

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR-5700-N-24]

Notice of Funding Availability (NOFA) for HUD's Fiscal Year (FY) 2013
Fair Housing Initiatives Program (FHIP) Fair Housing Organization Initiative –
Continuing Development

AGENCY: Office of the Assistant Secretary for Fair Housing and Equal Opportunity, HUD

ACTION: Notice of Funding Availability (NOFA) for HUD's Fiscal Year (FY) 2013 Fair Housing Initiatives Program (FHIP) Fair Housing Organization Initiative Continuing Development.

SUMMARY: Today's posting provides information and instructions for the FY2013 Fair Housing Initiatives Program (FHIP) Fair Housing Organization Initiative Continuing Development NOFA. This Notice is comprised of the Notice of HUD's Fiscal Year (FY) 2013 Notice of Funding Availability (NOFA) Fair Housing Initiatives Program (FHIP), Fair Housing Organization Initiative Continuing Development Component, and the Policy Requirements and General Section (General Section) to HUD's FY2013 NOFAs for Discretionary Programs, posted on www.Grants.gov on August 8, 2012, and this program section to the NOFA.

AUTHORITY: This program is authorized under Section 561 of the Housing and Community Development Act of 1987, as amended, (42 U.S.C. 3616) established the Fair Housing Initiatives Program (FHIP). The implementing regulations are found at 24 CFR Part 125.

DATES: The application deadline is 11:59:59 p.m. eastern time on **April 22, 2013**. Applications must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific program requirements should be directed to Myron Newry or Paula Stone of the Office of Fair Housing and Equal Opportunity's FHIP Division at 202-402-7095 and 202-402-7054, respectively (these are not toll-free numbers). Questions regarding the FY2013 **General Section** should be directed to the Grants Management Office at 202-708-0667 (this is not a toll-free number). Persons with **hearing or speech** impairments may access these numbers via TTY by calling the Federal Relay Service at 800-877-8339 (this is a toll free number).

OVERVIEW INFORMATION

A. FEDERAL AGENCY NAME: Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity.

B. FUNDING OPPORTUNITY TITLE: Fair Housing Initiatives Program (FHIP).

C. ANNOUNCEMENT TYPE: Initial Announcement.

D. FUNDING OPPORTUNITY NUMBER: The OMB Approval Number is 2529-0033. The Federal Register number for this NOFA is FR-5700-N-24.

E. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER(S): Fair Housing Initiatives Program (FHIP) Fair Housing Organizations Initiative (FHOI) 14.417.

F. ADDITIONAL OVERVIEW CONTENT INFORMATION

1. Program Award Information: FHIP Funds are used to increase compliance with the Fair Housing Act. This Fair Housing Organization Initiative Continuing Development General Component NOFA will award grants/cooperative agreements under the Fair Housing Organization Initiative to support fair housing enforcement organizations in building their capacity to enforce or investigate violations under the Fair Housing Act. Approximately \$1,200,000 in funding is allocated under this NOFA.

2. MODIFICATIONS

Listed below are the Major Modifications from the Fiscal Year (FY) 2013 Program Funding Announcement:

a. This is a new NOFA. In the past, HUD's Fair Housing Initiatives Program (FHIP) included the Education and Outreach, Private Enforcement and Fair Housing Organization Initiatives, and their various components under one NOFA. This NOFA removes the Fair Housing Organization Initiative Continued Development General Component and places the component into a separate NOFA. Another NOFA will address other components of the FHIP.

b. FHOI Continued Development General Component (CDGC) applicants applying for funding under this NOFA may not be current recipients of the Private Enforcement Initiative (PEI) Multi-Year component grant funding. This FHOI-CDGC category supports organizations that are moving toward eligibility for PEI Multi-Year funding.

c. If an applicant receives funding under this FHOI CDGC NOFA, they are not eligible to receive additional FY2013 FHOI CDGC funding or apply for PEI Multi-year funding under any FY2013 FHIP NOFA.

d. Changes from Prior NOFAs. FHOI applicants must identify, by name and title, the day-to-day program manager assigned to the proposed project who will devote at least 75% of his/her time to the proposed project

e. For all applicants. Grants.gov Modification - Application Filename Requirement. As of August 15, 2012, Grants.gov modified its file attachment naming requirements, and reminds applicants that Attachment Filename Characters are validated and enforced. The modification limits applicants to using certain characters in all attachment file names. Valid file names may only include the following UTF-8 characters: A-Z, a-z, 0-9, underscore (_), hyphen (-), space,

period. If applicants use any other characters when naming their attachment files their applications will be rejected. For additional information, please see the General Section.

f. Disaster Plan. All awardees for FHIP grants are required to provide a continuity of operations disaster plan. Compliance with this requirement means that the grantee will:

(1) Develop an emergency preparedness plan of operations in the event of a disaster (e.g., natural and/or man-made) within their particular geographical region which may affect their ability to operate.

(2) Identify and appoint a Disaster Liaison responsible for ensuring the plan is current and addresses all key areas of the organization (e.g., personnel, equipment, finance, etc.).

(3) The selected grantee's Disaster Liaison will provide copies of the disaster plan to the FHEO Regional Director and Government Technical Representative assigned to them in support of their grant(s). A disaster plan must be presented during the time of grant negotiations, or the grant will not be executed until the plan is provided.

3. EFFECTIVENESS: Studies have shown that funding FHIP agencies increases the number and quality of fair housing complaints that are investigated. A study of FHIP-referred complaints to HUD and FHAP agencies found that 90 percent of FHIP generated inquiries that are referred to HUD are converted to complaints. The study also found that for cases closed between FY 2003 and FY 2005 where a FHIP funded organization was a complainant, 63 percent were conciliated and settled and for cases where a FHIP-funded organization represented a complainant, 36 percent of the cases were conciliated and settled. FHIP-referred cases also had a higher cause finding rate, and FHIP-referred cases ending in a cause finding took less time to complete. These findings are likely a result of FHIPs evaluating inquiries and developing complaints, and providing crucial testing evidence to support complaints.

FULL TEXT OF ANNOUNCEMENT

I. FUNDING OPPORTUNITY DESCRIPTION

A. Authority. Section 561 of the Housing and Community Development Act of 1987, as Amended (42 U.S.C. 3616), established FHIP. The implementing regulations are found at 24 CFR Part 125. FHIP is authorized under Sec. 561 of the Housing and Community Development Act of 1987, as amended.

B. FHIP Initiative. The FY2013 FHIP program initiative **Fair Housing Organization Initiative (FHOI)** provides funding to establish new fair housing enforcement organizations and to support the continued existence of fair housing organizations in building their capacity to enforce the prohibitions on discrimination set forth in the Fair Housing Act. The Continuing Development Component falls under this Initiative.

If you are interested in applying for funding under the FHIP NOFA, please review carefully the **General Section** posted on www.Grants.gov, and the FHIP Program Section. Both the General

Section and the FHIP Program Section contain separate instructions that comprise the NOFA requirements. Applicants must complete the instructions and requirements of both Sections to prepare a complete application package.

C. Other Program Information

1. Program Definitions. The definitions that apply to this FHIP NOFA are:

a. Allegation. Allegation means an intake where there are one or more claims of a violation of a fair housing law. Allegations are only applicable to those protected classes under fair housing laws that are in effect within the applicant's service area.

b. Complaint. Complaint means a filed fair housing complaint accepted by HUD or a FHAP agency as jurisdictional.

c. Fair Housing Act. The Fair Housing Act means Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601-3620).

d. Fair Housing Assistance Program (FHAP) Agencies. Fair Housing Assistance Program (FHAP) agencies, as described in 24 CFR 115, means State and local fair housing enforcement government agencies that receive FHAP funds to administer laws deemed substantially equivalent to the Fair Housing Act.

e. Fair Housing Enforcement Organization (FHO). Fair Housing Enforcement Organization (FHO) means an organization engaged in fair housing activities as defined in 24 CFR 125.103.

f. Full-service Projects. Full-service projects must include the following enforcement-related activities in the project application: interviewing potential victims of discrimination; taking complaints; testing; evaluating testing results; conducting preliminary investigations; conducting mediation; conciliating; enforcing meritorious claims through litigation or referral to administrative enforcement agencies; and disseminating information about fair housing laws.

g. Intake. Intake means housing contacts/queries received by a fair housing organization. Intakes may be in-person or by phone, mail or email contact and documented through the fair housing organization's standard intake form or database entry. Information gathered at intake starts the fair housing process. Repetitive contacts from a single individual may not be counted as an intake unless the additional contact contains a new allegation or relates to a new respondent. Intakes do not include someone returning a non-enforcement related phone call, a telemarketer calling the office, or incoming personal phone calls.

h. Jurisdiction. Jurisdiction under the Fair Housing Act is established when the complaint is filed in a timely manner; the complainant has apparent standing; the respondent and the dwelling involved (where the complaint involves a provision or denial of a dwelling) appear to be covered by the Fair Housing Act; and the subject matter and the basis of the alleged discrimination may constitute illegal practices as defined by the Fair Housing Act.

i. Meritorious Claims. Meritorious claims means enforcement activities by an organization that resulted in lawsuits, judgments, consent decrees, legal settlements, HUD or substantially equivalent agency (under 25 CFR 115.6) conciliations, or organization-initiated settlements, with the outcome of monetary awards for compensatory and/or punitive damages to plaintiffs or complaining parties, or other affirmative relief, including the provision of housing (24 CFR 125.103), for complaints that are jurisdictional under the Fair Housing Act.

j. Lending Discrimination. Lending discrimination means discriminatory practices against persons protected under the Fair Housing Act, in the mortgage process and includes but is not limited to the use of deceptive, misleading or discriminatory practices to sell services that promise foreclosure relief to homeowners, and the failure to deliver those services. Lending discrimination includes actions that may violate the Fair Housing Act in the making, servicing, or purchasing of home loans or loans secured by a home.

k. Operating Budget. Operating budget means an organization's total planned budget expenditures from all sources, including the value of in-kind and monetary contributions, in the period for which funding is requested.

l. Qualified Fair Housing Enforcement Organization (QFHO). Qualified Fair Housing Enforcement Organization (QFHO) means an organization engaged in fair housing activities as defined in 24 CFR 125.103.

m. Referral. Referral means referring to HUD or to a FHAP agency an intake-alleging possible violations of fair housing laws.

n. Regional/Local/Community-Based Activities. Regional/Local/Community-Based Activities are defined at 24 CFR 125.301(a) and (d).

o. Rural Areas. Rural Areas mean any of the following:

(1) A non-urban place having fewer than 2,500 inhabitants (within or outside of the metropolitan areas).

(2) A county or parish with an urban population of 20,000 inhabitants or less.

(3) Territory, including its persons and housing units, in rural portions of "extended cities." The Census Bureau identifies the rural portions of extended cities.

(4) Open country that is not part of or associated with an urban area. The USDA describes "open country" as a site separated by open space from any adjacent densely populated urban area. Open space includes undeveloped land, agricultural land, or sparsely settled areas, but does not include physical barriers (such as rivers and canals), public parks, commercial and industrial developments, small areas reserved for recreational purposes, or open space set aside for future development.

(5) Any place in whole or in part, not located in a Metropolitan Statistical Area.

p. Statement of Work (SOW). Statement of Work (SOW) means a document that describes all the tasks necessary to do the work, includes all the steps needed for good management control and specificity regarding work to be done and deliverables, and provides a basis for mutual understanding of the requirements and tasks.

q. Systemic Housing Investigation. Systemic Housing investigation means an investigation of alleged discrimination that is pervasive or institutional in nature, or where the collection and analysis of data to develop a complaint will involve complex issues, novel questions of fact or law, or will potentially affect a large number of persons. Systemic investigations may focus not only on documenting facts involved in the alleged discriminatory housing practice that is the subject of the complaint; they may also involve the identification of additional victims or the reviewing of policies and procedures related to matters under investigation to make sure that they also comply with the nondiscrimination requirements of the Fair Housing Act. Systemic investigations may include investigation of discrimination in rental, sales, lending, or homeowner's insurance practices and may include investigations into whether a HUD funded entity has engaged in discriminatory practices or has failed to affirmatively further fair housing. Systemic investigations may be local, regional, or national in scope.

r. Technical Evaluation Panel (TEP). Technical Evaluation Panel (TEP) means a panel whose mission is to accomplish sound, impartial, and comprehensive evaluation of proposals consistent with the guidelines of the Notice of Funding Availability.

s. Test. A test means an undisclosed housing investigation involving one or more persons who initiate contact with another person or entity for the purpose of examining how members and non-members of a protected class are treated. The test may also include comparing the observed conduct or business practices to the requirements of fair housing laws or an accessibility review.

t. Test Part. Test part means a contact by a tester with an entity that is or may be covered by the Fair Housing Act. The contact may be by telephone, email, or in person. A test part does not include a preliminary contact by an employee of a QFHO or FHO to determine office hours, operational issues or other information needed to conduct a test. A test part may represent a single test, may be part of a matched pair test, which has two test parts, or be part of a multiple contact test with three or more parts.

u. Underserved Areas. Underserved Areas means areas where there are no Fair Housing Initiatives Program or Fair Housing Assistance Program agencies and where either no public or private fair housing enforcement organizations exist or the jurisdiction is not sufficiently served by one or more public or private enforcement fair housing organizations and there is a need for service.

v. Underserved Populations. Underserved Populations means groups of individuals who are:
(1) Of an immigrant population (especially racial and ethnic minorities who are non-English-speaking or have limited English proficiency);

(2) Living in a rural area;

(3) Homeless;

(4) Persons with disabilities (physical or mental); or

(5) Persons in areas where there is inadequate protection and ability to provide fair housing service from a State or local government or private fair housing organization.

II. AWARD INFORMATION

A. FY 2013. For Fiscal Year 2013, \$1,200,000 is appropriated under this NOFA for the Fair Housing Initiatives Program (FHIP). This appropriated amount may be supplemented by recaptured FHIP funds awarded in previous years.

B. Award Instrument. HUD expects to award a fixed-cost cooperative agreement or grant agreement to each applicant selected for award. The type of funding instrument HUD may offer a successful applicant that sets forth the relationship between HUD and the awardee will be a grant or cooperative agreement, where the principal purpose is the transfer of funds, property, services, or anything of value to the awardee to accomplish an eligible public purpose.

The agreement will identify the eligible activities to be undertaken, financial controls, and special conditions, including sanctions for violations of the agreement, reporting requirements including sub-recipient reporting requirements under the Federal Financial Assistance Accountability and Transparency Act of 2006, and integrity requirements under Section 872 of the Duncan Hunter Defense Authorization Act of 2009. HUD will determine the type of instrument under which the award will be made and monitor progress to ensure that the awardee has achieved the objectives set out in the agreement. Failure to meet such objectives may be the basis for HUD determining the awardee to be in default of the grant or cooperative agreement and for exercising available sanctions, including suspension, termination, and/or recapture of funds. Also, HUD may refer violations or suspected violations to enforcement offices within HUD, the Department of Justice, or other enforcement authorities.

If funds are provided subject to a cooperative agreement, HUD will also exercise the right to have substantial involvement in all proposed deliverables, Work Plan or Statement of Work (SOW). For grants and cooperative agreements, HUD will conduct monitoring reviews, request quarterly reports, and approve all proposed deliverables as documented in the applicant's Work Plan or SOW. Although most FHIP funds are awarded under grant agreements, national grants that remain in Headquarters are awarded under cooperative agreements.

C. Start Date. For planning purposes, HUD will require a start date of June 3, 2013. Applicants should adjust their budgets, staffing, and SOWs to adhere to this mandatory start date.

III. ELIGIBILITY INFORMATION

A. Eligible Applicants

1. Eligible Applicants. Eligible applicants are Qualified Fair Housing Enforcement Organizations (QFHOs), Fair Housing Enforcement Organizations (FHOs), and non-profit groups organizing to build their capacity to provide fair housing enforcement.

Listed below is the approximate funding, and eligible applicants and activities available for the Fair Housing Organization Initiative, Continuing Development component.

<u>Initiative/Component</u>	<u>Allocation Amount Available</u>	<u>Applicant Eligibility</u>	<u>Project Period</u>	<u>Award Caps</u>	<u>Applicant Eligible Activities</u>
<u>Fair Housing Organizations Initiative – Continued Development General Component</u>	\$1,200,000	QFHOs, FHOs, other non-profit groups organizing to build their capacity to provide fair housing enforcement. As a threshold requirement, organizations cannot receive funding through both FHOI Continued Development General Component (CDGC), and through the PEI Multi-Year component.	12-18 months	\$325,000	Eligible activities are those that build the capacity of an organization moving towards eligibility for PEI Multi-Year Funding.

B. Cost Sharing or Matching. While no matching funds are required, under this funding opportunity, points will be awarded to applicants that demonstrate leveraged resources, as described under Rating Factor 4, as HUD requires applicants to secure resources from sources other than what is requested under the FHIP NOFA.

C. Other

1. Threshold Requirements Applicable to All Applicants.

a. General Section Threshold Requirements. All applicants must comply with the threshold requirements as defined in the **General Section** (Section III.C.2.) and the Program Requirements listed below.

b. CCR/SAM Registration Requirement. Applicants must have an active registration in the System for Award Management (SAM), which has replaced the Central Contractor Registration (CCR) to receive an award of funds from HUD. Please see the General Section for CCR/SAM registration instructions (Section III.C.2.)

c. Timely Receipt Requirement. See the FY 2013 General Section for timely receipt and grace period policy. Applicants not meeting the timely receipt requirements are ineligible for further review by the Technical Evaluation Panel (TEP).

d. Name Check Review. See **General Section** (Section III.C.3.b)

e. Performance. Performance for all FHIP grantees is based on the FHIP grantee's Government Technical Representative (GTR) Final Performance Assessment Report. First-time applicants, applicants who have never received a FHIP award and grantees awarded FY2011 and FY2012 grants will be treated as new applicants. The FY2011 and FY2012 grantees are treated as new since FY2011 and FY2012 grant activities remain open, and those grantees have not received a final performance assessment report. GTR Final Performance Assessment Reports contain the following items: (1) Performance of all requirements under the grant, (2) Acceptance of work performed, and (3) Quality of performance.

f. Applicants must meet the eligibility requirements as defined in Section III A. Eligible Applicants. Only applicants that have been deemed eligible will be ranked and rated. Applicants must be a 501(c)(3) tax-exempt organization as determined by the Internal Revenue Service (IRS) prior to the application deadline date to be eligible for funding and must maintain 501(c)(3) status throughout the grant performance period. Please include in the application an IRS report showing 501(c)(3) status. If your 501(c)(3) status has expired prior to application deadline date, you must show in your application that you have applied for renewal of tax-exempt status and that the application is pending. If your 501(c)(3) status has expired and there is no application for renewal in your application at the deadline date, you will be deemed ineligible. In addition, if an organization with a pending 501(c)(3) application is selected for a funding award based on the review and selection process, the applicant must provide proof that the 501(c)(3) renewal is approved prior to release of funding. If the applicant's pending application is subsequently denied, the applicant's organization will be deemed ineligible and the award selection will be rescinded.

g. Minimum Score. Applicants must receive a minimum Technical Evaluation Panel (TEP) score of 75 points to be considered for funding.

h. Amount in Excess of the Maximum Amount. Applicants are ineligible for funding if they have requested funding in excess of the maximum amount allowed under the initiative or component for which they have applied.

i. Performance. FHAP agencies under a suspension or performance improvement plan based on an agency performance, as designated under CFR Part 115.210(B) at the time of application are ineligible for funding unless the performance issues are resolved to HUD's satisfaction before the application deadline.

j. Eligible Activities. When the majority of the activities are ineligible, HUD will not fund the application.

k. Fair Housing Act/Protected Classes. Applicants that fail to address housing discrimination under the provisions of the Fair Housing Act will be ineligible.

l. Research Activities. Applicants are ineligible for funding if their project is aimed solely at research.

m. Suits Against the United States. An application is ineligible for funding if, as a current recipient of FHIP funds (within the last three years), the organization used any funds provided by HUD for the payment of expenses in connection with litigation against the United States (24 CFR 125.104(f)).

n. Other Litigation. An application is ineligible for funding if the organization used funds provided by HUD (within the last three years) under this Program to settle a claim, satisfy a judgment, or fulfill a court order in any defensive litigation (42 U.S.C. 3616 note Sec. 561 (i)).

Applicants that do not meet these requirements will not be eligible to receive an award.

2. Program Requirements.

a. Fair Housing Related Activities. All the activities and costs within the Statement of Work (SOW) and budget must be fair housing related activities, and must demonstrate an explicit connection to furthering the nondiscrimination provisions of the Fair Housing Act. HUD will not fund any portion of an application that is not eligible for funding under the regulatory requirements; or that does not meet the requirements under this NOFA. Only the eligible portions of a successful application will be funded.

b. Fair Housing Act/Protected Classes. All FHIP-funded projects must address housing discrimination because of race, color, religion, sex, disability, familial status, and/or national origin and further the nondiscrimination provisions of the Fair Housing Act. The project may address discrimination based on gender stereotyping (e.g., gender identity discrimination when such discrimination may also violate the Fair Housing Act). In addition, the project may address source of income discrimination if the organization believes that a practice that is neutral on its face and has been applied neutrally has disparate impact on a protected class under the Fair Housing Act or discrimination based on source of income contributes to a failure to affirmatively further fair housing. HUD is determined to ensure equal opportunity and access to housing in all communities across the nation. All services and activities must be available to the protected class members. The application's description of proposed activities must reflect the commitment to address housing discrimination affecting all of the above protected classes.

3. Additional Requirements.

a. Affirmatively Furthering Fair Housing (AFFH). Under section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing (see section III.C.34.b. of the **General Section** for more information). Actions taken should be designed to address impediments to fair housing choice that are identified in the Analysis of Impediments to Fair Housing Choice of the jurisdiction(s) in which the program activities occur; remedy discrimination in housing and urban development activities; promote diverse, integrated living patterns; and promote housing-related opportunities that overcome the effects of past

discrimination based upon race, color, national origin, religion, sex, disability, and familial status. Consistent with the Department's FHIP rule at 24 CFR 125.105, applicants must describe practices in the proposed service area that adversely affect the achievement of the goal of fair housing; specify activities to address these adverse practices to be conducted with FHIP funds, including the final product(s) and/or any reports to be produced; and describe the expected long-term results. Applicants will provide this information in their responses to the Rating Factor Three.

b. Compliance with Fair Housing and Civil Rights Laws.

(1) With the exception of federally recognized Indian tribes and their instrumentalities, (a) applicants and their sub recipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a), including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Titles II and III of the Americans with Disabilities Act of 1990, and Section 109 of the Housing and Community Development Act of 1974; and (b) if the applicant's state or local government has passed a law or laws proscribing discrimination in housing based on sexual orientation or gender identity, or a law or laws proscribing discrimination based on lawful source of income, the applicant and any proposed sub-recipients must comply with those laws.

(3) If you are a federally recognized Indian tribe or Tribally Designated Housing Entity (TDHE), you should review the particular civil rights requirements for the funding program specified in the program's authorizing legislation, implementing regulations, and funding notice.

c. Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency (LEP)."

Executive Order 13166 seeks to improve access to federally assisted programs and activities for individuals who, as a result of national origin, are limited in their English proficiency. Applicants obtaining federal financial assistance from HUD shall take reasonable steps to ensure meaningful access to their programs and activities to LEP individuals. As an aid to recipients, HUD published *Final Guidance to Federal Financial Assistance Recipients: Title, VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons* (LEP Guidance) in the Federal Register on January 22, 2007 (72 FR 2732). For assistance and information regarding LEP obligations, go to

http://www.justice.gov/crt/lep/guidance/HUD_guidance_Jan07.pdf. For more information on LEP, please visit <http://www.hud.gov/offices/fheo/promotingfh/lep.cfm>.

d. Accessibility Requirements.

All programs or activities conducted under this NOFA must be held in accessible locations unless the recipient can demonstrate that doing so would result in a fundamental alteration of the program or an undue financial and administrative burden, in which case the recipients must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, *e.g.*, training at an alternate accessible site, in-home training. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs, in accordance with Section 504 of the Rehabilitation Act of 1973 (29 USC § 794) and its implementing regulations at 24 CFR part 8, and Titles II and III of the Americans with Disabilities Act.

Successful applicants must also ensure that notices of and communications during all training sessions and meetings are provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6), and as applicable, the Americans with Disabilities Act. This includes ensuring that training materials are in appropriate alternative formats as needed, *e.g.*, Braille, audio, large type, sign language interpreters, and assistive listening devices, *etc.*

e. Accessible Technology.

Section 508 of the Rehabilitation Act (Section 508) requires HUD and other federal departments and agencies to ensure, when developing, procuring, maintaining, or using electronic and information technology (EIT), that the EIT allow, regardless of the type of medium, persons with disabilities to access and use information and data on a comparable basis as is made available to and used by persons without disabilities. Section 508's coverage includes, but is not limited to, computers (hardware, software, word processing, email, and Internet sites), facsimile machines, copiers, and telephones. Among other things, Section 508 requires that, unless an undue burden would result to the federal department or agency, EIT must allow individuals with disabilities who are federal employees or members of the public seeking information or services to have access to and use of information and data on a comparable basis as that made available to employees and members of the public who are not disabled. Where an undue burden exists to the federal department or agency, alternative means may be used to allow a disabled individual use of the information and data. Section 508 does not require that information services be provided at any location other than a location at which the information services are generally provided. HUD encourages its funding recipients to adopt the goals and objectives of Section 508 by ensuring, whenever EIT is used, procured, or developed, that persons with disabilities have access to and use of the information and data made available through the EIT on a basis comparable as is made available to and used by persons without disabilities. This does not affect recipients' required compliance with Section 504 of the Rehabilitation Act and, where applicable, the Americans with Disabilities Act. Applicants and recipients seeking further information on accessible technology should go to <http://www.section508.gov/>.

f. Economic Opportunities for Low-and very Low-Income Persons (Section 3).

While the requirements of Section 3 of the Housing and Urban Development Act of 1968 do not apply to this NOFA, recipients of funding under this program should attempt to ensure that low- and very low-income residents of the metropolitan area where these funds are spent, particularly those that receive federal housing assistance, be informed of new training and employment opportunities created as a result of the funds awarded.

g. Single Audit Requirement. All applicants who have expended \$500,000 or more in Federal financial assistance within a single year (this can be a program or fiscal year) must be audited in accordance with the OMB A-133 requirements as established in 24 CFR Part 84 and 24 CFR Part 85. Applicants that receive \$500,000 or more in Federal financial assistance must set aside funds to complete the audit.

h. Dun and Bradstreet Numbering System. (DUNS) Numbering Requirement. Refer to the **General Section** for information regarding the DUNS requirement. You will need to have a

DUNS number to apply for funding via grants.gov as well as receive an award from HUD. The DUNS number used in the application must be for the applicant organization identified in Box 8a on the HUD424, Application for Federal Financial Assistance.

i. Independence of Awards. The application submitted must be independent and capable of being implemented without reliance on the selection of other applications. Applicants applying under one of the FHIP Initiatives may not use the performance (e.g., performance review rating or successfully completed activities) of another organization to meet the requirements of Rating Factor 1.

j. Testing Requirements. All applicants that propose testing must review the FHIP Regulation at 24 CFR 125.107 and reflect these requirements in their application. Further, in addition to meeting the requirements of 24 CFR 125.107, applicants should be prepared to adopt policies and practices that include a criminal background check on potential testers and a requirement that potential testers certify under penalty of perjury that they meet the requirements under that section. Costs for all background checks should be included in the applicant's budget.

k. Training Funds. The proposed budget for any FHIP grant must set aside \$10,000 annually to be utilized to participate in HUD mandatory sponsored or approved training. If the applicant is awarded more than one grant, HUD reserves the right to examine the requested trainings needs. If additional training funds are not needed, HUD reserves the right to transfer funds back to fair housing activities during negotiations.

III. APPLICATION AND TIMELY RECEIPT INFORMATION

A. Address to Request Application Package. See the **General Section** for specific procedures concerning the electronic application submission and timely receipt requirements. Copies of the published NOFAs and application forms for HUD programs announced through NOFAs may be downloaded from the [grants.gov](http://www.grants.gov) website at http://www.grants.gov/applicants/find_grant_opportunities.jsp; if you have difficulty accessing the information, you may receive customer support from [Grants.gov](http://www.grants.gov) by calling its Support Desk at 800-518-GRANTS, or by sending an email to support@grants.gov. The [Grants.gov](http://www.grants.gov) help desk is open 7 days a week, 24 hours a day, except federal holidays.

B. Content and Form of Application Submission

1. All applicants must read and adhere to Initiative and Component specific submission requirements. Applicants should review the chart entitled "Summary of Initiatives/Components" and submit a completed electronic application on or before the deadline date. Applicants must also review the checklist under this section B.3 to ensure that your applicant contains all required forms/information.

2. Requirements Applicable to All Applicants. The maximum length of the narrative response is eight (8) pages per factor. The narrative pages must be **double-spaced**. This includes all text, titles and headings. You are required to use 12 point font. You must respond fully to each rating factor to obtain maximum points. Failure to provide narrative responses to rating factors 1-4 (no narrative is required for factor five) or omitting requested information will

result in less than the maximum points available for the given rating factor or sub-factor. The Statement of Work and Budget information do not count toward the eight-page maximum.

3. Checklist. The checklist below outlines all items to be included in the application:

Complete Application Package Contains	Required Form and Content
Application for Federal Assistance	Form SF424 (per required form). Applicants must include the nine digit zip code (ZIP code plus four digits) associated to the applicant’s address in box 8d of the SF424. Also, in Box 15, along with the Initiative, an applicant should include the Component to which you are applying.
Survey for Ensuring Equal Opportunity for Applicants	HUD424 Supplement (“Faith Based EEO Survey (HUD424SUPP); (per required form)
Budget information	Form HUD424CBW (“HUD Detailed Budget Form and Worksheet”); (per required form)
Disclosure of Lobbying Activities	SFLLL, if applicable; (per required form)
Applicant-Recipient Disclosure Update Report	HUD2880 (“HUD Applicant Recipient Disclosure Report”); (per required form)
Acknowledgement of Applicant receipt (Required only if you are granted waiver to the electronic application requirement)	HUD2993 (per required form)
Certification_ of_ Preferred Sustainable_ Communities, if applicable	HUD2995
Program Outcome Logic Model	HUD96010 (per required form)
Facsimile Transmittal Form	HUD96011 (per required form)
Narrative for Rating Factors 1-4	Format described in Sections V.A. of this NOFA;
Statement of Work	Format described in this NOFA
Narrative Budget Work Plan	Format described in this NOFA
Affirmatively Furthering Fair Housing Work Statement	Summary of how the applicant will address their obligation to affirmatively further fair housing. The summary shall contain information on how the project will help overcome impediments to fair housing choice. The summary should also contain information on targeted groups by race, color, national origin, religion, sex, disability, or familial status and the impediments to fair housing choice they face. Applicants should describe how they will review their policies and procedures to determine whether they imposed impediments to fair housing choice and identify how they are addressing impediments to fair housing choice. Finally, applicants should identify partners they are working with to affirmatively further fair housing. No specific form is required, however, the document may be single or double spaced.

Complete Application Package Contains	Required Form and Content
Affirmatively Furthering Fair Housing Plan	Plan and timeline of how applicant will address their obligation to affirmatively further fair housing.
Project Abstract (Amount Requested/Initiative and Component Requested)	One page summary including amount requested, component applied, project activities, areas of concentration, and issues pending resolution.

C. Timely Receipt Requirements.

The application deadline is 11:59:59 p.m. eastern time on **April 22, 2013**. Applications must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Please see the General Section for HUD’s grace period policy.

D. Intergovernmental Agency Review Intergovernmental agency review is not required for this program.

E. Funding Restrictions

1. Indirect Cost Rate. If you are awarded FHIP funds, HUD staff will request that you provide your federally approved indirect cost rate during budget negotiations. If you do not have a federally approved indirect cost rate and HUD is the cognizant agency, HUD will submit a request within 30 days after award to establish a rate. For information on indirect cost rates, you can review HUD’s training on http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/training/odgmoctraining .

2. Retainer Fees. FHIP recipients are under specific restrictions regarding establishment of retainer agreements and recovery of legal fees from HUD-funded cases. Data on fees, settlements, and verdicts are matters of public record. Awardees must provide this information to HUD on an annual basis. Neither the grantee nor the individual(s) on whose behalf any action is filed can request that HUD waive these provisions.

3. Reimbursement Requirement. FHOI grantees are required to reimburse the Federal government the amount of the grant from all financial settlements, conciliations, and agreements reached as a result of their use of FHIP funds. With prior approval from the HUD Government Technical Representative (GTR), grantees may choose to use the funds as program income to further fair housing activities rather than returning these funds to HUD.

4. Limitations for Education & Outreach. For FHOI grantees, there is a 20 percent limit on the dollar amount allowed for education and outreach related activities that can be funded in an enforcement award. If you exceed the limit, points will be deducted in the rating process and if awarded, funds will be adjusted to maintain the required limitation.

F. Other Submission Requirements: If you cannot access the toll-free number or experience problems, you may use (215) 825-8798 (this is not a toll-free number). Applicants must follow the directions provided in the **General Section** (section IV.B.g.(3)(b)) for faxing information as part of their application submission. When attaching files to the application using the attachments form, applicants must strictly adhere to the file naming requirements in the **General Section** (see section IV.B.e). Failure to do so will result in the application being rejected by the Grants.gov system with a “VIRUS DETECT” error message.

G. Waiver Requests. Electronic delivery via Grants.gov is HUD’s required method for application submission. Applicants interested in applying for FHIP funding must submit their applications electronically or request a waiver from the Assistant Secretary for Fair Housing and Equal Opportunity. The request must state the basis for the waiver. HUD’s regulation on waivers, found in 24 CFR part 5, states that waivers can be granted for cause.

Applicants must submit their waiver requests, in writing at least 15 days prior to the application deadline, to:

Assistant Secretary for Fair Housing and Equal Opportunity
451 7th Street, SW
Room 5100
Washington, DC, 20410

A copy of all waiver requests must simultaneously be submitted to:

Myron P. Newry, Director, FHEO-FHIP Division
451 7th Street, SW
Room 5222B
Washington, DC, 20410

If you are granted a waiver, the notification will provide instructions on where to submit the application and how many copies are required. If you receive a waiver of the electronic application submission requirement, your paper copy application must be received by HUD in room 5222B no later than 4:30 pm eastern time on the application deadline date. HUD applications are scanned. The scanning facility at HUD Headquarters closes at 5:00 pm eastern time. Applicants must allow adequate time for the application to be scanned through this facility. Applications not received in 5222B by the 4:30 pm Eastern Time deadline date shall be deemed ineligible. There is no grace period for paper application submissions. HUD will not accept a paper application without a waiver being granted and such paper applications will be returned to sender.

IV. APPLICATION REVIEW INFORMATION

A. Criteria for Applications. The criteria for rating and ranking applications, as well as the maximum points for each Rating Factor, are provided below. The maximum number of points awarded any application under the rating factors is 100. An additional two Bonus Points may be

applicable to applicants that are working in communities that have received Preferred Sustainability Status under the FY2010 or the FY 011 Sustainable Communities Regional Planning Grant Program or the FY2010 or FY 2011 HUD funded Challenge Grant Program (hereafter referred to as the Preferred Sustainability Status Communities). See V.B.1.d.(3) below for additional detailed requirement information.

1. Rating Factor 1: Capacity of Applicant and Relevant Organizational Experience (up to 40 points).

a. This factor addresses the extent to which the organization has the staff experience and organizational capacity necessary to successfully complete the proposed project by the end of the grant performance period. In rating this factor, HUD will consider the extent to which the applicant clearly addresses the following:

(1) Description and expertise of staff (this includes staff of contractors and consultants) (up to 20 points for current FHIP grantees and up to 25 points for new applicants.) You must describe staff expertise to show that you will have sufficient, qualified staff who will be available to complete the proposed activities. HUD recognizes that, in carrying out the proposed activities, you may have persons already on staff, plan to hire additional staff, or will rely on contractors or consultants to perform specific tasks. You must describe your staffing plan and the extent to which you plan to add staff (employees) or contractors. If your application proposes using contractors you must provide a statement describing how you will evaluate and provide oversight for each contractor.

(a) You must identify each staff person(s) assigned to the proposed project by name and position, and the percentage of time that each will devote- to the proposed project. You must also describe each person's fair housing related experience. Please do not include resumes. For proposed hires, you must identify the position, percentage of time the proposed staff will devote to the project, and the position requirements including fair housing or other qualifications that will assist the organization in successfully completing the proposed project. For proposed consultants or contractors, you must describe experience that contributes to the organization completing the proposed activities, including any fair housing related experience.

(b) Your organization must identify FY 2010, FY2011 and FY2012 grant awards, and identify each staff person assigned to the previous projects, including staff name, position and percentage of time devoted to those project(s). Staff's time and efforts under each Initiative/Component must be based on a June 3, 2013 start date. If you are applying for or currently have multiple grants under the FHIP, you must describe in your application how you will manage, operate, and maintain activities, performance requirements and, timetables for these multiple grants. Failure to provide this information will result in you receiving 0 points under this sub-factor.

(c) In addition to the requirements outlined above, you must identify the percentage of time that the day-to-day program manager will devote to the proposed project. To receive maximum points under this sub-factor, the day-to-day program manager must devote a minimum of 75 percent of his/her time to the proposed project.

(2) Organizational Experience (up to 15 points). You must describe your organization's ability to complete the proposed project within the grant period and show the effectiveness of your project.

(a) In responding to this sub-factor, you must show that your organization has conducted past project(s) similar in scope and complexity (whether FHIP funded or not) to the project proposed in your application or engaged in activities that, although not similar, are readily transferable to the proposed project.

(b) **Activities and Effectiveness.** For previous and current FHIP grantees, HUD may evaluate how well an applicant has performed successfully under completed and/or open HUD FHIP grants, if applicable. For all HUD FHIP grants received through 2012, applicants should include the grant number, dollar amount awarded, the amount expended and obligated as of the date the application is submitted, and describe your activities and results (outcomes) achieved on previous FHIP grants. The applicant's listing or chart describing activities and effectiveness does not count towards the eight (8)-page limit for Factor 1.

(c) Applicants must describe their organization's knowledge of and proximity to the targeted (service) area.

(3) Performance on past project(s) - (up to 5 points for current grantees and 0 points for new applicants). HUD will assess your organization's past performance in conducting activities relevant to your current application. In addition to first-time applicants and applicants that have never received a FHIP award, organizations that received FHIP funding for the first time in FY2011 or FY2012 are also considered new applicants. For current FHIP grantees' past performance will be assessed based on your most recent GTR Final Performance Assessment Report for FHIP received from your HUD GTR.

- 5 points if you received an "Excellent";
- 3 points if you received a "Good"; and
- 1 point if you received a "Fair"

If a prospective applicant received FHIP funds and received a rating of "Poor" for its most recent FHIP GTR Final Performance Assessment from its Government Technical Representative (GTR), its FY 2013 FHIP application will be determined to be ineligible. An applicant that disagrees with its determination of ineligibility for the FY2013 competition because of a "Poor" performance rating must adequately address the factors resulting in the "Poor" performance rating to HUD's satisfaction before the FHIP application deadline date. If the "Poor" performance rating is not resolved to the Department's satisfaction before the application deadline date, the applicant is ineligible to apply for the FY2013 FHIP NOFA competition. HUD is interested in improving the performance of all grantees; therefore, applicants who are deemed ineligible because of a "Poor" performance rating may obtain and are encouraged to seek HUD technical assistance to improve their performance to be eligible for future NOFA competitions.

2. Rating Factor 2: Need/Distress/Extent of the Problem (up to 20 points)

This factor addresses the extent to which there is a need for funding the proposed activities. The need(s) described must be relevant to the activities for which funds are being requested under factor (3).

a. Need. HUD studies have shown that funding FHIP agencies improves the quality of cases filed with HUD and FHAP agencies so much that cases referred or filed by a FHIP agency are twice as likely to result in a settlement or charge as all other cases. In addition, although the Fair Housing Act outlawed housing discrimination more than 43 years ago, housing discrimination of all types continues in communities throughout the nation. HUD's 2000 Housing Discrimination Study (HDS 2000) found that African Americans experience discrimination in 22 percent of rental transactions and 17 percent of sales transactions. Hispanics also face significant levels of discrimination and experience adverse treatment in approximately 26 percent of rental transactions and 20 percent of sales transactions. Differences in treatment may involve being told a different price, not being told about incentives, being shown fewer units, being discouraged from renting the unit, or wrongly being told that nothing is available. HDS 2000 also found that Asian Americans experience discrimination in sales transactions at similar rates to African Americans and Hispanics, experiencing adverse treatment in approximately 20 percent of sales transactions.

(1) Describe the specific need(s) that will be addressed under this application. Based on this study, applicants use any other relevant information from various studies done by HUD or any other reliable source (Consolidated Plan, Analysis of Impediments to Fair Housing Choice, statistics, etc.) To support need in the proposed target area. Applicants should not submit copies of reports or supporting documentation in the application, but reference any reports, statistics or other data used by providing appropriate websites where the data or reports may be found. Additionally, the applicant should describe:

(2) Continued Need. Describe the continuation of the identified need. For example: Any potential imminent adverse consequences to persons in protected classes covered under the Fair Housing Act if not selected for funding; and

(3) Link Between Need and Activities. Describe the link between the need and your proposed activities. This should include:

(a) The way the proposed activities will address discrimination indicated by evidence of systemic housing discrimination, high segregation indices, or other evidence of discrimination prohibited by the Fair Housing Act within the project area.

(b) To receive maximum points for this factor there must be a direct relationship between the purposes of the program proposed for FHIP funding, applicant's proposed activities, the fair housing needs of the community or communities, and how you plan to address systemic discrimination in a way that meets those fair housing needs.

(c) Applicants must describe the urgency of the fair housing needs.

Applicants will not receive the full 20 points under this rating factor unless they address the target area's impediments to fair housing choice,. These may be documented in the applicable Analysis of Impediments (AI) to Fair Housing Choice or identified by the organization if no AI exists. Furthermore, applicants should address the need for language assistance services in languages other than English by describing the target population's language needs and actions which will make the applicant's activities available to meet those language needs.

3. Rating Factor 3: Soundness of Approach (up to 28 points). This factor addresses the soundness, quality, and effectiveness of the proposed work plan and the commitment of the applicant to sustain the proposed project activities. Points are awarded under this factor for the quality of the approach or method used to implement the activities proposed in relation to the need(s) identified in factor (2). For each policy priority you must discuss the relationship of your activities to HUD's Strategic Goals and sub-goals. You must assure that your project addresses performance measures/outcomes in support of these goals and provide a SOW and budget to establish a numerical baseline and targets for those measures. In addition, the applicant must show how both goals will complement the organization's final objectives and show how the impact will be effective in their community.

a. Support of Policy Priorities (up to 4 points).

As described in the General Section, HUD is encouraging applicants to undertake programs and projects consistent with the HUD's Strategic Goals and HUD's Policy Priorities. Under this program, NOFA applicants are required to address the following policy priorities to receive policy priority points:

(1) Affirmatively Furthering Fair Housing (up to 2 points). HUD is interested in funding housing and community development activities that afford residents an opportunity to live in a variety of neighborhoods and not be confined to affordable housing choices in areas of high poverty or areas that are not racially or ethnically diverse. Recognizing that housing and community development efforts must address a complex network of social and economic factors in order to promote more diverse, inclusive communities, HUD seeks to encourage its grantees to undertake comprehensive and innovative strategies to affirmatively further fair housing.

To earn full points for the Affirmatively Furthering Fair Housing Policy Priority:

(1) Applicants must go beyond the minimum affirmatively furthering fair housing requirements of this NOFA to which they are applying and demonstrate a history of success at affirmatively furthering fair housing, including a description of measurable outcomes the applicant has achieved.

(2) Applicants must respond to at least three of the activities listed below and explain how success will be measured during the grant performance period. Applicants must also explain how they will collect the related baseline and outcome data, and provide evidence of their capacity to collect and interpret the data.

These activities are:

(a) Housing Discrimination. Analyzing and eliminating housing discrimination in your jurisdiction or multiple jurisdictions for the national applicants;

(b) Housing Choice. Promoting fair housing choice for all persons;

(c) Inclusive Communities. Providing opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability or national origin;

(d) Persons with Disabilities. Experience in conducting on a regional/local/community based project or national project promoting housing that is structurally accessible to, and useable by persons with disabilities; experience providing services to persons with disabilities in the most integrated setting appropriate to their needs.

(e) Expanding Opportunities Outside Institutional Settings. Helping individuals with disabilities find housing outside of institutional settings, e.g., in community-based settings that offer the most integrated setting appropriate to the need of the individual with a disability; and

(f) Compliance. Fostering compliance with the nondiscrimination provisions of the Fair Housing Act. This includes:

(i) Eliminating Barriers. Identifying and developing concrete plans to remove discriminatory barriers to housing choice;

(ii) Systemic Barriers. Addressing systemic discrimination barriers.

(b) Capacity Building and Knowledge Sharing (up to 2 points). HUD recognizes that successful program implementation can occur only in partnership with effective grantees. Working with our partners to align programs is fundamental to building resiliency in difficult economic times. Capacity building is therefore critical to strengthen the capacity of HUD's partners – especially state and local governments. Capacity building is the development of core skills within partner organizations. Increased technical capabilities and knowledge sharing will allow HUD's partners to participate in decision making and planning process, coordinate on cross-programmatic, place-based approaches, and ensure that expertise is institutionalized. Capacity building is featured in HUD's Strategic Plan for FY2010-2015, Goal 4 (See Section 1.C). Specifically, Sub-goal 4E reads, "Build the capacity of local, state and regional public and private organizations." HUD seeks to fund grantees that undertake activities that build enduring capacity of partners and mechanisms for knowledge sharing.

To earn policy priority points, applicants should focus on the following activities:

(1) Strengthening the capacity of state and local partners, including governments and nonprofit organizations, to affirmatively further fair housing, implement HUD's programs, participate in decision making and planning processes to ensure racially diverse communities, and coordinate on cross-programmatic, place-based approaches through grant making and technical assistance to eliminate discriminatory barriers within particular jurisdictions or regional areas; and

(2) Support knowledge sharing and innovation by disseminating best practices, peer-to-peer learning experiences, publishing analyses based on data or research including testing, and helping to incubate and test new ideas for the creation of diverse communities where unlawful discrimination does not exist.

To receive total points for this policy priority, grantees must go beyond the threshold requirements of this NOFA. Successful applicants must detail how the applicant will provide knowledge-sharing experiences to their relevant organizations such as community development agencies of jurisdictions, owners of assisted and private market housing, local community decision makers, transportation agency staff, FHAP or other fair housing agency operations or others that influence decisions about placement of housing and disparities in access to opportunity within your community. Further, successful applicants must demonstrate in the proposed program design and implementation that the applicant's project activities will result in long-term benefits and increase capacity to assess the knowledge of, and educate the public on fair housing, affirmatively furthering fair housing, expansion of affordable housing into areas of high opportunity and/or affirmative marketing (on a regional/local community based project). Applicants must also describe in the eLogic Model the methods they will employ to measure and report to HUD on their progress at achieving these outcomes.

b. Proposed Statement of Work (SOW) and Information Requirements (up to 14 points).

This sub-factor does not count toward the eight (8)-page limit on the narrative of this rating factor. The sub-factor will be evaluated on the extent to which the applicant provides a clear detailed description of the proposed project activities, and the anticipated results (outcomes) they will have on the target area(s) at the end of the grant's performance period.

(1) The Statement of Work (SOW) must describe in detail all proposed project activities and major tasks, team members/staff and partners as identified in Factor 1 who will be responsible and accountable for completing each major task, and the steps to complete the proposed activities required to successfully implement the proposed project. The SOW must also identify the anticipated measurable outcomes these activities will have on the targeted population.

c. Budget and Cost Estimates (up to 10 point).

For all applicants. HUD will assess the soundness of the planned approach by evaluating the quality, thoroughness, necessity, cost effectiveness, and reasonableness of costs to carry out the project activities, as well as the appropriateness of budget allocations and rationality of the proposed budget and narrative. The budget information provided, which should include a Narrative Budget Work Plan and 424 CBW Budget Worksheet will be evaluated based on whether the expenses are reasonable, thoroughly explained, supported, and appropriate to carry out the proposed project.

(1) Your budget narrative and worksheet must relate to the tasks in the SOW, including identifying key team members/staff and partners, as identified in Factor 1 who will be responsible and accountable for completing major task, and to HUD's Program Outcome Logic Model (HUD -96010).

In addition, your budget narrative should include a description of the organization's Financial Management Capacity. You must describe your organization's financial management system and your Board's role in financial management or oversight. Also, discuss your organization's capabilities in handling financial resources, disseminating payments to third parties, e.g. contractors, and maintaining adequate accounting and internal control procedures. HUD will review the GTR Final Assessment Report as an indicator of how applicant managed funds, including but not limited to the ability to account for funding appropriately, timely use of funds received from HUD, meeting performance targets for completion of activities, timely submission of required progress reports; compliance with the program's terms and condition, receipt of promised leveraged resources; and timely closeouts. In assuring financial management capacity, HUD reserves the right to request an assessment of your organization's financial management system and your Board's role in financial management or oversight. Please see the **General Section** (Section III.C.2).

(2) The Narrative Budget Work Plan and budget worksheet do not count towards the eight (8)-page limit on the narrative response to this rating factor. Failure to provide a written Narrative Budget Work Plan will result in 2 points being given for your sub-factor 3.c. score.

4. Rating Factor 4: Leveraging Resources/ Developing Partnership (up to 2 points). This factor addresses the ability of the applicant to increase capacity by developing partnerships and securing resources that can be combined with HUD's FHIP funds. It is HUD's intent that these resources will assist the organization through this project in achieving its purpose and long-term commitment to the community after funds have expired. To receive full points under this factor an applicant must have both internal resources (provided by the applicant) and external resources

a. Firm Commitment of Leveraging or Collaboration. HUD requires applicants to secure resources from sources other than what is requested under this FHIP NOFA. Leveraging of community resources may include funding or in-kind contributions, such as workspace or services of equipment, allocated to facilitate proposed project activities. Contributions or cash from the applicant, affiliates, subsidiaries, divisions, or employees of the applicant do not qualify as in-kind contributions. Cash or funds from an applicant's previously established investment account(s) may qualify as in-kind resources; however, support documentation must be provided. Resources may be provided by governmental entities (including other HUD programs if such costs are allowed by statute), public or private nonprofit organizations, faith based organizations, for profit or civic private organizations, or other entities' planned contributions. In order to obtain points for leveraging third party resources you must provide signed letters of firm commitment or signed agreements from the organizations and/or individuals that will provide financial or in-kind support for your project on the respective organization's letterhead. See the **General Section** for instructions on how third party documents are to be submitted to HUD via the electronic submission process.

(1) For All Applicants. Each letter of firm commitment or documents must:

- (a) State definitively a commitment to provide funding or in-kind resources (although the commitment may be on the condition that your organization receives a FHIP award);
- (b) Identify the organization and/or individual committing resources to the project and state the timeline for use of these funds in relation to the project. The letter must identify any affiliation with the applicant;
- (c) Identify the sources and amounts of the leveraged resources (the total FHIP and non FHIP amounts must match those in your proposed budget submitted under Rating Factor 3); and
- (d) Describe how these resources will be used under your SOW; and be dated and signed by the individual or organization official legally able to make commitments for the organizations on the organization's official letterhead.

If the resources are in-kind or donated goods, the firm commitment letter must indicate the fair market value of those resources and describe how this fair market value was determined. Do not include indirect costs as a part of any in-kind resources. In-kind leveraging contributions, as well as Program Income must comply with 24 CFR 84.23 and 84.24 requirements. Goods and services secured with FHIP funds cannot be used for any in-kind or donated services (for example, services of a current staff person on a FHIP funded project). If after award leveraged resources are subsequently withdrawn or modified from the approved amount, the Government Technical Representative may deem the grantee ineligible to receive any remaining FHIP funds under this award.

There will be no points awarded for general letters of support endorsing the project from organizations, elected officials at the local, State, or national levels, and/or individuals in your community and such letters are not required. If your project is not supported by at least 10% of non-FHIP resources, then you will not receive any points under this factor. Points will be assigned for each Initiative based on the following scale:

Points Awarded	Leveraging Resources
One	From 10 percent to less than 30 percent of total project costs from non FHIP resources
Two	30 percent or more of total project costs from non-FHIP resources OR Less than 30 percent of total project costs from non-FHIP resources AND a letter of firm commitment from a FHAP which when combined together, exceeds 30 percent of the total project costs

5. Rating Factor 5: Achieving Results and Program Evaluation (10 Points)

This factor reflects HUD's goal to embrace high standards of management and accountability. It measures the applicant's commitment to assess their performance to achieve the projects'

proposed objectives and goals. Applicants are required to develop an effective, quantifiable, outcome-oriented evaluation plan for measuring performance and determining that objectives and goals have been achieved by using HUD's Program Outcome Logic Model (HUD -96010). The Logic Model is a summary of the narrative statements presented in Factors 1 through 3. Therefore it should be consistent with the information contained in the narrative statements. In evaluating this factor, HUD will assess the extent to which the applicant demonstrates how results of the project will be measured as outlined in the proposed Statement of Work. To meet this factor requirement, applicants must submit a completed eLogic Model[®] (HUD-96010). Instructions on use of the eLogic Model[®] are provided in the form itself. The form is part of the Instructions download found at http://www.grants.gov/applicants/apply_for_grants.jsp. A narrative response is not required for this Rating Factor as all applicants must use the eLogic Model[®] form. Applicants that submit narrative responses rather than use the eLogic Model[®] form found in the instructions download or provided by HUD will receive no points under this Rating Factor. Applicants who have identified outputs and outcome measurements and methods for assessing those against commitments made in the application, will receive higher points than those that do not. Please see the Logic Model Assessment Matrix found in Attachment 1 of the **General Section**. The only submission requirement for this Rating Factor is HUD's Logic Model (HUD96010).

If applicants do not have access to Excel, please contact the Office of Departmental Grants Management and Oversight at 202-708-0667. Requests for assistance to obtain a customized eLogic Model[®] must be made at least 15 days prior to the application deadline to allow the ability to fulfill the request.

Applicants should also review the Logic Model training which can be found at http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/training/odgmo/training. The Logic Model includes:

a. Needs. HUD will review the proposed activities/outputs and outcomes (as the units of measurement you select for evaluating the impact of your proposed project) in relation to the needs of your intended audience or target populations.

b. Output. The Logic Model has a prepared list of activities, outcomes, and indicators associated with Fair Housing.

Applicants must select one or more activities from the listing of "Fair Housing Services Provided" that will be undertaken by their organization. You must select from the list "Fair Housing Services Provided" and may not add additional services to that list to receive points under this Rating Factor. HUD will review the direct products of the applicant's activities that lead to the ultimate achievement of outcomes.

c. Outcome. Applicants must choose from this list of "Year 1, Year 2, or Year 3" outcomes that are provided on the eLogic Model as appropriate, or applicants may choose "Other" outcomes. If "Other" outcomes are identified, applicants must provide a brief statement to describe these activities or outcomes. Applicants who do not either select from the list "Outcomes and Indicators" or select "Other" but fail to provide a brief description of the outcomes they identify will not receive points under this Rating Factor. Successful applicants will be required to assess

their progress and track their performance in meeting the goals and objectives outlined in the work plan.

d. Accountability. Accountability can be achieved using specific measurement tools to assess the impact of recipient activities and their effectiveness.

Applicants must also reference policy priorities as noted in your response to Rating Factor 3(a) and relate them to your project's goals, as appropriate.

e. Management Questions. After award, grantees must submit answers to the management questions, if they are applicable to their SOW and program of activities and outcomes.

B. Reviews and Selection Process

1. Rating and Ranking. Applicants may be funded under the Fair Housing Organization Initiative, Continued Development General Component (CDGC) and HUD will review all eligible applications and assign points based upon:

a. Narrative Responses. Narrative responses to the Factors for Award and the accompanying materials specified, and

b. Preferred Sustainability Status Community Bonus Points. An additional two Bonus Points may be available to applicants that are working in the following ways with communities that have received Preferred Sustainability Status under the HUD FY2010 and FY2011 Sustainable Communities Regional Planning Grant Program and/or the FY2010 and FY2011 HUD funded Challenge Grant Program (hereafter referred to as the Preferred Sustainability Status Communities).

To be eligible to receive Preferred Sustainability Status Communities bonus points, an applicant is required to obtain a certification from the Designated Point of Contact for the designated Preferred Sustainability Status Community using form HUD-2995 which verifies that the applicant has met the following criteria:

(1) The applicant is engaged in activities, that in consultation with the designated Point of Contact of the HUD designated Preferred Sustainability Status Community furthers the purposes of the Regional Planning Grant Program or the Challenge Grant Program; and

(2) The applicant's proposed activities either directly reflect the Livability Principles cited and contained in HUD's **General Section** to the FY2013 NOFAs or will result in the delivery of services that are consistent with the goals of the Livability Principles; and

(3) The applicant has committed to maintain an on-going relationship with the HUD Preferred Sustainability Status Community for the purposes of being part of the planning and implementation processes in the designated area.

The form must be signed and dated anytime from the date of the publication of the funding opportunity on www.Grants.gov to the deadline date of the funding opportunity. Any certifications signed before or after those dates will not be acceptable. If the applicant is from the agency that holds Point of Contact status in a particular Preferred Sustainability Status Community, the form HUD2995 must be certified by the appropriate HUD Regional Administrator in consultation with field staff.

For ease of reference in this notice, all of these federally designated areas are collectively referred to as Preferred Sustainable Status Communities (PSSC).

c. Ineligible Applications. Ineligible applications will not be rated or ranked.

d. The maximum number of points to be awarded for the Rating Factors is 100 plus a potential 2 bonus points for applicants working with communities that have received Preferred Sustainability Status under the FY2010 and FY2011 Sustainable Communities Regional Planning Grant Program and/or the FY2010 and the FY2011 HUD funded Challenge Grant Program (hereafter referred to as the Preferred Sustainability Status Communities).

e. Corrections to Deficient Applications. In order not to unreasonably exclude applications from being rated and ranked, HUD may contact applicants to ensure proper completion of the application, and will do so on a uniform basis for all applicants. HUD may not seek clarification of items or responses that improve the substantive quality of an applicant's response to any rating factors or which correct deficiencies which are in whole or part of a rating factor, including items that impact the Preferred Sustainable Communities Bonus Points. Applicants will have five business days from date of notification to submit the required documents to HUD. Applicants will be notified by fax and telephone about corrections to ensure notification. The applicants must submit the corrections by using the form HUD90611 found in their downloaded application to submit the technical cures to HUD. See the FY2013 **General Section** for further details.

f. Minimum Score to be Funded. Only applications with a rating of 75 points or more will be considered of sufficient quality for funding.

g. Tie Breaking. When two or more applications have the same total overall score, the application with the higher score under Rating Factor 2 will be ranked higher. If applications still have the same score, the tie will be broken by the Rating Factor 1 score. If a tie remains, then the tie will be broken by the Rating Factor 3 score. And if a tie still remains, the application committing the greatest amount of Leveraged funds under Rating Factor 4 will be selected.

2. Adjustments to Funding. As provided in the **General Section** (see section V), HUD may approve an application for an amount lower than the amount requested, fund only portions of the application, withhold funds after approval, reallocate funds among activities and/or require that special conditions be added to the grant agreement, in accordance with 24 CFR 84.14, the requirements of the **General Section**, or where:

- a. HUD determines the amount requested for one or more eligible activities is unreasonable or unnecessary;
- b. An ineligible activity is proposed in an otherwise eligible project;
- c. Insufficient funding amounts remain to award the full amount requested in the application, and HUD determines that partial funding is a viable option;
- d. The past record of key personnel warrants special conditions; or,
- e. Training funds are not reserved for FHIP training.

3. Reallocation of Funds. After all applications within funding range have been selected or obligations are completed in an Initiative if funds are still available, the Selecting Official or designee will have the discretion to reallocate those remaining funds in rank order among Initiatives as follows:

- a. **FHOI** – Any funds remaining after awards to grantees under this component will be reallocated to CDC or PEI Multiyear grant categories in a later NOFA.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notices

1. Applicant Notification and Award Procedures.

a. Notification. Information about the review and award process will not be available during the HUD evaluation period, which begins on the application deadline date for this NOFA and lasts for approximately 90 days thereafter. However, you will be advised, in writing or by telephone, if HUD determines that your application is ineligible, or has technical deficiencies which may be corrected as described in the **General Section** (see section). HUD will only communicate with persons specifically identified in the SF424 in the application. HUD will not provide information about the application to any third party such as contractors.

b. Negotiations. If you are selected, HUD will require you to participate in negotiations to determine the specific terms of your cooperative or grant agreement. The selection is conditional and does not become final until the negotiations are successfully concluded and the grant or cooperative agreement is signed and executed based upon the negotiations. HUD will negotiate only with the person identified in the application as the Director of the organization or if specifically identified in the application as the Project Director. HUD will not negotiate with any third party (i.e., a contractor, etc.). The Grant Officer and Government Technical Representative will determine on a case-by-case basis if technical assistance or special conditions are required.

c. Applicant Scores. After awards are announced, applicants will receive a copy of their final score. HUD will not release the names of applicants or their scores to any third party. Applicants may secure a copy of a successful FHIP application for FY2012 at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/foia/highscore after all funding decisions are made. HUD's FOIA page has archived the highest rated application for FY2012 and before.

B. Administrative and National Policy Requirements.

1. Environmental Requirements. In accordance with 24 CFR 50.19(b)(3), (4), (9), (12), and (13) of HUD regulations, activities assisted under this program are categorically excluded from the requirements of the National Environmental Policy Act and are not subject to environmental review under related laws and authorities.

2. Procurement of Recovered Materials. State agencies (FHAP agencies) and agencies of a political subdivision of a State that are using assistance under a HUD program NOFA for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

3. Product Information. Press releases and any other product intended to be disseminated to the public must be submitted to the Government Technical Representative (GTR) four days before release for approval and acceptance. The GTR will work with the Office of Education and Outreach for information clearance and approval.

4. Ensuring the Participation of Small Disadvantaged Businesses, and Women Owned Businesses. (See **General Section** at section III.C.5.e.)

5. Payment Contingent on Completion. Payment of FHIP funds is made on a reimbursement basis. Payments are contingent on the satisfactory and timely completion of your project activities and products as reflected in your grant or cooperative agreement. Requests for funds must be accompanied by financial and progress reports.

6. Copyright Materials. You may copyright any work that is eligible for copyright protection subject to HUD's right to reproduce, publish, or otherwise use your work for Federal purposes, and to authorize others to do so as required in 24 CFR § 84.36.

7. Complaints Against Awardees. Each FHIP award is overseen by a HUD Grant Officer (See www.hud.gov for list of FHEO Regional Directors). Complaints from the public against FHIP grantees should be forwarded to the Grant Officer. The Grant Officer's name and contact information is provided in the grant agreement. If, after notice and consideration of relevant information, the Grant Officer concludes that there has been inappropriate conduct, such as a violation of FHIP requirements, terms or conditions of the grant, or any other applicable statute, regulation or other requirement, HUD will take appropriate action in accordance with 24 CFR § 84.62. Such action may include: written reprimand; consideration of past performance in awarding future FHIP applications; repayment to HUD of funds received under the grant; or temporary or permanent denial of participation in the FHIP in accordance with 24 CFR part 24.

8. Double Payments. If you are awarded funds under this NOFA, you (and any contractor or consultant) may not charge or claim credit for the activities performed under this project under any other Federally assisted project.

9. Performance Sanctions. A grantee or contractor failing to comply with the requirements set forth in its grant or cooperative agreement will be liable for such sanctions as may be authorized by law, including repayment of improperly used funds, termination of further participation in the FHIP, and denial of further participation in programs of HUD or any federal agency.

10. Federal Funding Accountability and Transparency Act. As required by the Federal Funding Accountability and Transparency Act¹ (“Transparency Act” or “FFATA”) and subsequent OMB guidance, information on the first-tier subawards related to Federal contracts and grants and the executive compensation of awardees must be made publicly available.

C. Reporting

1. Quarterly Reporting. All grant recipients under this NOFA are required to submit quarterly reports and progress reports. The progress reports shall consist of two components: a narrative that must reflect the activities undertaken during the reporting period and a financial report that reflects the costs incurred by budget line item, as well as a cumulative summary of costs incurred during the reporting period. In addition, grant recipients must submit a HUD 96010 Program Outcome Logic Model Form annually, which identifies their program’s output and outcome achievements

2. Race and Ethnicity Reporting. HUD requires that funded recipients collect racial and ethnic beneficiary data. The Department has adopted the Office of Management and Budget’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 which is contained as part of the application package. Also, quarterly and as your project ends, you must report meaningful data derived from client feedback on how they benefited from your project’s activities.

3. Transparency Act Reporting

(1) Recipient Reporting to Meet the Requirements of the Federal Funding Accountability and Transparency Act of 2006, as amended.

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

Starting with awards made October 1, 2010 prime financial assistance awardees receiving funds directly from HUD are required to report subawards and executive compensation information both for the prime award and subaward recipients, including awards made as pass-through awards or awards to vendors, if:

(1) The initial prime grant award is \$25,000 or greater, or the cumulative prime grant award will be \$25,000 or greater if funded incrementally as directed by HUD in accordance with OMB guidance; and

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

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

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

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

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

(ii) Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC.)

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

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

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

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

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

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

VII. AGENCY CONTACTS

You may contact Myron P. Newry or Paula Stone of the Office of Fair Housing and Equal Opportunity's FHIP Division, at 202-402-7095, or 202-402-7054, respectively (these are not toll-free numbers). Persons with hearing or speech impairments may contact the Division by calling (800) 290-1617 (this is a toll-free number).

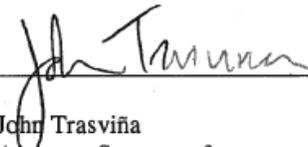
VIII. OTHER INFORMATION

A. Paperwork Reduction Act. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control approval

number 2529-0033. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to a collection of information unless the collection displays a currently valid OMB control number. Public reporting burdens for the collection of information are estimated to approximate 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, semi-annual 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.

B. Environmental Impact. This NOFA provides funding under the Fair Housing Initiatives Program (“FHIP”) at 24 C.F.R., part 125, which does not contain environmental review provisions because it concerns activities that are listed in 24 C.F.R. 50.19(b) as categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321)(“NEPA”). Accordingly, under 24 C.F.R. 50.19(c)(5), this NOFA is categorically excluded from environmental review under NEPA.

Dated: March 12, 2013



John Trasviña
Assistant Secretary for
Fair Housing and Equal Opportunity

[FR-5700-N-24]