions to implement their initiatives to affirmatively further fair housing;

(C) Implementing, in accordance with Departmental guidance, relocation plans that result in increased housing choice and opportunity for residents affected by HOPE VI revitalization activities funded under this NOFA;

(D) Implementing admissions and occupancy policies that are nondiscriminatory and help reduce racial and national origin concentrations; and

(E) Initiating other steps to remedy discrimination in housing and promote fair housing rights and fair housing choice.

(b) You will receive zero points if you do not address all of the above issues, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

c. Economic Opportunities for Low- and Very Low-Income Persons (Section 3)—2 Points

(1) HOPE VI grantees must comply with section 3 of the Housing and Urban

Development Act of 1968 (12 U.S.C. 1701u) (Economic Opportunities for Low- and Very-Low-Income Persons in Connection with Assisted Projects) and its implementing regulations at 24 CFR part 135. Information about section 3 can be found at HUD's section 3 Web site at <http://www.hud.gov/offices/fheo/section3/section3.cfm>.

(2) You will receive 2 points if your application demonstrates that you have a feasible plan to implement section 3 that not only meets the minimum requirements described in section (1) above but also exceeds those requirements. Your plan must include your goals by age group, types of jobs, and other opportunities to be provided, and plans for tracking and evaluation. Section 3 firms must be in place quickly so that residents are trained in time to take advantage of employment opportunities such as jobs and other contractual opportunities in the pre-development, demolition, and construction phases of the revitalization. Your section 3 plan must demonstrate that you will, to the greatest extent feasible, direct training, employment, and other economic opportunities to:

(a) Low- and very low-income persons, particularly those who are recipients of government assistance for housing; and

(b) Business concerns which provide economic opportunities to low- and very low-income persons.

(3) You will receive zero points if your plan to implement section 3 does not meet the standards listed in section (1) and (2) above, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

8. Rating Factor: Well-Functioning Communities—8 Points Total

a. Affordable Housing—Up to 3 Points

(1) Housing Definitions. For the purposes of this rating section, housing units are defined differently than in PIH housing programs, as follows:

(a) "Project-based affordable housing units" are defined as on-site and off-site housing units where there are affordable-housing use restrictions on the unit, e.g., public housing, project-based HCV (Section 8) units, LIHTC units, HOME units, affordable homeownership units, etc.

(b) "Public housing" is defined as rental units that will be subject to the ACC.

(2) Unit Mix and Need for Affordable Housing.

(a) Your proposed unit mix should sustain or create more project-based



affordable housing units that will be available to persons eligible for public housing in markets where the plan shows there is demand for the maintenance or creation of such units. While it is up to you to determine the unit mix that is appropriate for your site, it is essential that this unit mix include a sufficient amount of public housing rental units and other project-based affordable units. To the extent that the local market shows there is a demand for it, applicants are encouraged to create additional project-based affordable housing units to be made available for persons eligible for public housing.

(b) For purposes of this factor, HUD will determine whether you need project-based affordable housing by using your HCV program utilization rate or public housing occupancy rate, whichever of the two reflects the least need. In figuring the HCV utilization rate, determine and provide the percentage of HCV units out of the total number authorized or the percentage of HCV funds expended out of the total amount authorized, whichever percentage is higher. In figuring the public housing occupancy rate, provide the percentage of units occupied out of the total in your federal public housing inventory, excluding the units in the targeted project. You should base your calculation only on the federal public housing units you manage. You may not exclude units in your public housing inventory that are being reserved for relocation needs related to other HOPE VI Revitalization grant(s); or units in your public housing inventory that are being held vacant for uses related to a section 504 voluntary compliance agreement. If you are a non-MTW site, you must use information consistent with the Section Eight Management Assessment Program (SEMAP) and/or the Public Housing Assessment System (PHAS) submissions. If you are an MTW site, and do not report into SEMAP and/or PHAS, you must demonstrate your utilization and/or occupancy rate using similar methods and information sources in order to earn points under this rating factor.

(3) Scoring when there will be *No Need* for More Affordable Housing after the Targeted Project is Demolished—1 Point.

(a) You will receive 1 point for this factor if your application demonstrates that either:

- (i) The utilization rate of your HCV program is less than 95 percent; or
- (ii) The occupancy rate of your public housing inventory is less than 95 percent.

(iii) If either (i) or (ii) above is less than 95 percent, the other percentage will be disregarded.

(4) Scoring when there *Will be Need* for More Affordable Housing after the Targeted Project is Demolished—up to 3 Points.

(a) For this factor, HUD considers you in need of project-based affordable housing if both:

- (i) The utilization rate of your HCV program is 95 percent or more; and
  - (ii) The occupancy rate of your public housing inventory is 95 percent or more.
- (iii) If either (i) or (ii) above are less than 95 percent, you do not need affordable housing. You qualify for (3) above, not this section (4).

(b) The percentages below are defined as the number of planned project-based affordable units divided by the number of public housing units that the targeted project contains or contained;

(c) You will receive 3 points if your application demonstrates that the number of project-based affordable units in your plan is 125 percent or more of the number of public housing units that the targeted project contains or contained;

(d) You will receive 2 points if your application demonstrates that the number of project-based affordable units in your plan is 110 to 124 percent of the number of public housing units that the targeted project contains or contained;

(e) You will receive 1 point if your application demonstrates that the number of project-based affordable units in your plan is 100 to 109 percent of the number of public housing units that the targeted project contains or contained.

(f) You will receive zero points if your application demonstrates that the number of project-based affordable units in your plan is less than the number of public housing units that the targeted project contains or contained or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

#### b. Off-Site Housing—1 Point

##### (1) Factor Background.

(a) Although not required, you are encouraged to consider development of replacement housing in locations other than the original severely distressed site (i.e., off-site housing). Locating off-site housing in neighborhoods with low levels of poverty and low concentrations of minorities will provide maximized housing alternatives for low-income residents who are currently on-site and advance the goal of creating desegregated, mixed-income communities. The effect on-site will be to assist in the deconcentration of low-

income residents and increase the number of replacement units.

(b) Although it is acknowledged that off-site housing is not appropriate in some communities, if you do not propose to include off-site housing in your Revitalization plan, you are not eligible to receive this point.

(c) If you propose an off-site housing component in your application, you must be sure to include that component when you discuss other components (e.g., on-site housing, homeownership housing, etc.). Throughout your application, your unit counts and other numerical data must take into account the off-site component.

(2) Scoring. You will receive one point if you propose to develop an off-site housing component(s) and document that: (a) You have site control of the property(ies) in accordance with Section III.C.2; (b) the site(s) does not suffer from any known or suspected environmental hazards or have any open issues or uncertainties related to public policy factors (such as sewer moratoriums), proper zoning, availability of all necessary utilities, or clouds on title that would preclude development in the requested locality; and (c) the site(s) meets site and neighborhood standards, in accordance with Section III.C.3 of this NOFA.

#### c. Homeownership Housing—4 Points

The Department has placed the highest priority on increasing homeownership opportunities for low- and moderate-income persons, persons with disabilities, the elderly, minorities, and families where English may be a second language. Too often these individuals and families are shut out of the housing market through no fault of their own. HUD encourages applicants to work aggressively to open up the realm of homeownership.

(1) Your application will receive 4 points if it demonstrates that your revitalization plan includes homeownership and that you have a feasible, well-defined plan for homeownership. In order to demonstrate this, your application should include descriptions of the following:

- (a) The purpose of your homeownership program;
- (b) The number of units planned and their location(s);
- (c) A description and justification of the families that will be targeted for the program;
- (d) The proposed source of your construction and permanent financing of the units; and
- (e) A description of the homeownership counseling you or a

HUD-approved housing counseling agency will provide to prospective families, including such subjects as the homeownership process, housing in non-impacted areas, credit repair, budgeting, home maintenance, home financing, and mortgage lending.

(2) You will receive 2 points for this factor if you address in your description one to four of the items listed under (1) above.

(3) You will receive zero points for this factor if you do not propose to include homeownership units in your Revitalization plan, if your proposed program is not feasible and well defined, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

#### 9. Rating Factor: Soundness of Approach—30 Points Total

##### a. Quality and Consistency of the Application—2 Points

(1) The information and strategies described in your application must be well organized, coherent, and internally consistent. Numbers and statistics in your narratives must be consistent with the information provided in the attachments. Also, the physical and CSS aspects of the application must be compatible and coordinated with each other. Pay particular attention to the data provided for:

- (a) Types and numbers of units;
- (b) Budgets;
- (c) Other financial estimates, including sources and uses; and
- (d) Numbers of residents affected.

(2) You will receive 2 points if your application demonstrates a high level of quality and consistency.

(3) You will receive one point if your application has a high level of quality, but contains minor internal discrepancies;

(4) You will receive zero points if your application fails to demonstrate an acceptable level of quality and consistency.

##### b. Appropriateness and Feasibility of the Plan—5 Points

(1) You will receive 5 points if your application demonstrates the following about your revitalization plan:

(a) It is appropriate and suitable, in the context of the community and other revitalization options, in accordance with the Appropriateness of Proposal threshold in section III.C. of this NOFA;

(b) Fulfills the needs that your application demonstrated for Rating Factor 2;

(c) Is marketable, in the context of local conditions;

(d) If you include market-rate housing, economic development, or retail structures in your revitalization plan, you must provide a signed letter from an independent, third party, credentialed market research firm, or professional that describes its assessment of the demand and associated pricing structure for the proposed residential units, economic development, or retail structures, based on the market and economic conditions of the project area.

(e) Is financially feasible, as demonstrated in the financial structure(s) proposed in the application;

(f) Does not propose to use public housing funds for non-public housing uses;

(g) If extraordinary site costs have been identified, a certification of these costs has been provided in the application;

(h) Describes the cost controls that will be used in implementing the project, in accordance with the Funding Restrictions and Program Requirements sections of this NOFA;

(i) Includes a completed TDC/Grant Limitations Worksheet in the application and follows the Funding Restrictions and Program Requirements sections of this NOFA.

(2) You will receive 3 points if your application demonstrates some but not all of the criteria above.

(3) You will receive zero points if your application does not demonstrate the criteria above or your application does not provide sufficient information to evaluate this factor.

##### c. Neighborhood Impact and Sustainability of the Plan—5 Points

(1) You will receive up to 5 points if your application demonstrates your revitalization plan, including plans for retail or office space, or other economic development activities, as appropriate, will:

(a) Result in a revitalized site that will enhance the neighborhood in which the project is located;

(b) Spur outside investment into the surrounding community;

(c) Enhance economic opportunities for residents; and

(d) Remove an impediment to continued redevelopment or start a community-wide revitalization process.

(2) You will receive up to 3 points if your application demonstrates that your revitalization plan will have only a moderate effect on activities in the surrounding community, as described in (1)(a) through (d) above.

(3) You will receive zero Points if your application does not demonstrate that your revitalization plan will have

an effect on the surrounding community, as described in (a) through (d) above, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

##### d. Project Readiness—7 Points

HUD places top priority on projects that will be able to commence immediately after grant award. You will receive the following points for each applicable subfactor certified in your application.

(1) You will receive 2 points if the targeted severely distressed public housing site is completely vacant, *i.e.*, all residents have been relocated.

(2) You will receive 2 points if the targeted severely distressed public housing site is cleared, *i.e.*, all buildings are demolished, or your revitalization plan only includes rehabilitation and no demolition of public housing units.

(3) You will receive one point if a Master Development Agreement (MDA) has been developed and is ready to be submitted to HUD. However, in cases where the PHA (not an affiliate/subsidiary/instrumentality) will act as its own developer for all components of the revitalization plan, an MDA is not needed and the one point will be awarded automatically.

(4) You will receive one point if your preliminary site design is complete.

(5) You will receive one point if you have held five or more public planning sessions leading to resident acceptance of the plan.

##### e. Program Schedule—5 Points

You will receive 5 points if the program schedule provided in your application incorporates all the timelines/milestones required in Section III.C.3.v., "Timeliness of Development Activity," paragraphs (1)–(6). If your schedule does not incorporate all the timelines/milestones, you will earn zero points.

##### f. Design—3 Points

(1) You will receive up to 3 points if your proposed site plan, new dwelling units, and buildings demonstrate that:

(a) You have proposed a site plan that is compact, pedestrian-friendly, with an interconnected network of streets and public open space;

(b) Your proposed housing, community facilities, and economic development facilities are thoroughly integrated into the community through the use of local architectural tradition, building scale, grouping of buildings, and design elements; and

(c) Your plan proposes appropriate enhancements of the natural

environment that are appropriate to the site's soils and microclimate.

(2) You will receive one point if your proposed site plan, new dwelling units, and buildings demonstrate design that adequately addresses one or two, but not all three of the elements in (1) above.

(3) You will receive zero points if your proposed design is perfunctory or otherwise does not address the elements in (1) above. You will also receive zero points if your application does not address this factor to an extent that makes HUD's rating of this factor possible.

#### g. Energy Star—1 Point

(1) Promotion of Energy Star compliance is a HOPE VI Revitalization program requirement. See section III.C.3. of this NOFA.

(2) You will receive one point if your application demonstrates that you will:

- (a) Use Energy Star-labeled products;
- (b) Promote Energy Star design of replacement units; and
- (c) Include Energy Star in homeownership counseling.

(3) You will receive zero points if your application does not demonstrate that you will perform (2)(a) through (c) above.

#### h. Evaluation—2 Points

You are encouraged to work with your local university(ies), other institutions of learning, foundations, or others to evaluate the performance and impact of their HOPE VI revitalization plan over the life of the grant. The proposed methodology must measure success against goals you set at the outset of your revitalization activities. Evaluators must establish baselines and provide ongoing interim reports that will allow you to make changes as necessary as your project proceeds. Where possible, you are encouraged to form partnerships with Historically Black Colleges and Universities (HBCUs); Hispanic-Serving Institutions (HSIs); Community Outreach Partnership Centers (COPCs); the Alaskan Native/Native Hawaiian Institution Assisting Communities Program (as appropriate); and others in HUD's University Partnerships Program.

(1) You will receive 2 points if your application includes a letter(s) from an institution(s) of higher learning, foundations, or other organization that specializes in research and evaluation that provides a commitment to work with you to evaluate your program and describes its proposed approach to carry out the evaluation if your application is selected for funding. The letter must provide the extent of the commitment and involvement, the extent to which

you and the local institution of higher learning will cooperate, and the proposed approach. The commitment letter must address all of the following areas for evaluation in order to earn full points:

(a) The impact of your HOPE VI effort on the lives of the residents;

(b) The nature and extent of economic development generated in the community;

(c) The effect of the revitalization effort on the surrounding community, including spillover revitalization activities, property values, etc.; and

(d) Your success at integrating the physical and CSS aspects of your strategy.

(2) You will receive zero points if your application does not include a commitment letter that addresses each of the areas above (paragraphs(1) (a)–(d)).

#### 10. Rating Factor: Incentive Criteria on Regulatory Barrier Removal—2 Points Total

##### a. Description

Applicants must follow the guidance provided in the General Section under section V.B. concerning the Removal of Regulatory Barriers to Affordable Housing in order to earn points under this rating factor. Information from the General Section V.B. is provided below, in part. In FY 2007, HUD continues to make removal of regulatory barriers a policy priority. Through the Department's America's Affordable Communities Initiative, HUD is seeking input into how it can work more effectively with the public and private sectors to remove regulatory barriers to affordable housing. Increasing the affordability of rental and homeownership housing continues to be a high priority of the Department. Addressing these barriers to housing affordability is a necessary component of any overall national housing policy. Under this policy priority, higher rating points are available to (1) governmental applicants that are able to demonstrate successful efforts in removing regulatory barriers to affordable housing and (2) nongovernmental applicants that are associated with jurisdictions that have undertaken successful efforts in removing barriers. To obtain the policy priority points for efforts to successfully remove regulatory barriers, applicants must complete form HUD-27300, "Questionnaire for HUD's Initiative on Removal of Regulatory Barriers." Copies of HUD's notices published on this issue can be found on HUD's Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>. Form HUD-27300 is

included in the electronic application for this program available at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp).

##### b. Scoring

(1) Local jurisdictions and counties/parishes with land use and building regulatory authority applying for funding, as well as PHAs, nonprofit organizations, and other qualified applicants applying for funds for projects located in these jurisdictions, are invited to answer the 20 questions under Part A.

(2) State agencies or departments applying for funding, as well as PHAs, nonprofit organizations, and other qualified applicants applying for funds for projects located in unincorporated areas or areas not otherwise covered in Part A are invited to answer the 15 questions under Part B.

(3) Applicants that will be providing services in multiple jurisdictions may choose to address the questions in either Part A or Part B for that jurisdiction in which the preponderance of services will be performed if an award is made.

(4) In no case will an applicant receive more than 2 points for barrier removal activities under this policy priority.

(5) Under Part A, an applicant that scores at least five in column 2 will receive one point in the NOFA evaluation. An applicant that scores 10 or more in column 2 will receive 2 points in the NOFA evaluation.

(6) Under Part B, an applicant that scores at least four in Column 2 will receive one point in the NOFA evaluation. An applicant that scores eight or greater will receive a total of 2 points in the respective evaluation.

(7) A limited number of questions on form HUD-27300 expressly request the applicant to provide brief documentation with its response. Other questions require that, for each *affirmative* statement made, the applicant supply a reference, Internet address, or brief statement indicating where the back-up information may be found and a point of contact, including a telephone number or e-mail address. To obtain an understanding of this policy priority and how it can affect their score, applicants are encouraged to read HUD's three notices, which are available at <http://www.hud.gov/initiatives/affordablecom.cfm>. Applicants that do not provide the Internet addresses, references, or documentation will not get the policy priority points.

### B. Reviews and Selection Process

HUD's selection process is designed to ensure that grants are awarded to eligible PHAs that submit the most meritorious applications. HUD will consider the information you submit by the application deadline date. After the application deadline date, HUD may not, consistent with its regulations in 24 CFR part 4, subpart B, consider any unsolicited information that you or any third party may want to provide.

#### 1. Application Screening

a. HUD will screen each application to determine if:

(1) It meets the threshold criteria listed in section III.C. of this NOFA; and  
(2) It is deficient, i.e., contains any Technical Deficiencies.

b. See section III.C. of this NOFA for case-by-case information regarding thresholds and technical deficiencies. See section IV.B. of this NOFA for documentation requirements that will support threshold compliance and will avoid technical deficiencies.

c. Corrections to Deficient Applications—Cure Period. The subsection entitled, "Corrections to Deficient Applications," in section V.B. of the General Section is incorporated by reference and applies to this NOFA, except that clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within 14 calendar days of the date of receipt of the HUD notification. (If the deadline date falls on a Saturday, Sunday, or federal holiday, your correction must be received by HUD on the next day that is not a Saturday, Sunday, or federal holiday.)

d. Applications that will not be rated or ranked. HUD will not rate or rank applications that are deficient at the end of the cure period stated in section V.B. of the General Section or that have not met the thresholds described in section III.C. of this NOFA. Such applications will not be eligible for funding.

#### 2. Preliminary Rating and Ranking

##### a. Rating.

(1) HUD staff will preliminarily rate each eligible application, SOLELY on the basis of the rating factors described in section V.A. of this NOFA.

(2) When rating applications, HUD reviewers will not use any information included in any HOPE VI application submitted in a prior year.

(3) HUD will assign a preliminary score for each rating factor and a preliminary total score for each eligible application.

(4) The maximum number of points for each application is 125.

##### b. Ranking.

(1) After preliminary review, applications will be ranked in score order.

#### 3. Final Panel Review

a. A Final Review Panel made up of HUD staff will:

(1) Review the Preliminary Rating and Ranking documentation to:

(a) Ensure that any inconsistencies between preliminary reviewers have been identified and rectified; and  
(b) Ensure that the Preliminary Rating and Ranking documentation accurately reflects the contents of the application.

(2) Assign a final score to each application; and

(3) Recommend for selection the most highly rated applications, subject to the amount of available funding, in accordance with the allocation of funds described in section II of this NOFA.

4. HUD reserves the right to make reductions in funding for any ineligible items included in an applicant's proposed budget.

5. In accordance with the FY 2007 HOPE VI appropriation, HUD may not use HOPE VI funds to grant competitive advantage in awards to settle litigation or pay judgments.

#### 6. Tie Scores

If two or more applications have the same score and there are insufficient funds to select all of them, HUD will select for funding the application(s) with the highest score for the Soundness of Approach Rating Factor. If a tie remains, HUD will select for funding the application(s) with the highest score for the Capacity Rating Factor. HUD will select further tied applications with the highest score for the Need Rating Factor.

#### 7. Remaining Funds

a. HUD reserves the right to reallocate remaining funds from this NOFA to other eligible activities under section 24 of the 1937 Act.

(1) If the total amount of funds requested by all applications found eligible for funding under section V.B. of this NOFA is less than the amount of funds available from this NOFA, all eligible applications will be funded and those funds in excess of the total requested amount will be considered remaining funds.

(2) If the total amount of funds requested by all applications found eligible for funding under this NOFA is greater than the amount of funds available from this NOFA, eligible applications will be funded until the amount of non-awarded funds is less than the amount required to feasibly fund the next eligible application. In

this case, the funds that have not been awarded will be considered remaining funds.

8. The following sub-sections of section V. of the General Section are hereby incorporated by reference:

- a. HUD's Strategic Goals;
- b. Policy Priorities;
- c. Threshold Compliance;
- d. Corrections to Deficient Applications;
- e. Rating; and
- f. Ranking.

## VI. Award Administration Information

### A. Award Notices

1. Initial Announcement. The HUD Reform Act prohibits HUD from notifying you as to whether or not you have been selected to receive a grant until it has announced all grant recipients. If your application has been found to be ineligible or if it did not receive enough points to be funded, you will not be notified until the successful applicants have been notified. HUD will provide written notification to all applicants, whether or not they have been selected for funding.

2. Award Letter. The notice of award letter is signed by the Assistant Secretary for Public and Indian Housing (grants officer) and will be delivered by fax and the U.S. Postal Service.

3. Revitalization Grant Agreement. When you are selected to receive a Revitalization grant, HUD will send you a HOPE VI Revitalization grant agreement, which constitutes the contract between you and HUD to carry out and fund public housing revitalization activities. Both you and HUD will sign the cover sheet of the grant agreement, form HUD-1044. It is effective on the date of HUD's signature, which is the second signature. The grant agreement differs from year to year. Past Revitalization grant agreements can be found on the HOPE VI Web site at <http://www.hud.gov/hopevi>.

4. Applicant Debriefing. Upon request, HUD will provide an applicant a copy of the total score received by their application and the score received for each rating factor.

5. General Section References. The following sub-section of section VI.A. of the General Section is hereby incorporated by reference: Adjustments to Funding.

### B. Administrative and National Policy Requirements

1. Program Requirements. See the Program Requirements in section III.C.3. of this NOFA for information on HOPE VI program requirements that grantees must follow.

## 2. Conflict of Interest in Grant Activities.

a. *Prohibition.* In addition to the conflict-of-interest requirements in 24 CFR part 85, no person who is an employee, agent, consultant, officer, or elected or appointed official of a grantee and who exercises or has exercised any functions or responsibilities with respect to activities assisted under a HOPE VI grant, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

### b. HUD-Approved Exception.

(1) Standard. HUD may grant an exception to the prohibition above on a case-by-case basis when it determines that such an exception will serve to further the purposes of HOPE VI and its effective and efficient administration.

(2) Procedure. HUD will consider granting an exception only after the grantee has provided a disclosure of the nature of the conflict, accompanied by:

- (a) An assurance that there has been public disclosure of the conflict;
- (b) A description of how the public disclosure was made; and
- (c) An opinion of the grantee's attorney that the interest for which the exception is sought does not violate state or local laws.

(d) Consideration of Relevant Factors. In determining whether to grant a requested exception as discussed, HUD will consider the cumulative effect of the following factors, where applicable:

- (i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the Revitalization plan and demolition activities that would otherwise not be available;
- (ii) Whether an opportunity was provided for open competitive bidding or negotiation;
- (iii) Whether the person affected is a member of a group or class intended to be the beneficiaries of the Revitalization plan and Demolition plan, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- (iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or from the decision-making process, with respect to the specific activity in question;

(v) Whether the interest or benefit was present before the affected person was in a position as described in section (iii) above;

(vi) Whether undue hardship will result either to the grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vii) Any other relevant considerations.

3. Salary Limitation for Consultants. Unless specifically authorized by law, FY 2007 funds may not be used to pay or to provide reimbursement for payment of the salary of a consultant, whether retained by the federal government or the grantee, at a rate more than the equivalent of the high pay for members of the Senior Executive Service (SES). For information on the Executive Pay Band levels, please see the Office Personnel Management (OPM) Web site band paid for level IV of the Executive Schedule, at <http://www.opm.gov/oca/06tables/html/es.asp>.

4. Flood Insurance. In accordance with the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001–4128), your application may not propose to provide financial assistance for acquisition or construction (including rehabilitation) of properties located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

- a. The community in which the area is situated is participating in the National Flood Insurance program (see 44 CFR parts 59 through 79), or less than one year has passed since FEMA notification regarding such hazards; and
- b. Where the community is participating in the National Flood Insurance Program, flood insurance is obtained as a condition of execution of a grant agreement.

5. Coastal Barrier Resources Act. In accordance with the Coastal Barrier Resources Act (16 U.S.C. 3501), your application may not target properties in the Coastal Barrier Resources System.

### 6. Policy Requirements.

a. OMB Circulars and Administrative Requirements. You must comply with the following administrative requirements related to the expenditure of federal funds. OMB circulars can be found at <http://www.whitehouse.gov/omb/circulars/index.html>. Copies of the OMB circulars may be obtained from EOP Publications, Room 2200, New Executive Office Building, Washington, DC 20503; telephone (202) 395–7332 (this is not a toll-free number). The Code of Federal Regulations can be found at <http://www.gpoaccess.gov/cfr/index.html>.

(1) Administrative requirements applicable to PHAs are:

(a) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments), as modified by 24 CFR part 941 or successor part, subpart F, relating to the procurement of partners in mixed-finance developments.

(b) OMB Circular A–87 (Cost Principles for State, Local, and Indian Tribal Governments); and

(c) 24 CFR 85.26 (audit requirements).

(2) Administrative requirements applicable to nonprofit organizations are:

(a) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations);

(b) OMB Circular A–122 (Cost Principles for Nonprofit Organizations); and

(c) 24 CFR 84.26 (audit requirements).

(3) Administrative requirements applicable to for profit organizations are:

(a) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations);

(b) 48 CFR part 31 (contract cost principles and procedures); and

(c) 24 CFR 84.26 (audit requirements).

## C. Reporting

### 1. Quarterly Report.

a. If you are selected for funding, you must submit a quarterly report to HUD.

(1) HUD will provide training and technical assistance on the filing and submitting of quarterly reports.

(2) Filing of quarterly reports is mandatory for all grantees, and failure to do so within the required timeframe will result in suspension of grant funds until the report is filed and approved by HUD.

(3) Grantees will be held to the milestones that are reported on the Quarterly Report Administrative and Compliance Checkpoints Report, as approved by HUD.

(4) Grantees must also report obligations and expenditures in LOCCS, or its successor system, on a quarterly basis.

### 2. Logic Model Reporting.

a. The reporting shall include submission of a completed Logic Model indicating results achieved against the proposed output goal(s) and proposed outcome(s), which you stated in your approved application and agreed upon with HUD. The submission of the Logic Model and required information should be in accord with the reporting timeframes as identified in your grant agreement.

b. The goals and outcomes that you include in the Logic Model should reflect your major activities and accomplishments under the grant. For example, you would include unit construction, demolition, etc., from the "bricks-and-mortar" portion of the grant. As another example, for the CSS portion of the grant, you may include the number of jobs created or the number of families that have reached self-sufficiency, but you would not include information on specific job training and self-sufficiency courses.

c. As a condition of the receipt of financial assistance under this NOFA, all successful applicants will be required to cooperate with all HUD staff or contractors performing HUD-funded research and evaluation studies.

### 3. Final Report.

a. The grantees shall submit a final report, which will include a financial report and a narrative evaluating overall performance against its HOPE VI Revitalization plan. Grantees shall use quantifiable data to measure performance against goals and objectives outlined in its application, as well as against the responses to the Management Questions contained in the Logic Model. The financial report shall contain a summary of all expenditures made from the beginning of the grant agreement to the end of the grant agreement and shall include any unexpended balances.

b. Racial and Ethnic Data. HUD requires that funded recipients collect racial and ethnic beneficiary data. It has adopted the OMB's Standards for the Collection of Racial and Ethnic Data. In view of these requirements, you should use form HUD-27061, Racial and Ethnic Data Reporting Form (instructions for its use), included in the electronic application for this program available at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp), a comparable program form, or a comparable electronic data system for this purpose.

c. The final narrative and financial report shall be due to HUD 90 days after either the full expenditure of funds, or when the grant term expires, whichever comes first.

## VII. Agency Contacts

### A. Technical Assistance

1. Before the application deadline date, HUD staff will be available to

provide you with general guidance and technical assistance. However, HUD staff is not permitted to assist in preparing your application. If you have a question or need a clarification, you may call or send an e-mail message to the Office of Public Housing Investments, Attention: Leigh van Rij, at (202) 402-5788 (this is not a toll-free number), [leigh\\_e.\\_van\\_rij@hud.gov](mailto:leigh_e._van_rij@hud.gov). The mailing address is: Office of Public Housing Investments, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 4130, Washington, DC 20410-5000; telephone numbers (202) 401-8812; fax (202) 401-2370 (these are not toll-free numbers). Persons with hearing or speech impairments may access these telephone numbers through a text telephone (TTY) by calling the toll-free Federal Information Relay Service at (800) 877-8339.

2. Frequently Asked Questions and General HOPE VI Information. Before the application deadline date, frequently asked questions (FAQs) on the NOFA will be posted to HUD's grants Web site at <http://www.hud.gov/offices/adm/grants/otherhud.cfm>.

3. You may obtain general information about HUD's HOPE VI programs from HUD's HOPE VI Web site at <http://www.hud.gov/offices/pih/programs/ph/hope6/>.

### B. Technical Corrections to the NOFA

1. Technical corrections to this NOFA will be posted on the Grants.gov Web site.

2. Any technical corrections will also be published in the **Federal Register**.

3. You are responsible for monitoring these sites during the application preparation period.

## VIII. Other Information

A. Waivers. Any HOPE VI-funded activities at public housing projects are subject to statutory requirements applicable to public housing projects under the 1937 Act, other statutes, and the annual contributions contract (ACC). Within such restrictions, HUD seeks innovative solutions to the long-standing problems of severely distressed public housing projects. You may request, for the revitalized project, a waiver of HUD regulations, subject to statutory limitations and a finding of good cause under 24 CFR 5.110, if the

waiver will permit you to undertake measures that enhance the long-term viability of a project revitalized under this program. HUD will assess each request to determine whether good cause is established to grant the waiver.

B. Environmental Impact. A Finding of No Significant Impact with respect to the environment has been made for this notice, in accordance with HUD regulations at 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332). The Finding of No Significant Impact is available for public inspection between 8 a.m. and 5 p.m. in the Office of General Counsel, Regulations Division, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 10276, Washington, DC 20410-0500.

C. General Section References. The following sub-sections of section VIII of the General Section are hereby incorporated by reference:

1. Executive Order 13132, Federalism;
2. Public Access, Documentation, and Disclosure;
3. Section 103 of the HUD Reform Act.

D. Paperwork Reduction Act Statement. The information collection requirements contained in this document have been approved by the OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2577-0208. 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. The public reporting burden for the collection of information is estimated to average 190 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.

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