

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR-5500-N-18]

Notice of Funding Availability (NOFA) for HUD's Fiscal Year FY2011
HOPE VI Main Street Grants Notice of Funding Availability

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice of HUD's Fiscal Year (FY) 2011 Notice of Funding Availability: HOPE VI Main Street Grants Program.

SUMMARY: This Notice of Funding Availability (NOFA) consists of two related documents, It is governed by the information and instructions published in the "Notice of HUD's Fiscal Year (FY) 2011 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2011 NOFAs for Discretionary Programs ," posted on grants.gov on April 4, 2011, and all subsequent Supplementary Information and Technical Corrections published (collectively referred to as the General Section), and the instructions, requirements, thresholds and Rating Factors herein, are referred to as "this NOFA". Regardless of specific references to the General Section in this NOFA, **THE ENTIRE GENERAL SECTION IS HEREBY INCORPORATED BY REFERENCE INTO THIS HOPE VI MAIN STREET NOFA.** Although HUD did not propose funding for HOPE VI in FY 2012, to the extent Congress provides such funding, HUD reserves the right to fund additional applicants from this NOFA with FY 2012 Main Street funds.

FOR FURTHER INFORMATION CONTACT:

Questions regarding specific program requirements should be directed to the agency contact identified in Section VII.B. of this NOFA. For general information on the HOPE VI Main Street program visit HUD's website <http://www.hud.gov/mainstreet> .

Questions regarding the General Section, should be directed to the Office of Departmental Grants Management and Oversight at (202) 708-0667 (this is not a toll-free number) or the NOFA Information Center at (800) HUD8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (800) 877-8339. The NOFA Information Center is open between the hours of 10:00 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

ADDITIONAL OVERVIEW CONTENT INFORMATION: Through the publication of this HOPE VI Main Street NOFA, HUD is making available approximately \$500,000 in assistance through the FY2011 appropriation for the HOPE VI Main Street Grants program.

As is HUD's practice, the General Section publication includes information and requirements having to do with Grants.gov application procedures, HUD-wide and Federal Government-wide requirements. Specific program related NOFA information and requirements published herein provide the statutory and regulatory requirements, threshold requirements and rating factors applicable to funding being made available through this NOFA. It is of paramount importance that applicants for this NOFA also read the Federal- and HUD-wide information and requirements stated in the General Section for important application information and requirements, including submission, receipt, and deadline date requirements, which have changed this year.

OVERVIEW INFORMATION

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

B. Funding Opportunity Title. HOPE VI Main Street Grants.

C. Announcement Type. Initial announcement.

D. Funding Opportunity Number. FR-5500-N-18; OMB approval number is 2577-0208.

E. Catalog of Federal Domestic Assistance (CFDA) Number. The CFDA number for this NOFA is 14.878, “Affordable Housing Development in Main Street Rejuvenation Projects.”

F. Dates. The application deadline date is **August 22, 2011**. Applications must be received by www.grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. All information required to complete the application is in the General Section and this NOFA. Applicants may download the application and instructions from the Grants.gov website at http://www07.grants.gov/applicants/apply_for_grants.jsp. Please carefully read the Notice of HUD’s Fiscal Year (FY) 2011 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD’s FY2011 NOFAs for Discretionary Programs, posted on Grants.gov on April 4, 2011. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Please allow time for this process to ensure that you meet the timely receipt requirements. See Section IV of the General Section regarding application submission procedures and timely filing requirements.

G. Estimated Grant Award Date. The estimated award date will be September 20, 2011.

H. Additional Important Overview Information

1. Electronic Application Submission. Applications for this NOFA must be submitted electronically through http://www.grants.gov/applicants/apply_for_grants.jsp. Registration or required annual re-registration to submit an application electronically may take more than a week because of the following:

- a.** The requirement for the application to register with the CCR,
- b.** The cross-checking of applicant legal name, TIN and DUNS numbers with in CCR with Internal Revenue Service Records (IRS); Authorized Organization Representative (AOR) registration with the Grants.gov website to submit the application, and
- c.** the requirement that the AOR be approved by the eBusiness Point of Contact of the applicant organization designated in box 8a of the SF424, Application for Federal Financial Assistance, to be approved as the designated official who will be submitting the application. (See the FY2011 General Section for full details of the registration process).

2. Match. A Match of firmly committed cash or in-kind services of five percent of the requested grant amount is statutorily required in order to be considered for grant award. See Section III.B. for Match information and Section IV.B.5.b.(11) for Match documentation requirements.

3. Application materials. The General Section and Program section to this NOFA can be found in the Instructions Download to the HOPE VI Main Street package found at www.grants.gov. To find the package go to http://www.grants.gov/applicants/find_grant_opportunities.jsp and search by Agency.

Any technical corrections and Frequently Asked Questions (FAQ) will be published under the HOPE VI Main Street Program on the Grants.gov site. Therefore, it is extremely important that the applicant register to receive emails when corrections and FAQs are published. To receive automatic updates, the applicant must subscribe to Grants.gov's subscription service, which is found at http://www07.grants.gov/applicants/email_subscription.jsp.

FULL TEXT OF ANNOUNCEMENT

I. Funding Opportunity Description

A. Available Funds. This NOFA announces the availability of approximately \$500,000 in funds appropriated for the FY2011 HOPE VI program.

B. Purpose of the Program. The purpose of the HOPE VI Main Street program is to provide grants to small communities to assist in the rejuvenation of an historic or traditional central business district or "Main Street" area by replacing unused commercial space in buildings with affordable housing units.

The objectives of the program are to:

1. Redevelop Main Street areas;
2. Preserve historic or traditional architecture or design features in Main Street areas;
3. Enhance economic development efforts in Main Street areas; and
4. Provide affordable housing in Main Street areas.

C. Statutory Authority.

1. The program authority for the **HOPE VI Main Street program** is Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), as amended by Section 535 of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, 112 Stat. 2461, approved October 21, 1998), the HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003 (Pub. L. 108-186, 117 Stat. 2685, approved December 16, 2003); and the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10, approved April 15, 2011).

2. The funding authority for the HOPE VI Main Street program is provided by Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10, approved April 15, 2011).

D. Definition of Terms.

1. **Affordable Housing** for this NOFA means rental or homeownership dwelling units that, for the INITIAL occupant of each NOFA funded unit:

- a. Are made available to low-income families, with a subset of units made available to very low-income families; and

- b.** Provide the same rules regarding occupant contribution toward rent or purchase, and basic terms of rental or purchase, as are provided to occupants of public housing units in a HOPE VI development.
- c.** Resident rights and responsibilities vary among HOPE VI developments. HOPE VI public housing units use various mechanisms to set the resident portion of rent, resident job training or employment requirements, resident rights of return, a resident appeal process, and other occupancy issues. The Grantee, with HUD's approval, determines how to implement these initial resident safeguards.
- d.** Strict application of public housing rules and regulations to HOPE VI Main Street housing units is not required. For example, although occupancy and income record keeping is required, the use of HUD forms are not required for this record-keeping.
- e.** Units developed, rehabilitated or reconfigured through this NOFA are NOT and statutorily MUST NOT BE public housing units or public housing replacement units.

2. Applicant Team ("Team") means the group of entities that will develop the HOPE VI Main Street affordable housing project ("project"). The Team includes the unit of local government that submits the application and, where applicable, the procured Developer; the procured property manager; architects (including architects who are knowledgeable about universal design and Section 504 accessible design requirements); construction contractors; attorneys; investment partners that comprise an owner entity; and other parties that may be involved in the development and management of the project.

3. Community and Supportive Services ("CSS") means services provided to residents of the project that may include, but are not limited to:

- a.** Homeownership counseling that is scheduled to begin promptly after grant award so that, to the maximum extent possible, qualified residents will be ready to purchase new homeownership units when they are completed;
- b.** Educational life skills, job readiness and retention, employment training, and other activities as described on HUD's HOPE VI website at <http://www.hud.gov/offices/pih/programs/ph/hope6/css/>; and
- c.** Coordination with fair housing groups to educate the HOPE VI Main Street affordable housing project's targeted population on its fair housing rights.

4. Firmly committed means that the amount of Match or of Leverage resources and their dedication to Main Street activities must be explicit, indicating an amount certain, indicating the status of availability, in writing, and signed by a person authorized to make the commitment. Match or Leverage may be discounted by HUD if the firm commitment is not properly documented. **IT IS VERY IMPORTANT THAT THE APPLICANT READ THE DOCUMENTATION REQUIREMENTS FOR "FIRMLY COMMITTED" IN SECTION IV OF THIS NOFA.** Examples of firm commitment documentation are in Section IV.B.5.b.(11) of this NOFA.

5. General Section means the "Notice of HUD's Fiscal Year (FY) 2011 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2011 NOFAs for Discretionary Programs," posted on grants.gov on April 4, 2011.

6. Homeownership unit means a housing unit that a local government makes available through a grant from this NOFA for purchase by a low-income family for use as its principal residence.

7. Initial occupancy period means the period of time that a rental unit is occupied by the initial low-income resident, or the period of time that a homeownership unit is owned by the initial third-party, low-income purchaser. There is no set requirement for the length of this occupancy period. **Since the initial occupant has the same rights as a public housing resident in a HOPE VI development, the initial occupant CANNOT be evicted without cause.**

8. Jurisdiction means the physical area under the supervision of the local applicant government.

9. Leverage means non-HOPE VI-funded donations of cash and in-kind services that are **FIRMLY COMMITTED** to the HOPE VI Main Street affordable housing project or the Main Street Area redevelopment effort and are from non-HOPE VI sources. The party or parties providing the commitment(s) must be in existence as of the date of the application for their sources to be considered as leverage.

a. Leverage may include funds/in-kind services that are already expended; received and firmly committed but not expended; and firmly committed but not yet received. See the definition of “firmly committed” in Section 4., above.

b. Types of resources that may be counted include:

(1) Private mortgage-secured loans, other debt, housing trust funds, homeownership sales proceeds that exceed the amount of HOPE VI funds used to develop the unit, tax increment financing (TIF), Tax Credit equity, other Federal, State or Local public or private funds, in-kind services such as Homeownership Counseling (required if Homeownership units are developed), other property or materials.

c. Examples of uses for Leverage funds include, but are not limited to:

(1) The acquisition of existing housing units that will become affordable housing, but do not require major rehabilitation to meet local code and, where applicable, accessible building requirements under Section 504 of the Rehabilitation Act of 1973, including associated costs, such as appraisals, surveys, tax settlements, broker fees, and other closing costs;

(2) Off-site site improvements that are contiguous to the site;

(3) Demolition;

(4) Restoration of the HOPE VI Main Street affordable housing project façade when façade rehabilitation is not an integral part of the project’s rehabilitation;

(5) Rehabilitation of retail space in the HOPE VI Main Street affordable housing project, even if this rehabilitation is not an integral part of the rehabilitation of the rental areas of the project;

(6) Rehabilitation of retail space elsewhere in the Main Street Area;

(7) Funding of Reserves; e.g., the Initial Operating Reserve necessary for financial viability during the initial affordable housing occupancy period, Replacement Reserves, etc.;

(8) Homeownership financial assistance, e.g., write-down of homeownership unit development costs and downpayment assistance;

(9) Other uses that relate directly to the project or the Main Street Area Rejuvenation effort ;

(10) Site improvements, e.g., repaving streets or upgrading streets or sidewalks with brick or cobblestone, adding “boulevard” islands, etc.;

(11) Legal and administrative fees and costs; and

d. Leverage does NOT include, and HUD will not count, applicant staff time.

10. Local government means any city, town, township, village, county, parish, or other general purpose political subdivision of a state; Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the District of Columbia, and the Trust Territory of the Pacific Islands. It does not include Native American governments or Public Housing Authorities.

11. Low-income limits prescribed by HUD are on the internet at http://www.huduser.org/datasets/il/il10/incomelimits_section8.pdf. Low-Income family means a family (resident) with an income equal to or less than 80 percent of HUD's Median Family Income for the local area, adjusted for family size, in accordance with section 3(b)(2) of the United States Housing Act of 1937, as amended. HUD may establish a level higher or lower than 80 percent because of prevailing construction costs or unusually high or low family incomes in the area. "Local area" is defined as the PMSA/MSA or non-metropolitan county/parish, as prescribed by HUD, in which the low-income family resides. For definitions of metropolitan areas and non-metropolitan areas go to http://www.huduser.org/datasets/il/il10/area_def.pdf.

12. Main Street Area means an area determined and designated by the applicant that fulfills the requirements stated in "Program Requirements," Section III.C. of this NOFA, and:

a. Is within the jurisdiction of the applicant;

b. Has specific boundaries that are determined by the applicant;

c. Is or was:

(1) Traditionally the central business district and center for socio-economic interaction;

(2) Characterized by a cohesive core of historic and/or older commercial and mixed-use buildings, often interspersed with civic, religious, and residential buildings, which represent the community's architectural heritage;

(3) Is the location of a downtown or "Main Street" rejuvenation effort that:

(a) Has as its purpose the revitalization or redevelopment of the historic or traditional commercial area;

(b) Involves investment, or other participation, by the applicant local government and private entities in the community in which the project is carried out; and

(c) Involves the development of affordable housing that is located in the commercial area.

13. HOPE VI Main Street affordable housing project ("project") means the collection of affordable housing units that are developed in the Main Street Area using funds obtained through this NOFA, and meet the requirements as stated in "Program Requirements," Section III.C. of this NOFA.

14. Match is cash or in-kind donations that are firmly committed as of the application deadline date. Match must be expended on allowable activities under the grant, i.e., must be expended for low-income housing purposes on the HOPE VI Main Street affordable housing project.

a. HUD is required by the 1937 Act (42 U.S.C. 1437v(c)(1)(A)) to include the requirement for matching funds for all HOPE VI-related grants. The applicant is required to have in place a match in the amount of 5 percent of the requested grant amount in cash or in-kind donations. Applications that do not demonstrate the minimum 5 percent match will not be eligible for funding. This is a threshold requirement under Section III.C. of this NOFA.

b. IMPORTANT: Read the documentation requirements that demonstrate Match is “Firmly Committed” in Section IV.B.5.b.(11) of this NOFA.

15. Owner entity is the legal entity that holds title to the real property that contains any affordable housing units developed through this NOFA.

16. Program means the HOPE VI Main Street Program (HOPE VI Main Street).

17. Recognized Developer (Developer) means a legal entity that has a fully executed Developer Agreement with the local government applicant, or the local government applicant itself, that is seeking financing for reconfiguration, rehabilitation and/or construction of housing units, and the provision of Community and Supportive Services (if required), through this NOFA. Private funds or local funds used as match, or included in the program budget; or federal funds other than HOPE VI funds, when allowed by the funding source statute to be used as match or for leverage in other programs (and consistent with the funding source eligible activities), may be used to pay the developer fee.. See Section III.C.1. of this NOFA for eligible and non-eligible activities.

a. For a non-complex development, the applicant may choose not to use a Developer and instead directly procure a Project Manager, managing Architect, Construction Manager, or design/build construction contractor and accountant. Payment of fees for the above, are allowable grant activities. For the purposes of this NOFA, the word “Developer” and “Developer Team” will be used when discussing any of the above entities.

18. Site Control means the local government applicant, its Developer or other type of project manager procured by the applicant, has the legal authority to commit the owner of the property to the rehabilitation to be performed with HOPE VI Main Street grant funds. Some examples of site control are:

a. The local government owns the property outright;

b. The private owner entity of the property and the applicant have signed a Developer agreement and the private owner is the Developer;

c. The government- or private-owner entity has signed an agreement with a separate Developer and the agreement gives the Developer site control;

d. The applicant, developer or other project manager that has been procured or hired by the applicant, has an option to purchase the property from the private owner entity that covers a time period sufficient to obtain grant funds for purchase and environmental review approval (at least 180 days after the estimated award date), and is contingent only upon: 1) receipt of a grant from this NOFA; and 2) satisfactory compliance with this NOFA’s environmental review requirements;

e. An owner-entity limited partnership that has control of the property formed between the applicant, original owner entity, and, possibly, the Developer and other interested parties (typically used for Tax Credit syndication).

f. An owner-entity limited partnership that has control of the property formed between the applicant, original owner entity, and, possibly, the Developer and other interested parties. (Typically used for Tax Credit syndication.)

19. Unit of General Local Government: See “local government” under this section.

20. Very low-income family means a family (or resident) with an income equal to or less than 50 percent of HUD’s Median Family Income for the local area, adjusted for family size, in accordance with Section 3(b)(2) of the United States Housing Act of 1937, as amended. HUD may establish a level higher or lower than 50 percent because of prevailing construction costs or unusually high or low family incomes in the area. HUD-prescribed income limits are at http://www.huduser.org/datasets/il/il10/incomelimits_section8.pdf. Local area is defined as the PMSA/MSA or non-metropolitan county/parish, as prescribed by HUD, in which the low-income family resides.

E. General Section reference. The Section entitled “Funding Opportunity Description,” Section I. of the General Section is incorporated by reference.

II. Award Information

A. Available Funds. A total of approximately \$500,000 is available for funding under this NOFA and must be obligated by September 30, 2011.

B. Number of Awards. This NOFA will result in approximately 1 award.

C. Range of Amounts of Each Award. Each applicant may request up to \$500,000.

D. Start Date, Period of Performance. The term of the grants that result from this NOFA will start on the date that the grant award document is signed by HUD and will continue for 36 months after the Grant Agreement is fully executed.

E. Type of Instrument. Grant Agreement.

F. Supplementation. Grants resulting from this NOFA do not supplement other HOPE VI grants.

III. Eligibility Information

A. Eligible Applicants. Eligible applicants are limited to local governments, as defined in Section I.D. of this NOFA. The local government must:

1. Have a population of 50,000 or less; and

2. Not be served by a local government, county/parish, regional, or state public housing agency (PHA) that administers more than 100 physical public housing units within the local government’s jurisdiction. Such units exclude Section 8 Housing Voucher subsidized units and public housing units in Mixed-Finance developments where the PHA is not the General Partner in the for-profit ownership entity.

B. Cost Sharing or match.

1. Match. The HOPE VI authorizing statute (42 U.S.C. 1437v(c)(1)(A)) includes the **requirement for matching funds** for all HOPE VI-related grants. Applicants must provide matching funds or in-kind services in the amount of five percent of the requested grant amount from sources other than HUD HOPE VI funds.

a. The matching funds must include firmly committed cash or in-kind services from both the local government and the private sector.

b. Match sources may include other federal sources, CDBG funds (which statutorily may be used for the payment of the non-Federal share required in connection with a Federal grant program), any state or local government sources; any private contributions; the value of any donated material or building;(See Section e. below), the value of any long-term lease on a building; the value of the time and services contributed by volunteers; and/or the value of any other in-kind services provided.

c. MATCH FUNDS MUST BE USED ONLY FOR CARRYING OUT ELIGIBLE AFFORDABLE HOUSING ACTIVITIES LISTED IN THIS NOFA that relate to the HOPE VI Main Street affordable housing project presented in the application.

d. Match donations must be firmly committed to the HOPE VI Main Street affordable housing project presented in the application and must be properly documented as ‘firmly committed’ to be accepted as Match. See the documentation that demonstrates “firmly committed” in Section IV.B. of this NOFA.

e. The value of property included in the HOPE VI Main Street affordable housing project cannot be included in Match if the owner is a for-profit entity.

f. See Section IV.B. of this NOFA, including the General Section, for documentation requirements of match resources.

C. Other.

1. Eligible and Non-Eligible Grant Activities.

a. Eligible Grant Activities. HOPE VI Main Street grant funds may be expended on the following activities:

(1) New construction, reconfiguration, or major rehabilitation of affordable rental and homeownership housing units (that are not currently habitable) located within the Main Street Area. New construction and rehabilitation activities that are intrinsic to the development of the affordable housing units may extend to other portions of the Main Street affordable housing project; e.g., to the building envelope; to interior bearing walls of commercial space located below the affordable housing units; and to systems installation through commercial space located below or adjacent to the affordable housing units.

(2) Acquisition of land or property for the purpose of developing, reconfiguring, or rehabilitating non-habitable, affordable housing units in the HOPE VI Main Street affordable housing project. Note that when funds from this NOFA are used for acquisition, the total cost of acquisition is included in HUD’s maximum per unit Total Development Cost limitation calculations. Acquisition of real property for a federally-funded program or project is subject to

the acquisition policies and requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601-4655 (URA) and subject to Real Property Reporting Requirements. .

(3) Long-term lease or transfer of project title specifically for the purposes of obtaining tax credits or implementation of extended use restrictions, provided that the recipient owner entity of the title or lease includes the applicant.

(4) Architectural and Engineering activities, surveys, permits, and other planning and implementation costs related to the construction and rehabilitation of the HOPE VI Main Street affordable housing project presented in the application.

(5) Tax credit syndication activities.

(6) Relocation activities for persons displaced as a result of acquisition, demolition or rehabilitation of real property for the project in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and implementing regulations at 49 CFR part 24. You may wish to consult HUD Handbook 1378 and CPD Notice 02-08, as amended by CPD Notice 04-02. These resources are available at <http://www.hud.gov/offices/adm/hudclips/index.cfm>.

(7) Management improvements necessary for the proper development and management of the HOPE VI Main Street affordable housing project presented in the application, similar to and including, but not limited to:

(a) Staff training (including travel) related to affordable housing development and management.

(b) Staff time and materials or contractor services to revise or develop:

(i) Procedure manuals;

(ii) Accounting systems, excluding accounting services or bookkeeping;

(iii) Lease documents;

(iv) Resident screening procedures; and

(v) Data processing systems.

(8) Leveraging non-HOPE VI funds and in-kind services. See the definition of “Leverage” in Section I.D. of this NOFA.

(9) Community and Supportive Services.

(a) A maximum of 15 percent of the grant amount may be used for Community and Supportive Services.

(10) Sale of Homeownership housing units within the HOPE VI Main Street project.

(11) Section 3 activities delineated in 24 CFR part 135.

b. Non-Eligible Grant Activities.

(1) Rehabilitation of severely distressed public housing;

(2) Total demolition of a building (including where a building foundation is retained);

(3) Sale or lease of the HOPE VI Main Street affordable housing project site (as differentiated from sale of Homeownership units within the project);

(a) Note that the sale and lease activity limitations on the HOPE VI Main Street housing project and site relate only to grant funds. Sale and lease activities may be funded from Leverage funds, allowing sale during the grant term.

(4) Initializing project reserves of any type;

(5) Normal applicant/grantee administration (Certain staff costs are allowed, as stated in the above Section of this NOFA.);

(6) Activities that are included in the Developer Fee;

(7) Activities that are included in any and all legal fees;

- (8) Development of public housing replacement units (defined as units that replace disposed of or demolished public housing);
- (9) Housing Choice Voucher Funding;
- (10) Transitional security activities;
- (11) HOPE VI Main Street technical assistance consultants or contracts that are not specifically related to the HOPE VI Main Street affordable housing project; and
- (12) Activities that occurred prior to grant award, including the cost of application preparation.

2. Cost Controls.

a. See Section IV.E. of this NOFA for Total Development Cost Limits, Cost Controls and Safe Harbors, e.g., maximum allowable developer and construction contractor fees.

3. Thresholds.

a. Eligibility and Threshold Review.

(1) HUD staff will review each application for eligibility and, if eligible, to determine if Match and all Thresholds have been met.

(2) Applications and the Development Proposal must meet all threshold requirements of this NOFA in order to be rated and ranked. If an application does not meet all threshold requirements, HUD will not consider the application as eligible for funding and will not rate and rank it.

(3) All eligible applications that have met all thresholds will be rated.

b. Matching funds must be provided in an amount equal to at least 5 percent of the amount of the funding requested or the application will not be eligible for funding through this NOFA.

c. Performance on HOPE VI Main Street Grants. If an applicant has received a FY2008 or earlier HOPE VI Main Street grant, and has not started construction, by the deadline date of this NOFA, that grantee will not be eligible for funding through this NOFA. HUD will determine whether construction has started through reported construction progress in the HOPE VI Grants Management System.

d. Fiscal Management. The applicant should provide a list of any findings issued or material weaknesses found by HUD or other federal or state agencies. If any of these exist, documentation must also include a description of how the applicant addressed the findings and/or weaknesses. If no findings or material weaknesses were exposed or existed on or before the publication date of this NOFA, include a statement in the narrative. HUD will consider this statement an applicant's certification of fact. If there are findings, the application will not be eligible for funding through this NOFA.

e. Main Street Area (Section N of the application). The applicant must have within its jurisdiction a Main Street Area. See Section I.D. of this NOFA for the definition of a Main Street Area.

(1) In order to demonstrate that the applicant meets this threshold, the application must contain the attachment "Map of the Main Street Area." The attached map must clearly show the applicant-determined main street area boundaries and the boundaries must be decipherable in

gray-scale print. BOUNDARIES MUST BE STREETS, RAIL LINES, RIVERS, OR OTHER MAN-MADE OR NATURAL BOUNDS. A map of the Main Street Area indicated by a circle, other random shape, census tract, or other general measurement around a town center does not meet this threshold. No other documentation of the Main Street Area is necessary to meet this threshold. If the application does not include a map of the Main Street Area in accordance with the above instructions, the application will not be eligible for funding through this NOFA.

(2) If the Main Street Area is outside of the applicant's jurisdiction, the application will not be eligible for funding through this NOFA.

f. HOPE VI Main Street Affordable Housing Project (“project”). The targeted affordable housing project must conform to this NOFA's requirements for a HOPE VI Main Street affordable housing project, as defined in “Program Requirements,” Section III.C.4. of this NOFA.

(1) The HOPE VI Main Street project site(s) must be indicated on the map of the Main Street Area, as described above, decipherable in gray-scale print.;

(2) If the targeted affordable housing project does not conform to this NOFA's requirement or is not within the Main Street area, the application will not be eligible for funding through this NOFA.

(3) For current HOPE VI Main Street grantees, projects that are not funded through the current HOPE VI Main Street grant are eligible for funding through this NOFA.

(4) If the project in the application for this NOFA has already received funding through a prior HOPE VI Main Street NOFA, the application will not be eligible for funding through this NOFA.

g. One Main Street Area. Under this NOFA, the applicant must apply for assistance only in support of one Main Street Area. If the local government's jurisdiction includes two neighborhoods, each with a traditional commercial/social center, the application must contain only one of those traditional commercial/social centers. However, the applicant's HOPE VI Main Street affordable housing project may consist of several scattered sites within the identified Main Street Area. If the applicant applies for assistance for more than one Main Street Area through this NOFA, the application will not be eligible for funding through this NOFA.

h. Affirmatively Furthering Fair Housing.

(1) Pursuant to section 808(e)(5) of the Fair Housing Act, HUD requires successful applicants to affirmatively further fair housing. Therefore, consistent with the General Section, the application must include a statement on steps being taken to meet AFFH in accordance with the General Section's instructions. See Section III.C.4. of the General Section.

(2) The AFFH statement must be included as a separate narrative attachment file separate from other application narrative file.

(3) If the applicant's statement of Affirmatively Furthering Fair Housing is not included in the application, the application will not be eligible for grant award.

i. Code of Conduct (Section R).

(1) The applicant must have developed and must maintain a written code of conduct (see 24 CFR 84.42 and 85.36(b)(3)). The applicant must provide, or have provided, documentation that demonstrates that it has a written code of conduct. The applicant's Code of Ethics may fulfill the requirements of the Code of Conduct. See the Section III.C.5.i. of the General Section.

(2) The applicant must submit a copy of its code of conduct as part of the application if its code of conduct is not already on file with HUD. See 24 CFR 84.42 and 85.36(b)(3).

(3) Unless the applicant is listed on HUD's website at <http://www.hud.gov/offices/adm/grants/codeofconduct/cconduct.cfm> and the information has not been revised, the applicant is required to submit:

- (a) A copy of its code of conduct;
- (b) A description of the methods it will use to ensure that all officers, employees, and agents of its organization are aware of its code of conduct; and
- (c) The following information, as it is stated on the SF424:
 - (i) Dun and Bradstreet Data Universal Numbering System (DUNS) number;
 - (ii) Employer Identification Number (EIN);
 - (iii) Applicant's Legal Name (Note: Applicants must enter their legal name in box 8.a. of the SF424 as it appears in the CCR. See the General Section regarding CCR registration);
 - (iv) Address (Street, PO Box, City, State, and ZIP Code); and
 - (d) Authorized Official's information (Name, Title, Telephone Number, and Email Address).

(4) The code of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts or gratuities by the organization's officers, employees, or agents for their personal benefit in excess of minimal value; and outline administrative and disciplinary actions available to remedy violations of such standards.

(5) See Section III.C. of the General Section for more detailed information and instructions if the applicant needs to submit its code of conduct to HUD via facsimile.

(6) If the applicant does not provide a copy of the code of conduct and its implementation methodology in its application, or is not listed by HUD as having already submitted such documentation, the application will not be eligible for funding through this NOFA.

j. General Section References: The following sub-sections of Section III of the General Section are hereby incorporated by reference. The applicant must comply with each of the incorporated threshold requirements in order to be eligible for HUD to rate and rank the application for potential funding, including:

- (1) Ineligible Applicants;
- (2) DUNS Number Requirement;
- (3) Resolution of Outstanding Civil Rights Matters;
- (4) Conducting Business In Accordance with Core Values and Ethical Standards;
- (5) Delinquent Federal Debts;
- (6) Pre-Award Accounting System Surveys;
- (7) Name Check Review;
- (8) False Statements;
- (9) Prohibition Against Lobbying Activities; and
- (10) Debarment and Suspension.

k. Certification of Certain Thresholds. By signing this application, you certify to all items listed below:

(1) **Certification by Application.** The SF424, "Application for Federal Assistance," is the cover sheet to the application. By manually or electronically signing the SF424 the applicant certifies that it will comply with the applicable Federal regulatory requirements listed in the General Section, including, but not limited to, fair housing and equal opportunity requirements;

Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA); labor standards (if applicable); Section 3 Economic Opportunities, and environmental standards; as well as requirements identified in this NOFA.

(2) In addition, by manually or electronically signing the SF424, the applicant certifies that the following program thresholds have been met, whether or not separate documentation is required in the application to this NOFA;

- (a) The Main Street Area rejuvenation effort:
 - (i) Is carried out within the jurisdiction of the applicant;
 - (ii) Involves the development of affordable housing that is located in the commercial area that is the subject of the rejuvenation effort; and
 - (iii) Has as its purpose the revitalization or redevelopment of a historic or traditional commercial area.
 - (iv) Is an existing, continuing Main Street Rejuvenation effort;
- (b) A portion of the HOPE VI Main Street affordable housing project units will be reserved for very low-income initial occupants.
- (c) Historic preservation requirements in Section 106 of the National Historic Preservation Act of 1966 (NHPA) will be fulfilled, where applicable.
- (d) Environmental requirements stated in the NOFA will be fulfilled.
- (e) Building standards stated in the NOFA will be fulfilled.

4. Program Requirements.

a. Main Street Area Recognition by HUD. The applicant must have, within the applicant's jurisdiction, an existing HUD-recognized Main Street Area rejuvenation effort that involves affordable housing. HUD does not automatically recognize Main Street area rejuvenation efforts that have been registered with other agencies or organizations. In order to be recognized by HUD, a Main Street Area rejuvenation effort must:

- (1) Be located within a definable Main Street Area (See Section I.D. of this NOFA for the definition of a Main Street area;
- (2) Have as its purpose the rejuvenation or redevelopment of a historic or traditional commercial area;
- (3) Involve investment or other participation by BOTH the local government and locally located private entities;
- (4) Comply with historic preservation requirements as directed by the cognizant State Historic Preservation Officer (SHPO) or, if such historic preservation requirements are not applicable, to preserve significant traditional, architectural, and design features in the project structures or Main Street Area; and
- (5) Include the development of the project that is proposed and described in the application for a grant through this NOFA.

b. HOPE VI Main Street Affordable Housing Project (Project). The "HOPE VI Main Street affordable housing project" is the collection of affordable housing units that are rejuvenated or developed in the Main Street Area using Match funds provided to address the match requirement of this NOFA, funds obtained through this NOFA, and other Leverage funds or in-kind services. The project must:

- (1) Involve the construction or major rehabilitation of space into affordable housing units.
- (2) Be located within the boundaries of the applicant's Main Street Area; and
- (3) NOT replace demolished or otherwise disposed of public housing units.

c. Completion of Unit Construction.

(1) The construction requirement of a grant from this NOFA is fulfilled upon the grantee's completion of construction or major rehabilitation of a number and mix of units that have a TDC that is greater than the grant amount obtained through this NOFA, plus the Match amount. Completion of HOPE VI Main Street grant unit construction does not necessarily include construction financed by Leverage (other than Main Street grant) resources.

(2) HUD's receipt of Certificates of Occupancy, or the local equivalent, for the above units is required to demonstrate completion of construction or major rehabilitation required by this NOFA.

(3) For example, a NOFA application's Executive Summary may describe a 50 unit housing project that is financed in small part by a HOPE VI Main Street grant from this NOFA, plus several million dollars of leverage financing. Per the Attachment form HUD52861, the TDC of eight affordable units exceeds the grant amount plus the Match amount. These eight units are presented in the application as the unit number and mix that justifies the requested grant amount. The HOPE VI Main Street grant is complete when the eight units are ready for occupancy, regardless of the status of the other 42 units.

d. Program Schedule. The application requires a Program Schedule for the applicant's Project. At a minimum, the Program Schedule must reflect the Reasonable Time-Frame and Development Proposal time requirements stated in Section VI.B. of this NOFA.

e. Requirements During the Initial Occupancy Period.

(1) The initial resident of each affordable rental unit and the initial resident purchasers of each affordable homeownership unit must be subject to the same rules regarding occupant contribution toward rental or purchase, and basic terms of rental (resident rights) or purchase, as residents of HOPE VI development public housing or "Section 24 Homeownership" units. Site-based waiting lists, resident job or training requirements, flat rents, and other occupancy requirements that are allowed under Section 24 of the U.S. Housing Act of 1937 (1937 Act) may be applied to the units, at the applicant's discretion. Minimum Downpayment for homeownership purchase of one percent (1%) of the sale price or other minimum as approved by HUD is required. Equity sharing between the applicant and the home purchaser of homeownership units that are deeply subsidized is encouraged.

(2) As with public housing units, initial residents cannot be evicted without cause.

(3) Before the project is initially rented, the ownership entity must determine and develop a written statement of its rent determination and occupancy policies, and obtain HUD approval of the policies. However, for HOPE VI Main Street units, the project owner entity is not required to develop and maintain documentation specific to PHAs as stated in Public Housing regulations, e.g., use of HUD forms to collect family income data.

(4) Sale and rental management regulations specific to public housing are not applicable, in general, to the HOPE VI Main Street program, but have been used as models for certain HOPE VI Main Street program requirements. Such examples include items from public housing regulations located at 24 CFR 903.7(d) and 24 CFR 903.7(f) and exclude items located at in 24 CFR part 903, e.g., PHA Plan. To the extent that HOPE VI Main Street funds are combined with other Federal housing programs (e.g., HOME Investment Partnership Program or Low Income Housing Tax Credits) for a specific project, then the requirements from these programs will apply to all applicable housing units funded through those programs. That is, if funds from other programs are used to produce HOPE VI Main Street housing units, then the requirements for those other programs apply to the HOPE VI Main Street housing units. Notwithstanding the

above, admissions, occupancy, and income records for HOPE VI Main Street affordable housing units must be maintained in order to verify that residents of very low- and low-income units meet HUD income-limit criteria.

(5) To the extent that HOPE VI Main Street funds are included in a larger project that also includes public housing units, all public housing regulations do apply to the public housing units. Statutorily, HOPE VI Main Street funds must not be expended on any activities related to the public housing units. Therefore, in this situation, HOPE VI Main Street funds must not be fungible with public housing funds, e.g., HOPE VI Main Street funds must not be used on pro rata pre-development or administrative activities.

(6) HUD-wide and Government-wide regulations and statutes, e.g., the Fair Housing Act and Section 504, Environmental Review, etc., do apply to the HOPE VI Main Street program. See Section III.C. of the General Section.

(7) See Section VI.B.1.d., “Administrative Requirements,” for required documentation of use restrictions.

f. HOPE VI Main Street Homeownership and Counseling. The initial sale of an affordable homeownership unit to a third-party, low-income purchaser must take place in accordance with Section 24 of the 1937 Act. Providing homeownership counseling to residents is mandatory for HOPE VI if the application includes development of homeownership units. The cost of such counseling is considered Community and Supportive Services and is excluded from the TDC limit for unit development. If listed in form HUD52861 on the TDC limit page, such funds will be added to the grant amount, up to the maximum grant amount of \$500,000.

g. Use Restrictions. Project units must be maintained as affordable housing only for the period of initial rental occupancy of each Main Street affordable housing unit or the initial resident’s ownership.

h. Leveraging Other Resources.

(1) Leverage is the contribution of funds or in-kind services from sources other than a grant from this NOFA. The Main Street Area rejuvenation effort must have community support from government and the private sector. Leverage demonstrates this support. See “Leverage” in “Definitions,” Section I.D of this NOFA. To measure the amount of support that the Main Street Area rejuvenation effort has, this NOFA includes a Leverage rating factor. See Rating Factor 4(d) in Section V.A.4 of this NOFA.

Unlike grant and match funds from this NOFA, Leverage is not limited to the funding of the HOPE VI Main Street affordable housing project. Leverage can include contributions that have been made to, or are *firmly committed* to, the Main Street Area rejuvenation effort as a whole. It can include past or future funding for other affordable housing, retail or commercial space, supportive services, jobs, infrastructure, and other economic development that is part of the Main Street Area rejuvenation effort. See Section I.D. of this NOFA for a more detailed definition of Leverage. Note that “firm commitment” is necessary for resources to be counted toward the Leverage Rating Factor. See examples of firm commitments in Section IV.B.5.b.(11) of this NOFA.

i. Transfer of Title for Tax Credits. The original owner entity of project properties may transfer title to, or commit to a long-term lease with, an owner entity partnership that includes the original owner, the applicant, an equity partner and, when appropriate, other partners, for the purpose of obtaining Low-Income or Historic Tax Credit equity as a Leverage resource. Such a

transfer, excluding legal fees, is an allowable grant activity and may be financed with grant funds. See Section III.C.1.b. of this NOFA for limits on the sale of real property.

j. Section 106 Historic Preservation Requirements. Following the notification of award, grantees may not commit or expend HOPE VI, other HUD, or non-HUD funds for these program activities with respect to any eligible property until HUD has completed the historic preservation review and consultation process under Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470f) and its implementing regulation, 36 CFR part 800, as applicable, in accordance with environmental review requirements under 24 CFR part 50. See <http://www.achp.gov/> for details on the Section 106 review process. The Section 106 review is included as part of HUD's part 50 environmental review and approval process.

k. Environmental Requirements.

(1) HUD's notification of award to a selected applicant constitutes a preliminary approval by HUD, subject to HUD's completion of an environmental review of proposed sites in accordance with 24 CFR part 50. Selection for participation (preliminary approval) does not constitute approval of the proposed site(s).

(2) THIS APPLICATION CONSTITUTES A CERTIFICATION THAT THE APPLICANT will supply HUD with all available, relevant information necessary for HUD to perform any environmental review required by 24 CFR part 50 for each property; will carry out mitigating measures required by HUD or, if mitigation is not feasible, select alternate eligible property; and will not acquire, rehabilitate, convert, demolish, lease, repair, or construct property, nor commit or expend HOPE VI, other HUD, or other non-HUD funds for these program activities with respect to any eligible property, until the applicant receives written HUD approval of the property.

(3) Each proposal will be subject to a HUD environmental review, in accordance with 24 CFR part 50, and the proposal may be modified or the proposed sites rejected as a result of that review.

(4) Phase I and Phase II Environmental Site Assessments. If the applicant is selected for funding, the applicant must have a Phase I environmental site assessment completed in accordance with the ASTM Standards E 1527-05, as amended (see <http://www.astm.org/>). The results of the Phase I assessment must be included in the documents that must be provided to HUD for the environmental review. If the Phase I assessment recognizes environmental concerns, or if the results are inconclusive, a Phase II environmental site assessment will be required.

(5) Mitigating and remedial measures. The applicant must carry out any mitigating/remedial measures required by HUD. If a remediation plan, where required, is not approved by HUD, and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

(6) The application constitutes a certification that there are not any environmental or public policy factors, such as sewer moratoriums, that would preclude development in the requested Main Street Area.

(7) Note that environmental requirements for this NOFA are found in 24 CFR part 50, which requires HUD environmental approval. Please note that 24 CFR part 58, which allows state and local governments to assume federal environmental responsibilities, is not applicable to the HOPE VI Main Street program.

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

l. Building Standards.

(1) Building Codes. All activities that include construction, rehabilitation, lead-based paint removal, and related activities must meet or exceed local building codes. The applicant is encouraged to read the policy statement and Final Report of the HUD Review of Model Building Codes. That report can be found on the HUD website at <http://www.hud.gov/offices/fheo/disabilities/modelcodes/>. The new construction and major rehabilitation of HOPE VI Main Street projects are subject to the accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (Section 504) and its implementing regulations at 24 CFR part 8, the Fair Housing Act, Title II of the Americans with Disabilities Act and the Architecture Barriers Act. HUD applies the Uniform Federal Accessibility Standards (UFAS) through its regulations under part 8. Further detail can be found in Section r., "Fair Housing and Equal Opportunity Requirements," below.

(2) Energy Efficiency.

(a) New construction or rehabilitation must comply with the International Energy Conservation Code (IECC) 2006, or in the case of multifamily high rises, ASHRAE Standard 90.1-2004.

(3) Deconstruction. HUD encourages the applicant to design programs that incorporate sustainable construction and demolition practices, such as the dismantling or "deconstruction" of housing units, recycling of demolition debris, and reusing of salvage materials in new construction. "A Guide to Deconstruction" can be found at <http://www.huduser.org/publications/destech/decon.html>.

m. Lead-Based Paint. The applicant must comply with lead-based paint evaluation and reduction requirements as provided for under the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, *et seq.*); the EPA's Pre-Renovation Education Rule (40 CFR 745, subpart E); HUD's Lead Safe Housing Rule (24 CFR 35, subparts B-R); and the Lead Disclosure Rule (24 CFR 35, subpart A) which address documents provided to pre-1978 housing owners regarding lead paint or hazard testing or lead hazard reduction activities, as they may be amended or revised from time to time. The applicant will be responsible for lead-based paint evaluation and reduction activities for housing constructed prior to 1978. The National Lead Information Hotline is (800) 424-5323.

n. Universal Design.

(1) HUD requires the applicant to incorporate the principles of universal design in the construction or rehabilitation of housing, retail establishments, and community facilities, and when communicating with community residents at public meetings or events. Universal Design is the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design. The intent of Universal Design is to simplify life for everyone by making products, communications, and the built environment more usable by as many people as possible at little or no extra cost. Universal Design benefits people of all ages and abilities. Examples include installing levers instead of doorknobs, and putting bathtub/shower grab bars in all units. Computers and telephones can also be set up in ways that enable as many residents as possible to use them.

(2) The Department has a publication that contains a number of ideas about how the principles of Universal Design can benefit persons with disabilities. To order a copy of

“Strategies for Providing Accessibility and Visitability for HOPE VI and Mixed Finance Homeownership,” go to the publications and resource page of the HOPE VI website at <http://www.huduser.org/publications/pubasst/strategies.html>.

o. Visitability.

(1) The concept of Visitability does not offer a completely accessible house, but rather the opportunity for a disabled person to be able to egress to and from the home, up stairs, to go out for a meal at a public or private establishment and be able to fully partake in community activities and services, including transportation services. . To help reach that goal, HUD encourages HOPE VI Main Street grantees to ensure that as many units as possible have walkways, pathways, entrances and exits and other doorways which permit free egress by persons with disabilities. HUD is also concerned that the interior design of housing units are free from barriers and allows persons with disabilities to be able to have access to kitchens and bathrooms without having to seek assistance. HUD has worked with architects and advocates to develop design strategies that are both attractive and functional for families at any stage or condition of life. Design features may be inexpensive and unobtrusive--in fact, many exist unnoticed inside a wall or in the design of a closet until the day when the reinforcement for a grab bar or the space for an elevator is needed. Housing that is accessible, attractive, affordable, and which welcomes disabled and aging Americans is an integral part of the healthy, sustainable communities that HUD is working to create. The strategy of designing as many visitable HOPE VI Main Street housing units as possible is encouraged.

p. Labor Standards. Davis-Bacon and HUD-determined wage rates do NOT apply to grants from this NOFA, with the following exceptions:

(1) If other federal programs’ resources are used in connection with the applicant’s HOPE VI Main Street activities, Davis-Bacon and HUD wage rate requirements apply to the extent required by the other federal programs.

(2) If any grant funds from an award through this NOFA are expended by a PHA, acting as a developer, partnering with a developer, or as a partner in an ownership entity partnership, Davis-Bacon wage rates will apply to laborers and mechanics (other than volunteers under 24 CFR part 70) employed in development of all such housing units, and HUD-determined wage rates will apply to laborers and mechanics (other than volunteers) employed in the operation of all such housing units, regardless of whether such units are public housing or non-public housing.

q. Relocation Requirements. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601-4655), implementing regulations at 49 CFR part 24, and, as advice only, “Handbook CPD 02-08, Guidance on the Application of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended in HOPE VI Projects” apply to anyone who is displaced as a result of acquisition, rehabilitation, or demolition due to a HUD-assisted activity.

r. Fair Housing and Equal Opportunity Requirements.

Fair Housing and Equal Opportunity requirements stated in Section III.C. of the General Section are hereby incorporated by reference and apply to this NOFA. In addition, the following requirement applies:

(1) Accessibility Requirements.

(a) All “multifamily” HOPE VI developments, defined as projects with five or more dwelling units, are subject to the accessibility requirements of several federal laws, including Section 504 of the Rehabilitation Act of 1973, as implemented in 24 CFR part 8. Although Public Housing Rules and Notices do not apply to HOPE VI Main Street grants, PIH Notice 2006-13, available at <http://www.hud.gov/offices/pih/publications/notices/>, provides an overview of all pertinent laws and implementing regulations concerning non-discrimination and accessibility for persons with disabilities that DO apply to HOPE VI Main Street grants based upon other, non-Public Housing statutes and regulations.

(b) Pursuant to Section 504, in HOPE VI Main Street projects that:

- (i) include substantial alterations and consist of 15 or more housing units, or
- (ii) include new construction of a multifamily housing project, at least five percent of the units or one unit, whichever is greater, must be accessible to persons with mobility impairments. An additional 2 percent, but not less than one unit, must be made accessible for persons with hearing or vision impairment. See, in particular, 24 CFR parts 8.20 through 8.32. See also <http://www.hud.gov/offices/fheo/disabilities/sect504faq.cfm#anchor263905>.

(c) In addition, under the Fair Housing Act, all new construction of covered multifamily dwellings must contain certain features of accessible and adaptable design. HUD’s FHEO website at <http://www.hud.gov/groups/fairhousing.cfm> provides information on the relevant accessibility requirements. Under HUD’s regulations at 24 CFR 100.201, covered multifamily dwellings means buildings consisting of four or more dwelling units if such buildings have one or more elevators, and ground floor dwelling units in other buildings consisting of four or more dwelling units. This section is in addition to, and does not replace, other non-HUD accessibility requirements to which the applicant local government may be subject.

s. Procurement. City governments are required to follow the procurement regulations at 24 CFR 85.36 at a minimum. State and local procurement requirements apply to the extent required by those governments.

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

u. Additional Nondiscrimination and Other Requirements;

- (1) Civil Rights Laws and requirements in 24 CFR § 5.105(a), including the Americans with Disabilities Act of 1990 (42 U.S.C. 1201 *et seq.*);
- (2) The Age Discrimination Act of 1974 (42 U.S.C. 6101 *et seq.*); and
- (3) Title IX of the Education Amendments Act of 1972 (20 U.S.C. 1681 *et seq.*)
- (4) Affirmatively Furthering Fair Housing;
- (5) Economic Opportunities for Low- and Very Low-Income Persons (Section 3);
- (6) Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Women-Owned Businesses;
- (7) Relocation;
- (8) Executive Order 13166, Improving Access to Services for Persons With Limited English Proficiency (LEP);
- (9) Executive Order 13279, Equal Protection of the Laws for Faith-Based and Community Organizations;
- (10) Accessible Technology;
- (11) Procurement of Recovered Materials;
- (12) Participation in HUD-Sponsored Program Evaluation;

- (13) Salary Limitation for Consultants;
- (14) OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs;
- (15) Environmental Requirements;
- (16) Conflict of Interest;
- (17) Drug-Free Workplace; and
- (18) Safeguarding Resident/Client Files.

2. Neighborhood Stabilization and Minimization of Tax Liability.

a. This Section is general, basic Mixed-Finance guidance. It includes finance structures that have been successful in the past.

b. Benefits that are granted to a for-profit entity are considered taxable income. Non-profit ownership entities that receive grant funds should not have tax liability. For-profit entities that receive benefit from this grant will encounter tax liability for grant funds received.

c. There are several methods of transferring funds from the grantee to the Developer and for-profit private property owners (grant beneficiaries). A real estate accountant or tax accountant should be included as part of the HOPE VI Main Street affordable housing project development team.

d. Funds can flow through the grantee to a Developer or beneficiary as grant funds or as loan funds. Loan funds increase the basis that is used to determine the amount of Tax Credits that the Developer can obtain from the State. Since the funds are in the form of a loan, they are not immediately considered income. The funds are controlled through loan documents, as opposed to grant income. This delays tax liability.

e. Loan documents from the grantee to the Developer or private property owner may also be structured to include forgiveness of the loan over time in return for implementation of local Use Restrictions beyond those stated in the HOPE VI Main Street statute, i.e., those limited to the initial residents. As an example, a loan of \$200,000 to a property owner for HOPE VI Main Street project rehabilitation may be forgiven by the grantee at the rate of \$20,000 each year for 10 years, provided that local affordable housing Use Restrictions remain in place for those 10 years. After 10 years, the loan to the property owner is paid in full through implementation of these Use Restrictions. Sample documents for similar loan structures are available on HUD's HOPE VI Main Street website at <http://www.hud.gov/mainstreet/>.

f. For the sale of homeownership units by the initial third-party low-income homeowner, as well as the sale of the privately owned rental properties, the grantee may elect to structure rehabilitation or purchase-subsidy loans to share sale proceeds with the seller at a decreasing rate. This is called "Equity Sharing." As an example, if a grantee provides a \$100,000 loan to a rehabilitated property or homeownership unit, the grantee may include a provision in the loan that states if the property is sold within the first year of the loan, the grantee may elect to recover 80% of the loan amount. The loan terms may also call for sliding scales, for example 60% of sale proceeds may be recovered if the sale takes place within the second year of the loan; etc., until all proceeds are retained by the seller after a 5 year loan term. Equity sharing prevents private owners from receiving excessive profit by "flipping" HOPE VI Main Street project buildings that are subsidized and protects the grantee from the appearance of a conflict of

interest with the property owners. It simultaneously provides a large financial incentive for the owners to hold their properties and stabilize the neighborhood.

IV. Application and Submission Information

A. General

1. Addresses to Request Application Package. This section describes how the applicant may obtain application forms, additional information about the NOFA and the General Section of this NOFA, and technical assistance.

a. This NOFA includes two major documents, as listed in the “Summary” at the beginning of this document, plus related application forms and attachments.

(1) The first portion of the NOFA that the applicant must read is the **GENERAL SECTION**, which states and describes, in detail, electronic application information and procedures, along with HUD- and Federal-wide **THRESHOLD** requirements. HUD strongly suggests that the applicant read the General Section thoroughly.

(2) The second portion of the NOFA is the HOPE VI Main Street program portion, which states the program thresholds, grant requirements, application Rating Factors, and program specific application information. It is referred to in this document as “this NOFA.” The two documents comprise this NOFA. Copies of both portions of the published NOFA and related application forms must be downloaded from the Grants.gov website at http://www.grants.gov/applicants/apply_for_grants.jsp. If the applicant has difficulty accessing the information, it may receive customer support from Grants.gov by calling the help line at (800) 518-GRANTS ((800) 518-4726) or by sending an email to support@grants.gov. The operators will assist the applicant in accessing the information.

b. The documents downloaded from, and posted on, Grants.gov are the official documents that HUD uses to evaluate applications. Therefore, if there is a discrepancy between any materials posted by HUD through Grants.gov and other information provided in paper or electronic copy, the <http://www.grants.gov> posting prevails. Please be sure to review the application submission against the requirements in this NOFA.

c. Additional general HOPE VI Main Street program information, program related resources and documents can be found on HUD’s HOPE VI Main Street website at <http://www.hud.gov/mainstreet/>. This webpage will assist the applicant in understanding HOPE VI Main Street program requirements how they relate to other affordable housing programs, and clarify that HOPE VI Main Street is not a public housing program.

B. Content and Form of Application Submission.

1. Number of Applications Permitted. Each applicant may submit only one application.

2. Joint Applications. Joint applications are not permitted. However, the applicant may enter into subaward agreements or contracts with developers, nonprofit organizations, state or local governments, or their agencies to perform the activities proposed under this application. If the grantee gives a subaward to, or signs a Developer Agreement with, a Public Housing Agency, all Public Housing and Davis-Bacon regulations apply to grants from this program NOFA.

3. General Format and Length of Application.

a. Applicant Name. The applicant's official name is the name that is submitted to Grants.gov on the form SF424. Applicants must enter their legal name in box 8.a. of the SF424 as it appears in the Central Contractor Register (CCR). See the General Section regarding CCR registration. The applicant must complete the registration process in order to submit an application for this NOFA. Please remember that CCR registration must be annually renewed.

b. Electronic Format.

(1) General.

In accordance with the General Section, applications must be submitted electronically via http://www.grants.gov/applicants/apply_for_grants.jsp.

(2) Electronic Submission Process. See the General Section, Section IV.B. for detailed requirements and instructions on submitting the application electronically through Grants.gov.

(3) IMPORTANT: Application file name attributes and section labels.

(a) File names must not exceed 32 characters, must not contain spaces or special characters. If they do, grants.gov will reject the application as containing a virus.

(b) Section labels in file names. File names should identify their associated NOFA sections (sections a through x listed below). More than one section may be included in one electronic file. Please label and number pages in consecutive order. Upon receipt, HUD will assemble in the order you requested.

(c) IMPORTANT: Section Tabs. The first page of each section within each electronic file should be blank, except for the word "section," its associated identifying letter (a through x below) and, if applicable, the associated rating factor number. This will serve to separate and identify the files/section materials when the application is downloaded by HUD from Grants.gov

(d) Large blank areas that result after printing the last page of a section's materials will not be included in the page count when the HUD reviewer is determining the maximum number of pages.

(e) Section Tab Cover Pages. Section tab cover pages are not necessary for HUD forms. HUD forms are easily identifiable by HUD and Section Tabs will be of no assistance.

c. Maximum Length of Application.

(1) Page Definition and Layout.

(a) A page is the electronic equivalent of an 8 ½" x 11" paper page, with one-inch top, bottom, left, and right margins, double spaced.

(b) For .docx (MS Word 2007) files, a "page" contains a maximum of 23 double-spaced lines. Single spaced pages are counted as two (2) pages each. The length of each line is limited to 6 ½ inches. The font must be 12-point Times New Roman. You must number each page. The page numbers may be within the bottom one inch of the page, e.g., in the footer area.

(c) Third-party and existing documents converted into PDF format for electronic submission may retain their original page layout. Except for maps and drawings, they must not be shrunk to fit more than one original page on each application page. Third-party forms, letters, and other documents do not count toward any page limits.

(d) Pages of HUD forms and certification formats furnished by HUD must remain as numbered by HUD. These forms do not count toward any page limits.

(2) The maximum overall length of the application must not exceed 30 pages, excluding Section Tabs, HUD forms, the applicant's Code of Conduct, the applicant's Section 3 Plan, third-party match and leverage firm commitment letters, and other third-party documents that are

necessary to address unique situations. PAGES BEYOND THIS LIMIT WILL NOT BE REVIEWED AND THE INFORMATION ON THOSE PAGES WILL NOT BE INCLUDED IN THE RATING PROCESS. The application will be downloaded to HUD from Grants.gov. Grants.gov does not download the files in the same order that the applicant uploads them to Grants.gov. The reviewer will not see the application contents in the same order as the applicant did before submitting it. Page numbers for “counted” pages may be added manually, since these pages may be separated by other documents, e.g., Tabs or a HUD form may be located in between countable text pages. Page numbers may also assist HUD in determining how to reconstruct the application. (This is why tab pages and file names for each Section are also important).

(3) Suggested page limits for certain Section responses are as follows:

(a) The Executive Summary should not exceed three or four pages. If longer, it will conflict with the page space needed for the application’s Rating Factor Section narratives.

(b) The Program Schedule may be limited to one page. It only needs to include the milestones in “Reasonable Time Frame,” Section VI.B.1.e, of this NOFA;

(c) The HOPE VI Main Street Area Map, including identification of all project sites and public transit access points. If needed, you can shrink the size to fit one page in PDF format. Although HUD prints out the map on one letter-size page, the HUD reviewer will have the PDF file available and will be able to zoom in to see drawing details. The map lines showing the project site locations and the area’s boundaries (a NOFA requirement) may be hand-drawn on a portion of a pre-printed map. Boundaries and sites should be heavily outlined in black. Computer-Aided Design software is not necessary;

(d) The representative affordable housing unit layout may be limited to one page that contains between one to four unit styles, depending upon the applicant’s plans; and

(e) For applicant Team resumes, more than one resume can placed on each page.

4. List of Application Sections and Related Documents.

a. Summary Information Section List:

(1) Section_A_Form_SF424.;

(2) Section_B_Executive_Summary. Provide a brief summary of your proposal. Use the file name Executive Summary. This sample file name has less than 32 characters, no spaces, and no special characters. A Section Tab for the Executive Summary could be created in MS Word by inserting a Page Break, typing, “Section A: Executive Summary”, then inserting another page break. The mandatory rules for file names would not apply to text on a Tab page that is within the file and blank space on the last page of each Section will be taken into account when determining the maximum number of pages.;

b. Rating Factor Responses:

(1) Section_C_Rating_Factor_1. Please ensure that the file naming rules are followed for all of the application’s attachment file names

(2) Section_D_Rating_Factor_3;

(3) SectionE_Rating_Factor_4;

(4) Section F_Rating_Factor_5;

c. Attachments:

(1) Section_G_Match_Leverage;

(2) Section_H_Percentage;;

(3) Section_I_Readiness_Certs_Docs:

- (4) Section_J_Program_Schedule;
- (5) Section_K HUD52861;
- (6) Section_L_HUD52825A;
- (7) Section_M_ 5YR_Cash_Flow_Proforma;
- (8) Section_N_Main_Street_Area_Map. This should show the location of project sites and HOPE VI Main Street area boundaries;
- (9) Section_O_Site_Plans_Unit_Layouts,
- (10) Section_P_AFFH_Statement_Sec3. This includes your Affirmative Furthering Fair Housing Statement and your Section 3 Plan;
- (11) Section_Q_Logic_Model_form_96010. This also includes indicators, outcomes and related items obtained in accordance with Section VI.C of the General Section);
- (12) Section_R_Code_of_Conduct. This also includes distribution methodology;
- (13) Section_S_HUD2990. This includes your Certification of Consistency with the RC/EZ/EC-II's Strategic Plan(form HUD2990), if applicable;
- (14) Section_T_HUD2995. This includes your Certification of Preferred Sustainability Status Community (form HUD2995), if applicable;
- (15) Section_U_HUD2880. Applicant/Recipient Disclosure Report, form HUD2880, "HUD Applicant Recipient Disclosure Report," if applicable;
- (16) Section_V_SFLL. This includes the Disclosure of Lobbying Activities, Standard Form LLL, if applicable; and
- (17) Section_W_HUD96011. This includes the HUD 96011 Third Party Documentation Facsimile Transmittal ("Facsimile Transmittal Form" on Grants.gov is to be used to transmit third-party documents as part of the electronic application that cannot be scanned into PDF format. This is a mandatory document when filing electronically. If you have no documents to fax indicate "1" in the space provided and in the name of the document indicate no documents faxed. See instructions in the General Section);

5. Application Documentation

a. General Threshold Documentation.

(1) HUD strongly suggests that the applicant use the list from Section 3.d. above as a check sheet to ensure that the application is complete. If documentation is missing, it may cause the application to lose rating points or be eliminated from rating and ranking. When attaching files to the application, be sure to review all files submitted by scrolling to the bottom of the list of files included in the "Narrative Attachments," and "Other Attachments" forms. Ensure that you have attached the final version of the file with the application and that the end of the file list shows that no files were left out of the attachment forms. When attaching files prior to submission, please view the documents by scrolling through the document to the end to make sure it is the final and complete version of the file that you are submitting. If you are responding to a technical cure, please fax the cover page of your application you submitted and label it technical cure (please refer to the general section for more information).

(2) Several threshold documentation requirements are stated in "Threshold Requirements," Section III.C.2. of the General Section. Where documentation is necessary to meet these thresholds, an application Section is usually included in the NOFA. Examples are "Conducting Business in Accordance with Core Values and Ethical Standards;" the "Affirmatively Furthering Fair Housing Statement;" and "Disclosure of Lobbying Activities." In addition, where threshold documentation is not required, "Certification of Certain Thresholds," Section III.C.3., of this NOFA, states that the applicant certifies that it will meet the

listed thresholds when it signs its application. These certifications do not replace documents that are required to be included in the application by the NOFA. These “certified” threshold requirements will be included in the Grant Agreement that must be executed by HUD and the applicant, if the applicant receives a grant from this NOFA.

b. Application Documentation Requirements for Thresholds, Rating Factors and Other Requirements

(1) Application for Federal Assistance, Standard Form 424 (Section A)

The Standard Form 424 (SF424) is the cover sheet to the application. It is the first of several mandatory documents listed in the Grants.gov application package. The applicant MUST complete all information in the SF424 or Grants.gov will not allow the application to be uploaded. The SF424 contains all of the applicant’s basic information and contacts. It also contains identification information that HUD requires to track and award grants. This information includes the applicant’s “Dun and Bradstreet Data Universal Numbering System (DUNS) Number.” If the applicant does not have a DUNS number, it must obtain one and be registered in the Central Contactor Registration (www.ccr.gov). See the General Section III.C.2. and registration instructions on the Grants.gov website.

(2) Executive Summary (Section B).

(a) Provide an Executive Summary. Describe the affordable housing plan in general terms. State whether:

- (i) The applicant has procured (or will procure) a Developer,
- (ii) The applicant will act as its own Developer, or
- (iii) The applicant will not use a Developer because the housing project has a single owner who will hire a Design Build Construction Contractor. Briefly describe:
 - (b) The type of housing, e.g., walk-up above retail space, detached house, etc.;
 - (c) The number of units, buildings, and private owners, if any;
 - (d) The description of the Main Street Area that surrounds the HOPE VI Main Street affordable housing project. Include basic features (such as previous restoration of streets), and a general description of mixed-use, commercial, and other non-housing Main Street rejuvenation components;
 - (e) The number of rental vs. homeownership units in this application;
 - (f) The amount of HOPE VI funds the applicant is requesting;
 - (g) A list of major non-HOPE VI funding resources for the HOPE VI Main Street affordable housing project; and

(h) A list of major non-HOPE VI funding resources for the Main Street Area rejuvenation effort as a whole. This “Leverage” would include the cost of completed infrastructure improvements, e.g., restored streets, and private rehabilitation, e.g., completed façade restoration of buildings, all within the Main Street area.

(i) Note that each page spent on the Executive Summary decreases the overall number of text pages allowed to address the Rating Factors directly.

(3) Documentation for Rating Factor 1 – Capacity, Narrative Response (Section C)

(a) **Team Experience.** This Rating Factor will be based upon the applicant’s narrative description of the various types and extent of experience that each of its Team members has accumulated. Information found in other Sections of the application that reflects on the Team’s capacity also will be weighed for this Rating Factor. The stated experience will be reviewed to determine if the Team has successfully completed similar projects. It will also be reviewed to

determine how similar those projects were to the activities that will be performed under a grant from this NOFA. The following should be included:

- (i) A list and short description of affordable housing projects that the members of the applicant's Team have completed; and
- (ii) A list and short description of contracts or grants completed by the members of the applicant's Team for similar housing development or services.

(b) **Key Personnel Knowledge.** Key personnel are those Team members that must remain part of the Team in order for the Team to complete the activities required by a grant under this NOFA. As examples, key personnel may include the Developer if complex financing methods are necessary to complete the grant activities, the owner of the property that is going to be rehabilitated if it will remain in his or her possession, or an affordable housing intermediary that is going to manage the activities of other Team members. On the other hand, a specific accountant would not be key to grant completion. Knowledge may come from experience or from education. This rating factor will weigh the quality and amount of knowledge that key personnel have. As an example, short resumes would contain this type of information (do not include Social Security Numbers in the resume).

(4) Documentation for Rating Factor 2 - Need for Affordable Housing. (Sections H and R)

(a) HUD tracks low-income residents and units throughout the nation, along with the percentage of family income that they pay for rent. It lists this information by state, county/parish, and sometimes city, in its Comprehensive Housing Affordability Strategy (CHAS) database, found at <http://socds.huduser.org/scripts/odbc.exe/CHAS/statetable.htm>. To show need for affordable housing, HUD will use this database to determine if low-income families are paying more than 30% of their income for rent. HUD reviewers will derive the need for affordable housing based on the percentage of families earning 50% to 80% of the Area Median Income that pay more than 30% of their income for rent. Rating Factor 2 in Section V.A.2. of this NOFA states the measurements and rating point scale.

(b) No documentation from the applicant is necessary for this Rating Factor.

(5) Documentation for Rating Factor 3 - Readiness: Site Control, Zoning, and Developer/Construction Agreement (Sections D and I).

- (a) Site Control,
 - (i) Evidence of Site Control should be included in the application's Readiness Attachment Exhibit:
 - (ii) For site(s) where the ownership entity WILL NOT change in order to perform under a grant from this NOFA, e.g., the current owner will retain the property:
 - (A) A copy of the site's deed that shows ownership by the applicant or a Team member owner entity; or
 - (B) A certification signed by the applicant's Mayor, City Registrar, or other authorized city employee, stating that the applicant has the legal authority to perform the proposed and the required activities of a grant from this NOFA on the site(s).
 - (iii) For sites where the ownership entity WILL change in order to perform under a grant from this NOFA, e.g., site acquisition, the first page and execution page of the agreement, contract, sales contract, sales option, or other document that gives the applicant the legal

authority to perform the proposed and required activities of a grant from this NOFA on the site(s).

(b) For Zoning, the application's Readiness Attachment Exhibit should include a certification from the appropriate local official, e.g., local government engineer, zoning/land-use official (not necessarily the Mayor), documenting that either:

(i) All required land-use approvals for developed and undeveloped land have been secured; or

(ii) The request for such approval(s) is on the agenda for the next meeting of the appropriate authority in charge of land use, e.g., zoning board, city council. This document must include the date of the meeting.

(c) For Developer/Construction Agreement, the application's Readiness Attachment Exhibit should include one of the following:

(i) If an agreement/contract does not yet exist, a description in the Rating Factor Narrative of activities that the applicant Team has performed in order to obtain a Developer, construction manager, or construction contractor. These may include discussions, procurement processing, etc., that the applicant has completed. The description should also contain a description of the activities that have not been, and must be, completed to sign an agreement with such a Team member or contractor to perform the proposed and required grant activities. Note that in accordance with 24 CFR 50.3, the grantee must not enter into a binding agreement for choice-limiting actions until HUD completes an environmental review.

(ii) If the applicant has entered into a binding contract before submitting an application for activities that may be partially funded by a grant from this NOFA, the applicant must state so in the application. Note that, prior to HUD's completion of its environmental review, funds from this NOFA must not be committed or used to fund construction activities that started under a binding contract that was executed before the application deadline.

(6) Documentation for Rating Factor 4 - Appropriateness and Feasibility of the HOPE VI Main Street Affordable Housing Project (Section E Narrative, Section G and K through P Attachments)

(a) Appropriateness includes several items that are specifically mentioned in the statute that authorizes the HOPE VI Main Street program, including Traditional and Historic Preservation in the Main Street area, HUD policy initiatives, such as Community and Supportive Services and Sustainability (Energy Efficiency), economic opportunities for low- and very low-income persons (Section P of the application), and housing for very low-income persons (Section H of the application), along with other statutory requirements concerning equal housing. Documentation for these items include the Section 3 Plan (Section P of the application), the percentage of housing that will be set aside for very low-income persons (Section H of the application), a narrative on architectural preservation (Section E of the application), the Main Street area map (Section N of the application), and the housing unit layouts (Section O of the application). Note that several of these items will be rated in separate sub-factors listed under Rating Factor 4.

(b) Feasibility is documented by the Sources and Uses included in the form HUD52861 (Section K of the application). These show that there is enough financing to construct the project. In addition, the 5-year Cash Flow Proforma shows that the project will be able to support itself financially over time. A separate attachment is required for the 5-year Cash Flow Proforma (Section M). It is not included in form HUD52861.

(c) Section 3. The applicant will be rated on the Section 3 plan. See Section III.C.4.c. of the General Section for Section 3 grantee reporting requirements. The Rating Factor Attachment

(Section P of the application) must contain a Section 3 Plan that must include (at a minimum) the below listed items. To include information from the annual Logic Model Section 3 report information in the Section 3 Plan, the applicant should make reference to such information in the Section 3 Narrative (Section E of the application):

- (i) Types and amounts of employment and contracting opportunities to be generated as a result of proposed project activities;
- (ii) Specific actions that will be taken to ensure that low- and very low-income persons and the business concerns that substantially employ these persons will be given priority consideration for employment and contracting opportunities in accordance with 24 CFR Part 135.34 and part 135.36;
- (iii) Eligibility criteria to be used for certifying Section 3 residents and business concerns;
- (iv) Process to be used for notifying Section 3 residents and business concerns about the availability of training, employment and contracting opportunities;
- (v) Methodology to be used for monitoring contractors and subcontractors that are awarded covered contracts to ensure their compliance with the requirements of Section 3;
- (vi) Strategies for meeting the Section 3 minimum numerical goals for employment and contracting opportunities found at 24 CFR part 135.30; and
- (vii) Contact information and qualifications for staff persons that will be responsible for the day-to-day implementation of Section 3, including the submission of Section 3 annual reports in accordance with 24 CFR part 135.90.

(d) **Housing Units Set Aside for Very Low-Income Persons.** A very low-income person or family is defined in Section I.D. of this NOFA. Generally, very low-income indicates a person or family whose income is less than 50% of the area's family median income, adjusted for family size. Very low-income persons or families find it extremely difficult to find decent, safe and sanitary housing. In an effort to affirmatively further fair housing, the applicant will be rated on this set-aside percentage. Documentation for this sub-factor includes a narrative explaining how the applicant will affirmatively market to this group (to be placed in Section E of the application) and a statement of the percentage of housing units that will be set aside for this group (stated in Section P of the application). The HOPE VI Main Street statute requires that a portion of HOPE VI Main Street units be set aside for very low-income persons. In accordance with Section V.A.4.b. of this NOFA, Rating Factor 4.b., a set-aside that exceeds this requirement will receive more rating points.

(e) **Distance to Public Transportation.** Another sub-factor of Rating Factor 4 is the distance the HOPE VI Main Street affordable housing project is from public transportation. This sub-factor should be discussed in Section E of the application, e.g., transit is planned, exists now, etc., and public transit access points should be noted on the Main Street area map.

(f) **Community and Supportive Services.** As noted in the General Section, one of the policy priorities of the Department is to utilize housing as a platform for improving quality of life. As a result, HUD seeks to connect affected residents to needed services to improve socioeconomic outcomes. This sub-factor of Rating 4 should be discussed in Section E of the application, e.g., coordination of needed services to affected residents.

(g) **Energy Efficiency.** As indicated in HUD's FY2010-2015 Strategic Plan (i.e., Goal 3 and Goal 4) and the General Section, sustainability is a policy priority of the Department. As a result, HUD encourages activities that actively promote sustainability through enhancing energy-efficient measures. Energy efficiency is one of the goals of HOPE VI Main Street (See "Program Requirements," Section III.C. of this NOFA). This sub-factor of Rating 4 should be discussed in Section E of the application, e.g., demonstrating how you will employ Energy

Efficient measures that will allow the project to receive a National or regional green certification, other than Energy Star.

(h) Leverage. Section 24(n)(3)(B) of the 1937 Housing Act states that the Main Street affordable housing project “involves investment, or other participation, by the government for, and private entities in, the community in which the project is carried out.”

Leverage shows that there is local support for the Main Street rejuvenation effort. The applicant must provide Leverage funds/in-kind services that are firmly committed to the Main Street rejuvenation effort, as a whole. This Leverage may include Leverage specifically committed to development of the HOPE VI Main Street affordable housing project. This Leverage demonstrates statutorily required local government and local private-sector community support. Leverage does NOT need to be expended on affordable housing uses. Leverage may include infrastructure and other government expenditures that have occurred since the Main Street rejuvenation effort began. It may also include an existing, continuing Main Street rejuvenation effort. Documentation has to be in the form of a letter on letterhead from the date the application is posted on grants.gov to the deadline date and must be FIRMLY COMMITTED. See “Definitions,” Section I.D and “Program Requirements,” Section III.C. of this NOFA for more information about Leverage. To be counted as Leverage, the application must contain documentation as described in “Match or Leverage”, Section IV.B.5.b.(11) of this NOFA.

(i) To be counted as Leverage, the resource should also be included on page 13 of the “HOPE VI Main Street Application Data Sheet,” form HUD52861 to ensure that it is seen by the HUD reviewer. No narrative discussion of Leverage is necessary.

(ii) Since the purpose of Leverage is to demonstrate the statutory requirement of support from both local government and the local private sector, qualifying funds/in-kind services that are included as match resources will be added to Leverage by HUD to determine the amount for the Leverage Rating Factor. The applicant does not have to repeat the page 12 Match resource list on page 13 of form HUD52861.

(i) Retention of Historic or Traditional Architecture. The Rating Factor Narrative Exhibit should include the age of, and restoration work being done to, façades that are part of the HOPE VI Main Street affordable housing project, along with other significant preservation or restoration that has taken place or is planned as part of the Main Street Area rejuvenation effort as a whole.

(7) Documentation for Rating Factor 5 - Program Administration and Fiscal Management (Section F).

(a) For this rating factor, the applicant must demonstrate program administration and fiscal management.

(b) Program Schedule (Section F for methodology and Section J for the schedule). The Program Schedule should contain all of the milestones stated in “Administrative Requirements,” Section VI.B. of this NOFA. The Narrative Exhibit for this Rating Factor should describe the methodology used in developing the schedule, including the parties that were contacted and that contributed information to the applicant.

(c) Achieving Results and Program Evaluation: Logic Model (Section F for the Narrative and Section Q for the form). The grantee will be required to submit both a quarterly reports to HUD using a HUD-developed, on-line data input system, and annual reports based on the Logic Model. The application’s Rating Factor Narrative Exhibit should describe the method that the applicant will use to collect production information, other information that it states will be measured on through the Logic Model, and the type of computers and Internet access that the applicant Team possesses. Training on the Logic Model rating factor is archived on HUD’s

website. Documentation on creating the Logic Model and on the method used to rate it can be found in Appendix A to the General Section of this NOFA. You can view ;logic model training at <http://www.hud.gov/offices/adm/grants/nofa08/elogicmodel.pdf> and through the Logic Model webcast at <http://www.hud.gov/webcasts/archives/supernofa08.cfm> under the title, “SuperNOFA Logic Model (Grantees), April 24, 2008.” This Rating Factor measures the quality of the Logic Model, not the number of metrics measured. Rationale for inclusion of metrics should be addressed in the Narrative. Note that the inclusion of metrics that will be difficult or impossible to measure based upon the applicant’s local conditions will not improve the rating of the Logic Model. A list of such exclusions may be included in the Logic Model Narrative section.

(d) Development, Financial and Fiscal Management. The Rating Factor narrative should include identification of the Team members, their positions in the Team, and the methods they will use to manage:

- (i) General administration of the grant activities and reporting;
- (ii) Construction activities, including inspections;
- (iii) Leverage and match resources to guarantee fulfillment of commitments;
- (iv) Accounting and distribution of grant funds; and
- (v) Local, state, and federal procurement requirements of the applicant government.

(8) RC/EZ/EC Bonus Points - RC/EZ/EC-IIs (Section S). To receive up to two bonus points for performing the NOFA activities in a RC/EZ/EC-II area, the applicant must complete, sign, and submit the “Certification of Consistency with RC/EZ/EC Strategic Plan” (form HUD2990) as part of the application and meet the requirements of the General Section.

(9) Preferred Sustainable Communities Status Bonus Points (Section T). To be eligible to receive Preferred Sustainable Communities Status 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 HUD2995. Please refer to the General Section for a description of these bonus points.

(10) Match (Sections G and K). Match amounts and resource information must be listed on page 12 of form HUD52861, Section K. Match letters must also be included in the application to show firm commitment of these funds to the HOPE VI Main Street housing project.

(a) **Program Requirements that Apply to Match and Leverage.** Applicants must follow these requirements in compiling and documenting their match and leverage resources for purposes of the NOFA. **Otherwise, it may not be possible for HUD to count the commitment at the level claimed.**

(b) **Types of Resources.** Section 24(n)(3)(B) of the 1937 Housing Act states that the Main Street affordable housing project “*involves investment, or other participation, by the government for, and private entities in, the community in which the project is carried out.*” Investment includes both Match and Leverage.

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

(ii) Firmly Committed.

(A) All resources for match and leverage must be firmly committed as of the application deadline date. “Firmly committed” means that the amount of the resource and its dedication to 1) the Main Street affordable housing project for Match, or 2) the Main Street area as a whole for Leverage must be explicit, in writing, and signed by a person authorized to make the

commitment (e.g., the City's signatory cannot commit the funds of another agency, organization or government body (unless the applicant can demonstrate otherwise in the application)).

(B) Examples of language that shows firm commitment: "X Agency commits to providing Y..." and "X Agency will provide...."

(C) Examples of language that does NOT show firm commitment: "X Agency is interested in providing Y resource....," "X Agency will give strong consideration to providing Y resource....," "X Agency commits funds subject to their availability from the city/state....," "X Agency commits funds subject to their approval of ABC application/resolution/other process....," and "This document does not constitute a binding commitment...."

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

(c) **Content.** Commitment letters must detail the dollar amount and term of the commitment. Otherwise, it may not be possible for HUD to count the commitment at the level claimed.

(i) If a commitment letter is for more than one resource/amount, they should be indicated individually in the letter rather than in one lump sum.

(ii) An example of a good physical development commitment: "X Agency commits to providing \$1,000,000 in funds for infrastructure over the life of the FY2011 HOPE VI Main Street grant for ABC housing development."

(iii) In the case of Community and Supportive Services resources, commitment letters or the application must indicate how the dollar amount of the resource commitment was derived/calculated (e.g., the cost of the service multiplied by the quantity/frequency of the service multiplied by the number of residents to receive that service). Resource commitment documents that simply give a dollar figure for proposed services will not be counted.

(A) An example of a good Community and Supportive Services commitment: "X Agency commits to providing a total of \$4,500 to the residents of ABC public housing development for its FY2011 HOPE VI Main Street grant. This total amount covers 15 job readiness workshops over three years, at a cost of \$300 per workshop, benefiting an estimated 200 residents total." Another example is: "W Agency will provide after school programming to X number of youth from ABC development. The cost of this service is \$Y per day per youth, multiplied by the number of youth, multiplied by the number of days per year the service will be provided, multiplied by the number of years. This calculation results in a total commitment of \$W." If an agency commits in the same letter to providing, for example, both a job readiness workshop and an afterschool program, both derivations/calculations should be present in the letter.

(iv) Signature. Resource commitments must be written and be signed by a person authorized to make the commitment. For example, the City's signatory cannot commit the funds of another agency, organization or government body (unless the applicant can demonstrate otherwise in the application).

(v) Dating. Match and leverage commitment letters must represent valid and accurate commitments. By including them in the application, the applicant is certifying that they are valid and accurate. Commitment letters must indicate that the commitments are for the FY2011 HOPE VI Main Street application or must be dated after the FY2011 NOFA publication date. If it is not possible for the resource provider to provide a commitment letter that indicates the commitment is for the FY2011 HOPE VI Main Street application or to provide a commitment letter dated after the FY2011 NOFA publication date, then the applicant's signatory must provide a cover letter to the commitment letter in question that does address these criteria.

(vi) Letterhead. Commitment letters must be on letterhead or they will not be accepted.

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

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

(ix) Resource commitments may only be counted once.

(x) It is important to note that certain OMB circulars are applicable, and particular attention should be given to the provisions concerning the use of federal funds for matching requirements. See the General Section III. for information on these OMB circulars and administrative requirements.

(d) **Types of Development Resources.** Types of Development Resources may include but are not limited to:

(i) Loans and Debt. This includes private mortgage-secured loans, insured loans and other debt.

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

(B) For rental housing, HUD will accept a commitment where you have obtained a construction loan but not a permanent loan. In such cases, the value of the construction loan will be counted. However, HUD will NOT accept a commitment where you have obtained a construction loan but not a permanent loan and where you plan to pay that construction loan off with tax credit equity or with HOPE VI funds.

(1) The applicant's commitment letters should include each loan's interest rate and expected term maturity. Otherwise, it may not be possible for HUD to count the commitment at the level claimed.

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

(ii) Bonds. This includes tax-exempt bonds and private activity revenue bonds. The application should include the dollar amount, a description of the use and term, and how the bonds will be repaid. Otherwise, it may not be possible for HUD to count the commitment at the level claimed. HUD will NOT accept a bond commitment where the applicant plans to pay that bond off with HOPE VI funds. If you have documentation of funding that will repay the bond, this will be counted instead of the bond.

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

(A) Low-Income Tax Credits are authorized by section 42 of the IRS Code, which allows investors to receive a credit against federal tax owed in return for providing funds to developers to help build or renovate housing that will be rented only to lower-income households, for a minimum period of 15 years.

(B) Tax credits are generally reserved annually through State Housing Finance Agencies, a directory of which can be found at <http://www.ncsha.org/>.

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

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

(E) Other resource commitments that are contingent on the receipt of tax credits that have not yet been secured cannot be counted.

(iv) Donations and contributions of funds and in-kind services.

(v) Sale of Land and Buildings. Cash proceeds realized as of the application deadline date from the sale of land and/or buildings may be included as a resource. Absent a sales transaction, the value of land may not be counted. HUD will not count the value of land absent a sales transaction.

(vi) Donations of Land and Buildings. Donations of land and/or buildings may be counted as match and/or leverage, only if the donating entity is the applicant and the applicant owns the land and/or buildings to be donated. Donating entities may include a city, county/parish, or other "local government" subdivision of a State or territory, as defined in Section I.D. of this NOFA. The application must include documentation of this ownership, and the donation of land, signed by the appropriate authorizing official. The dollar amount attributed to the donated land and/or buildings must include verification by an independent, state-certified appraiser, or other appropriate means, the documentation of which should be kept in the applicant's records.

(vii) Waived government fees. The value of fees for services/activities necessary to the development or Main Street rejuvenation effort may be counted if they have been waived by the authorizing government entity.

(viii) Developer fees. Projected developer fees to be waived or put back into the project will not be counted.

(ix) Lines of credit may be counted, but only if the application evidences that there is a permanent source of funding backing it up. The application should demonstrate the issuer and beneficiary, the amount of the total line of credit, the amount the applicant expects to use, relevant terms and conditions of the line of credit.

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

(xi) Funds committed to build or rehabilitate other private sector housing or commercial space, government funds committed for the same purpose, or government funds invested in government buildings in the Main Street area may be counted as leverage.

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

(11) **Program Schedule (Section J).** The application requires a Program Schedule for the applicant's Project. The Program Schedule must reflect the Reasonable Time-Frame and Development Proposal time requirements stated in Section VI.B of this NOFA.

(12) **HOPE VI Main Street Application Data Sheet, form HUD52861, in MS Excel format (.xls) (Section K).**

This form consists of several Excel worksheets. Each worksheet requires information that is necessary for the applicant to meet thresholds, obtain rating points, or determine the maximum grant amount. Instructions for completing the data worksheets are located in the left-hand worksheet, with the tab name, "Instructions." The worksheets should be completed from the left-most tab toward the right. In this way, the information that the applicant provides will automatically be inserted to the right into other worksheets, as needed.

(a) **Unit Mix.** This worksheet will be HUD's primary source of information on the HOPE VI Main Street affordable housing project's unit number and type. This information also feeds into the calculations for maximum grant amount.

(b) **Permanent Sources and Uses.** This worksheet contains the estimated costs and long-term financing that will be used to develop the HOPE VI Main Street affordable housing project. Tax credit equity, permanent mortgages, grant funds that will be used in construction, rent-up, Developer fee, etc., would be included here.

(c) **Total Development Cost (TDC).**

(i) The maximum amount of the grant must be based on HUD's published TDC per unit developed. See HUD's Notice PIH-2010-20 (HA), "Public Housing Development Cost Limits", which can be found on HUD's HUDClips website (the Notice is in doc format and the amount tables are in pdf format). This is a large file and may take several minutes to open.

(ii) HUD has developed TDCs for larger cities, metropolitan statistical areas and primary metropolitan statistical areas (MSA/PMSA), and some counties. HUD has not developed TDCs for all small, non-metropolitan cities and towns. Therefore, to find out of which county/parish or MSA/PMSA the local government is considered a part of, the applicant may have to contact its closest HUD Field Office.

(d) **Match.** In order to meet HOPE VI's statutory five percent match threshold, the applicant must enter match resource information in this worksheet. If a resource is not listed in this worksheet, the amount will not be included in HUD's calculation of match, and the application may be barred from rating, ranking, and award. (Note that the applicant must also provide a firm commitment documentation described in Section (11) above.

(i) For each of the applicant's match resources, the applicant must include in this form:

(A) The name of the entity providing the resource;

(B) The name of a contact for the entity providing the resource who is familiar with the contribution toward this application;

(C) The telephone number of a contact for the resource who is familiar with the contribution toward this application;

(D) The match amount in dollars;

Whether the match amount is cash or in-kind services;

(ii) Match must only include resources to fund the HOPE VI Main Street affordable housing project, not the rest of the Main Street Area.

(e) **Leverage.** Leverage is a HOPE VI program requirement of cash and in-kind services that have been **firmly committed** to the HOPE VI Main Street affordable housing project or the Main Street Area redevelopment effort and are from non-HOPE VI sources.

- (i) For each of the applicant's Leverage resources, the applicant must include in this form:
- (ii) The name of the entity providing the resource;
 - (iii) The name of a contact for the entity providing the resource who is familiar with the contribution toward this application;
 - (iv) The telephone number of a contact for the resource who is familiar with the contribution toward this application;
 - (v) The Leverage amount on dollars;
 - (vi) Whether the Leverage amount is cash or in-kind services;
- (13) The documentation described in Section (11) above.

(14) **HOPE VI Budget (Section L).** Enter the amount the applicant is requesting through this NOFA. The applicant must only include the HOPE VI Main Street grant funds in this budget, not the entire amount of the project. Typically, HOPE VI assists PHAs. With the HOPE VI Main Street program, HOPE VI is assisting local governments. Because of this, the HOPE VI Budget form refers to PHAs instead of local governments. In "Part I: Summary," in the "PHA" space, enter the applicant's name as stated on the form SF424. Also complete the column entitled, "Revised Overall HOPE VI Budget for All Project Phases." It is not necessary to fill in the other columns. In "Part II: Supporting Pages," in the "PHA" space, enter the applicant's name as stated on the form SF424 and complete only columns two and three.

(15) **Cash Flow Proforma (Section M).** The applicant must include a 5-year estimate of project income, expenses, and cash flow ("proforma") that shows that the project will be financially viable over the long term. The proforma should show the affordable rents for the period of the INITIAL occupancy and the affordable or market rents (set at the discretion of the grantee) for subsequent occupants. Note that initial funding of reserves with grant funds is NOT an allowable use of funds from this NOFA, e.g., a rental reserve to support initial affordable income. Reserves may be funded through Leverage resources.

(16) **Map of Main Street Area (Section N).** The drawing must denote the boundaries of a Main Street Area and denote each housing site that is included in the applicant's project. The map should be grayscale for printing on a black-and-white printer. Boundaries and site(s) should be delineated with heavy black lines. The boundaries must be real and may include streets, highways, railroad tracks, etc., and natural boundaries such as streams, hills, and ravines, etc. A RADIUS OR OTHER GENERAL DEMARCATION OF THE MAIN STREET AREA IS NOT ACCEPTABLE AND EITHER RATING POINTS WILL BE SUBTRACTED OR, IF VAGUE, THE MAIN STREET AREA THRESHOLD MAY NOT BE MET AND THE APPLICATION WILL BE REJECTED AND NOT REVIEWED. The map property locations and area boundaries may be hand-drawn and should be approximately to scale. The purpose of this drawing is to define the area where firmly committed Leverage resources that are included in the application have been, or will be, expended. The location of public transit access points should also be included on the map.

(17) **Typical Unit Layout, Site Plan and Visitability Drawings (Section O).**

(a) The applicant must include a drawing of the HOPE VI Main Street affordable housing project site plan and typical unit layouts. The drawings may be hand-drawn, should be approximately to scale, and should be in grayscale, for printing on a black-and-white printer.

The purpose of these drawings is to determine if the building and unit configuration look feasible and fulfill generally acceptable housing standards. If there are several unit layouts, e.g., different size apartments, up to four (4) drawings may be shrunk to fit on one page, provided that the drawings are in PDF format. PDF will allow reviewers to zoom into the PDF file to see details.

(b) The applicant should show Visitability plans, if any, through the use of blueprint or elevation style drawings. The information shown should match that described in the Rating Factor Narrative section of the application.

(18) Affirmatively Furthering Fair Housing (Section P).

(a) Successful applicants engaged in housing or housing related activities are obliged to take reasonable steps to affirmatively further fair housing (AFFH). Consistent with, “Threshold Requirements,” Section III.C.5.b. of the General Section applicants must provide a statement on AFFH in accordance with the General Section’s instructions and the examples listed therein.

(b) Failure to include this statement will render the application ineligible for award.

(19) Section 3 Plan (Section P). See the description under “Documentation for Rating Factor 4,” in Section IV.B.5.b.(7) of this NOFA and Section III.C.5.d. of the General Section.

(20) Logic Model (Section Q). The applicant must complete the form HUD96010, “Logic Model,” in accordance with the “Logic Model Instructions in the General Section.”

(21) Code of Conduct (Section R). See Section III.C.5.i. of the General Section and Section III.C.3.h. of this NOFA, “Thresholds,” for Code of Conduct Requirements. Documentation should include as much detailed information as is listed in the Sections above, that is available to the applicant, to fulfill the Code of Conduct threshold.

(22) Disclosure of Lobbying Activities, Standard Form LLL, if applicable (Section V): This form must be filled out and submitted with the application to meet the threshold stated in Section III.C.2.i. of the General Section, if applicable.

C. Receipt Dates and Times.

1. Application deadline date. Electronic applications must be received by 11:59:59 p.m. eastern time on the application deadline date. See this NOFA’s “Overview Information” Section F. for the deadline date.

2. See Section IV. of the General Section and Section IV.F., below, for Grants.gov application instructions. A large part of the General Section describes, in great detail, the relatively complex process for registering with Grants.gov and CCR. It also describes how to download HUD’s application package and upload the applicant’s application to Grants.gov. If the applicant is not familiar with Grants.gov, the applicant should begin the registration process a month before the application deadline date. Note, also, that applicants already registered must renew their CCR registration annually.

D. Intergovernmental Review.

1. Executive Order 12372, Intergovernmental Review of Federal Programs. Executive Order 12372 was issued to foster intergovernmental partnership and strengthen federalism by relying on state and local processes for the coordination and review of federal financial assistance and direct federal development. HUD implementing regulations are published in 24

CFR part 52. The executive order allows each state to designate an entity to perform a state review function. The official listing of State Points of Contact (SPOCs) for this review process can be found at <http://www.whitehouse.gov/omb/grants/spoc.html>. States not listed on the website have chosen not to participate in the intergovernmental review process and, therefore, do not have a SPOC. If the applicant's state has a SPOC, the applicant should contact it to see if it is interested in reviewing the application prior to submission to HUD. The applicant should allow ample time for this review process when developing and submitting the applications. If the applicant's state does not have a SPOC or if the SPOC elects not to review the application, the applicant may send applications directly to Grants.gov.

E. Funding Restrictions.

1. Grant funds must only be used to provide assistance to carry out eligible affordable housing activities, as stated in Section III.C. of this NOFA.
2. HOPE VI funds, or services reimbursed with HOPE VI funds, CANNOT be used to meet the match requirement.

3. Cost Controls.

a. The total amount of HOPE VI funds expended shall not exceed the TDC for the total number of units in the project, as described in the application to this NOFA. TDC limits are published by HUD in Notice PIH 2008-47 (HA), "Public Housing Development Cost Limits." The TDC limits can be found through HUD's HUDClips website at the top of <http://www.hud.gov/offices/adm/hudclips/notices/pih/08pihnotices.cfm>, labeled "08-47." The ".doc" file is the implementing Notice and the ".pdf" file lists TDC amounts by geographic area and unit size. This list of TDC amounts is also included as background data in form HUD52861, "HOPE VI Main Street Application Data Sheet."

b. Cost Control Safe Harbors apply. Grantees must comply with HOPE VI Main Street Cost Control and Safe Harbor Standards, as follows:

(1) Developer Fee Safe Harbor. The HOPE VI Main Street Safe Harbor for the Developer fee is 9 percent (9%) or less of total HOPE VI Main Street affordable housing project costs that are funded by grant funds or Leverage funds included in the NOFA application (less the total amount of all reserve accounts and less the Developer fee, itself.) The maximum Developer fee is 12 percent (12%) of total HOPE VI Main Street affordable housing project costs that are funded by grant funds or Leverage funds included in the NOFA application. Any fee above the 9 percent safe harbor must be justified and approved by HUD in advance. Possible justifications for exceeding the 9 percent safe harbor include:

- (a) Developer independently obtains project financing, including tax credits. The more sources of financing, the greater the justification for a higher Developer fee;
- (b) Developer obtains site control from an entity other than the Grantee. The more sites acquired the greater the justification for a higher Developer fee;
- (c) Developer obtains site control from more than one property owner. The more property owners, the greater the justification for a higher Developer fee
- (d) The project is complex (e.g., in financial, legal, environmental, and/or political terms.);
- (e) The Developer bears more than 25 percent of the predevelopment costs;
- (f) The Developer fee is deferred or paid out of positive cash flow from the project;
- (g) The Developer guarantee(s) is for a large dollar amount in proportion to the project size and/or the guarantee(s) is for a long term.

(2) General Contractor Fee Safe Harbor. The HOPE VI Main Street Safe Harbor for the general contractor fee is as follows:

(a) General Requirements: 6 percent of hard-costs (including contingency and bond premium);

(b) Overhead: 2 percent of hard-costs plus general requirements;

(c) Profit: 6 percent of hard-costs, general requirements, and overhead;

(d) The maximum Safe Harbor for these combined costs is 14 percent, unless adequate justification is provided to HUD.

4. Community and Supportive Services (“CSS”). Furnishing CSS to residents is voluntary, except for homeownership counseling when the application includes development of homeownership units. If the applicant chooses to furnish CSS, expenditures are limited to 15 percent of the grant amount.

5. Statutory time limit for award, obligation, and expenditure.

a. The estimated award date will be 30 days after the application deadline date for this NOFA.

b. Funds available through this NOFA must be obligated, i.e., grants must be awarded, on or before September 30, 2011.

c. In accordance with 31 U.S.C. 1552 (Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 935; Pub. L. 101-510, div. A, title XIV, Sec. 1405(a)(1), Nov. 5, 1990, 104 Stat. 1676), all HOPE VI funds that were appropriated in FY 2011 must be expended by **September 30, 2017**. Any funds that are not expended by these dates will be cancelled and recaptured by the United States Treasury, and thereafter will not be available for obligation or expenditure for any purpose.

6. Withdrawal of Funding. If a grantee under this NOFA does not proceed within a reasonable time frame (in accordance with Section VI. of this NOFA), HUD retains the right to unilaterally withdraw any grant amounts that have not been obligated by the grantee. Unless these funds must return to the U.S. Treasury, HUD shall redistribute any withdrawn amounts to one or more other applicants eligible for assistance under the HOPE VI program.

7. Transfer of Funds. HUD has the discretion to transfer funds available through this NOFA to any other HOPE VI program.

8. Limitation on Eligible Expenditures. Expenditures on services, equipment, and physical improvements must directly relate to project activities allowed through this NOFA.

9. Pre-Award Activities. Award funds shall not be used to reimburse expenses incurred before the award date.

F. Other Submission Requirements.

1. Application Submission and Receipt Procedures. See Sections IV.B., C., and F. of the General Section.

2. Timely Receipt Requirements and Proof of Timely Submission. Electronic Submission.

All electronic applications must be received by Grants.gov **by 11:59:59 p.m. eastern time** on or before the deadline date established for this NOFA in its “Overview Information” Section F,

located near the beginning of the document. See Sections IV.C.2. and IV.C.4. of the General Section.

3. Waiver of Electronic Submission Requirements.

a. Requests for HUD to waiver of the requirements that NOFA applications be submitted electronically must be made in writing to:

Department of Housing and Urban Development
Office of Public Housing Investments
Attention: Susan Wilson, Director
451 Seventh Street, SW
Washington, DC 20410-5000

(1) Waiver requests must include justification explaining why the application cannot be submitted electronically, e.g., extremely unreliable internet connection in a large rural area and the applicant cannot drive to an area that can furnish an acceptable internet connection, and must be submitted no later than 30 days prior to the application deadline date.

(2) See Section IV.F.3. of the General Section for additional information about waivers.

(3) If a waiver of the electronic submission requirement is requested and approved, a paper application must be submitted by the deadline date, in accordance with instructions stated in HUD's waiver approval letter. A waiver of the electronic application requirement does not absolve the applicant from having a DUNS number, an active registration at <http://www.ccr.gov>, and submission of mandatory forms that are included in the Grants.gov package.

4. No Facsimiles of Entire Application or Videos. HUD will not accept for review, evaluation, or funding any entire application sent by facsimile (fax). However, third-party documents or other materials sent by facsimile in compliance with the instructions under Section IV. of the General Section, and that are received by the application deadline date, will be accepted. Also, videos submitted as part of an application will not be viewed. See the General Section for the 2011 fax number.

5. General Section References. Section IV. of the General Section is hereby incorporated by reference.

V. Application Review Information

A. Selection Criteria (Rating Factors).

1. Rating Factor 1 - Capacity (Section C) (up to 25 points). This factor addresses whether the applicant Team has the capacity and organizational resources necessary to implement successfully the proposed activities within the grant period. Please do not include the Social Security Number of any Team member.

a. Past Experience (up to 15 points).

(1) The applicant will earn a maximum of 15 points if the applicant demonstrates that the applicant's Team has extensive experience of affordable housing development and historic preservation requirements; e.g. that the applicant's Team has developed or rehabilitated housing projects, including BOTH affordable housing projects and National Register for Historic Preservation (NRHP) or traditional architecture projects over the past 3 years.

(2) The applicant will earn a maximum of 10 points if the applicant demonstrates that the applicant's Team has superior experience of affordable housing development and historic preservation requirements; that is, that the applicant's Team has developed or rehabilitated housing projects, including EITHER affordable housing projects OR NRHP or traditional architecture projects over the past 3 years.

(3) The applicant will earn a maximum of 5 points if the applicant demonstrates that the applicant Team has adequate experience in housing development; that is, that the applicant's Team has developed or rehabilitated more than one housing project over the past 3 years.

(4) The applicant will earn a maximum of 0 points if the applicant cannot demonstrate that its Team has at least adequate experience in housing development.

b. Knowledge of Key Personnel (up to 10 points).

(1) The applicant will earn a maximum of 10 points if the applicant demonstrates that its key personnel have extensive knowledge in the development or rehabilitation of housing projects, including BOTH affordable housing projects AND NRHP or traditional architecture projects.

(2) The applicant will earn a maximum of 5 points if the applicant demonstrates that the applicant Team's key personnel have adequate knowledge in the development or rehabilitation of housing projects, including EITHER affordable housing projects, OR NRHP, or traditional architecture projects.

(3) The applicant will earn a maximum of 0 points if the applicant cannot demonstrate that its key personnel have adequate knowledge in the development or rehabilitation of housing projects.

2. Rating Factor 2 - Need for Affordable Housing (up to 5 points).

a. Using the State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Database for:

(1) Data from the 2000 census;

(2) All Households, regardless of Race/Mobility & Self Care Limitation;

(3) The applicant's City/Census Place, or if the applicant's City/Census Place/city is not listed in the database, the applicant's county/parish;

(4) Family incomes that are greater than 50% and less than or equal to 80% of the Median Family Income;

b. If the percent Cost Burden is greater than 30% of income (row 12) for more than 50% of families (column E is greater than 50), the applicant will receive 8 points.

c. If the percent Cost Burden is greater than 30% of income (row 12) for equal to or more than 25%, but less than 50% of families (column E is equal to or greater than 25, but less than 50), the applicant will receive 6 points.

d. If the percent Cost Burden is greater than 30% of income (row 12) for equal to or more than 5%, but less than 25% of families (column E is equal to or greater than 5, but less than 25), the applicant will receive 3 points.

e. If the percent Cost Burden is greater than 30% of income (row 12) for less than 5% of families (column E is less than 5), the applicant will receive 0 points.

3. Rating Factor 3 - Readiness (Site Control, Zoning, and Developer/Construction Agreement) (up to 20 points).

a. Site Control and Zoning (Sections D and I) (up to 8 points)

(1) In order to perform the activities required under a grant from this NOFA, the applicant must:

(1) Have obtained site control of the HOPE VI Main Street affordable housing project site(s). (Note that an applicant that does not have site control prior to HUD's receipt of the application must not acquire title to any sites until completion of the HUD environmental review. In addition, any purchase option entered into after HUD receipt of the application must be contingent upon notification from HUD that the property is acceptable, following a HUD environmental review, and the cost of the option must be no more than a nominal portion of the purchase price); and

(2) Have received local zoning approval that allows residential use of the HOPE VI Main Street affordable housing project site(s).

(2) Scoring:

(1) The applicant will receive 8 points if the application includes documentation demonstrating that, by the application submission date, the applicant has Site Control and approval of a Zoning type that includes residential housing.

(2) The applicant will receive 6 points if the application includes documentation demonstrating that, by the application submission date, the applicant has Site Control, but does not have approval of a Zoning type that includes residential housing.

(3) The applicant will receive 3 points if the application includes documentation demonstrating that, by the application submission date, the applicant does not have Site Control, but does have approval of a Zoning type that includes residential housing.

(4) The applicant will receive 0 points if the application does not include documentation demonstrating that, by the application submission date, the applicant has Site Control and approval of a Zoning type that includes residential housing.

b. Readiness to Submit a Development Proposal and Begin Construction (up to 12 points).

(1) In order to perform the required grant activities in a timely manner, the applicant must have the in-house ability to develop and construct housing, or procure a Developer, Construction Manager, or Construction Contract, depending upon the complexity of the HOPE VI Main Street Affordable Housing project. The grantee must have the ability to create a detailed Development Proposal and follow through with construction of the HOPE VI Main Street housing units. Before the date of submission, the applicant should have at least determined what level of housing development is necessary and whether the applicant City has the necessary in-house capability to perform the grant activities. If the applicant does not such capability, it should have begun discussions toward execution of an agreement or contract with a Developer, construction manager, or construction company to perform the required activities in this NOFA and complete construction of the HOPE VI Main Street affordable housing project. (Note that under 24 CFR 50.3, the grantee must not enter into a binding agreement for choice-limiting actions until HUD completes an environmental review).

(2) Scoring:

(1) The applicant will receive 12 points if the application includes documentation demonstrating that, by the application submission date, the applicant has the in-house capability to perform the NOFA's required activities or has an executed Developer Agreement, Construction Manager contract, or construction contract.

(2) The applicant will receive 8 points if the application does not include documentation demonstrating that, by the application submission date, the applicant has the in-house capability to perform the NOFA's required activities, but does demonstrate that it has published a procurement document for a Developer, Construction Manager, or construction contractor.

(3) The applicant will receive 4 points if the application does not include documentation demonstrating that, by the application submission date, the applicant has the in-house capability to perform the NOFA's required activities, but has begun the procurement process or has had discussions with a possible Developer, Construction Manager, or construction contractor.

(4) The applicant will receive 0 points if the application does not include documentation demonstrating that, by the application submission date, the applicant has the in-house capability to perform the NOFA's required activities, or has begun the procurement process or has had discussions with a possible Developer, Construction Manager, or construction contractor.

4. Rating Factor 4 - Appropriateness of the HOPE VI Main Street affordable housing project (Sections E and Attachments as stated below) (up to 32 points).

a. Appropriateness and Feasibility of the HOPE VI Main Street Affordable Housing Project (up to 7 points).

(1) The applicant will receive 7 points if the application demonstrates the following about the HOPE VI Main Street affordable housing project:

(1) It is appropriate and suitable, in the context of the community and other affordable housing options, e.g., rehabilitation versus new construction;

(2) Fulfills the needs of the Main Street Area rejuvenation effort;

(3) Is marketable, in the context of local conditions;

(4) If the affordable housing units that will be developed under a grant from this NOFA are not a separable part of a larger development effort, and the applicant includes market-rate housing or retail structures in that larger development, the applicant must provide a signed letter from an independent, third-party, market research firm or real estate professional that describes its assessment of the demand and associated pricing structure for the proposed residential units and retail structures, based on the market and economic conditions of the Main Street Area;

(5) Is financially feasible, as demonstrated in the proforma and financial exhibits proposed in the application;

(6) Describes the cost controls that will be used in implementing the project, in accordance with the Funding Restrictions and Program Requirements sections of this NOFA; and

(7) Includes a completed TDC/Grant Limitations Worksheet in the application (form HUD52861) and follows the Funding Restrictions and Program Requirements sections of this NOFA.

(2) The applicant will receive 4 points if the application demonstrates at least 4 of the criteria above.

(3) The applicant will receive 0 points if the application does not demonstrate the criteria above or the application does not provide sufficient information to evaluate this factor.

b. Promotion and Marketing (up to 1 Point).

(1) The applicant will receive 1 point if the application sets forth a plan to promote and market the Main Street Area rejuvenation effort to financiers, to other parties that may be involved in the rejuvenation effort, and to possible future residents of the HOPE VI Main Street affordable housing project.

(2) The applicant will receive 0 points if the application does not include a discussion of promotion or marketing of the Main Street Area rejuvenation effort.

c. Fair Housing and Equal Opportunity. (up to 6 points)

(1) Affirmative Fair Housing Marketing (up to 1 point)

(1) The applicant will receive 1 point if the application demonstrates that the rental and homeownership housing will be affirmatively marketed to demographic groups in the local market area (including neighboring communities, if the recipient community does not have residents in all local demographic classes) that would be least likely to apply for the housing. This would include racial, ethnic, and religious groups not likely to apply as well as persons with disabilities and large families.

(2) The applicant will receive 0 points if the application does not include a plan for or discussion of the above described Affirmative Fair Housing Marketing.

(2) Set-Aside for Very Low-Income Persons (up to 1 points)

(1) Statutorily, the applicant is required to set aside a portion of the HOPE VI Main Street units for very low-income residents, i.e., at least one unit.

(2) If the applicant demonstrates that more than one unit, or at least 10% of the HOPE VI Main Street units, whichever is greater, are set aside for very low-income residents, the applicant will receive 1 point.

(3) If the applicant does not demonstrate that more than one unit, or at least 10% of the HOPE VI Main Street units, whichever is greater, are set aside for very low-income residents, the applicant will receive 0 points.

(3) Distance from Public Transportation (up to 1 points)

(1) If the applicant demonstrates that all of the HOPE VI Main Street affordable housing project units are within one-quarter (1/4) mile of a public transit stop, the applicant will receive 1 point.

(2) If the applicant does not demonstrate that at least 50% of the HOPE VI Main Street affordable housing project units are within one-quarter (1/4) mile of a public transit stop, the applicant will receive 0 points.

(4) Community and Supportive Services. (Policy Priority)– 1 point. As noted in the General Section, one of the policy priorities of the Department is to utilize housing as a platform for improving quality of life. As a result, HUD seeks to connect affected residents to needed services to improve socioeconomic outcomes.

(1) To earn one point for this policy priority, applicants must commit to and describe in their application their plan for linking affected residents to the services they need to improve their socioeconomic outcomes, achieve self-sufficiency or remain independent. At a minimum, this description must include how needs will be determined, possible partners and services, and how the applicant will communicate and coordinate with the residents and partners;

(2) You will receive zero points if you do not address the above criteria, or if your application does not address this factor to an extent that makes HUD's rating of this factor possible, or for lack of specificity.

(5) Economic Opportunities for Low- and Very-Low-Income Persons (Provision of Section 3) (up to 2 points).

(1) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and its implementing regulations at 24 CFR part 135 requires that recipients of Section 3 to direct, to the greatest extent feasible, all employment, training and contracting opportunities created as a

result of proposed project activities to low- and very low-income persons residing in the project area, and to the businesses that substantially employ these persons. Refer to subparts B and E of 24 CFR part 135 and Section III.C.4.c. of the General Section for additional information.

(2) In accordance with 24 CFR 135.3, certain HUD funded assistances are covered by Section 3, including HOPE VI Main Street grants. Section 3 requirements apply to the entire project.

(3) Section 3 Plan (up to 1 point)

(i) Section IV.B.4. of this NOFA describes the Plan and its seven (7) requirements.

(ii) The Section 3 Plan is a required application document. The applicant will receive 1 point if the application demonstrates that the applicant has a feasible plan for directing new employment and contracting opportunities created during the expenditure of covered financial assistance to Section 3 residents and Section 3 business concerns. The Section 3 Plan must demonstrate that the Section 3 Plan addresses a majority or more of the items listed in the above cited documentation section.

(iii) The applicant will receive 0 points if the Section 3 Plan does not address a majority or more of the items listed in the above cited documentation section.

(4) Evidence of Compliance (up to 1 point)

(i) If the applicant has performed development activities in the past that are covered by Section 3, the applicant will receive 1 point if the application demonstrates the applicant's current compliance with the requirements of Section 3. If Section 3 has not applied to any of the applicant's development projects in the past, the applicant will automatically receive 1 point.

(A) If Section 3 has applied to the applicant any time within the last five (5) years, current compliance must be documented by the inclusion in the application of the applicant's most recent Section 3 Annual Summary Report (form HUD60002), which demonstrates that the applicant met the minimum Section 3 employment and contracting numerical goals found at 24 CFR 135.50; or

(B) In the event that the applicant was covered by Section 3 and failed to meet the Section 3 numerical goals, submission of a description of efforts that were taken by the applicant to comply with the requirements of Section 3, results achieved, and factors that prevented the applicant from meeting the minimum numerical goals during the most recent reporting period.

(ii) The applicant will receive 0 points if the application does not demonstrate that the applicant met the Section 3 numeric goals, does not address the efforts, results and impedimentary factors described in (B), above, or does not address this factor to an extent that allows HUD to rate this factor.

d. Main Street Area Rejuvenation Leverage (up to 8 points).

(1) Main Street Area Leverage includes Leverage used for activities related to the Main Street Area rejuvenation effort as a whole, along with Leverage that will be used directly for allowable activities in the development of the HOPE VI Main Street affordable housing project.

(1) The applicant must provide Leverage funds/in-kind services that are firmly committed to the Main Street rejuvenation effort as a whole, including Leverage specifically committed to development of the HOPE VI Main Street affordable housing project. This Leverage demonstrates government and private-sector community support for the Main Street Area rejuvenation effort.

(2) Match is NOT included in Leverage. Match is a separate, statutorily required contribution of funds. If a resource is listed as Leverage in the "HOPE VI Main Street

Application Data Sheet,” form HUD52861, that is included in the application, HUD will not count that resource as match.

(3) Points are assigned based on the following scale, as a percent of the requested grant amount:

Leverage as Percent of Grant Amount	Points Awarded
Less than 100 percent of the requested grant amount	0 points
Greater than or equal to 100 percent but less than 200 percent	4 points
200 percent or more	8 points

e. Retention of Historic or Traditional Architecture (up to 5 points).

(1) The applicant will receive 5 points if the application demonstrates that the buildings in the project will maintain all of the historic or traditional architecture and design features on all floors of the buildings.

(2) The applicant will receive 3 points if the application demonstrates that the buildings in the project will retain some of the historic or traditional architecture and design features on some or all of the floors of the buildings.

The applicant will receive 0 points if the application does not demonstrate that the buildings in the project will retain historic or traditional architecture and design features.

f. Energy Efficiency. (Policy Priority)– 3 points. As indicated in HUD’s FY2010-2015 Strategic Plan (i.e., Goal 3 and Goal 4) and the General Section, sustainability is a policy priority of the Department. As a result, HUD encourages activities that actively promote sustainability through enhancing energy-efficient measures. Energy efficiency is one of the goals of HOPE VI Main Street (See “Program Requirements,” Section III.C.1. of this NOFA). Going beyond the program requirements of this NOFA in Section III. C.1., you will receive up to three points if you satisfy the follow energy efficiency related criteria:

(i) Green Development (3 or 0 points). Applicants may earn 3 points if they demonstrate the following criteria related to undertaking green development strategies. Applicants must certify and demonstrate that they will implement green development in, at a minimum, the construction of all new housing units in their Development Proposal, if funded. Applicants must certify that and describe how they will fulfill the requirements of one of several recognized green rating programs, including: Enterprise Green Communities Criteria; the National Association of Home Builders (NAHB) Green Building Guidelines; Leadership in Energy and Environmental Design (LEED) for Homes (for single family) or LEED New Construction (for multifamily); or Earthcraft. (Note: For green rating programs that require third-party certification, the applicant, if funded, must provide evidence of such certification after construction of the units. For green rating programs that require self-certification, the applicant, if funded, must provide evidence of self-certification, such as the Enterprise Green Communities Checklist). You will receive zero points if your application does not demonstrate the criteria above, or if your application does not include sufficient information to be able to evaluate this factor;

(ii) Energy Star for New Homes Design Standards (2 or 0 points). If applicants are not able to commit to Green Development as described in (1) above, they may still earn 2 points as follows. Applicants will earn 2 points if they demonstrate the following criteria related to undertaking Energy Star for New Homes design standards: certify that they will use Energy Star for New Homes design standards in the construction of all new units in their Development Proposal; describe their plan to use Energy Star for New Homes design standards including Energy Star Appliances; and commit to obtaining a certification by an independent Home

Energy Rater upon completion of the units as outlined at www.energystar.gov/homes. You will receive zero points if your application does not demonstrate these criteria, or if your application does not include sufficient information to be able to evaluate this factor;

(iii) Energy Star Qualified Products and Appliances (1 or 0 points). If applicants are not able to commit to Green Development or Energy Star for New Homes Design Standards as described in (1) and (2) above, they may still earn 1 point as follows. Applicants will earn 1 point if they demonstrate the following criteria related to Energy Star qualified products and appliances: certify that only Energy Star qualified products and appliances will be used in all new units in their Development Proposal; and describe their plan to use only Energy Star qualified products and appliances. You will receive zero points if your application does not demonstrate these criteria, or if your application does not include sufficient information to be able to evaluate this factor;

(iv) The applicant will receive 0 points if the application does not demonstrate that the applicant will adopt the Energy Efficiency measures above local building code or does not go above and beyond the “Program Requirements” listed in Section III.C. of this NOFA.

5. Rating Factor 5 - Program Administration and Fiscal Management (Sections F and Q) (up to 20 points).

a. Program Schedule (up to 5 points).

(1) The applicant may receive a maximum of 5 points if the applicant demonstrates that the milestones in the Program Schedule are realistic and achievable; that is, that the application demonstrates that the applicant has performed the following actions and, where applicable, has obtained information that was used in developing the Program Schedule:

(1) Contacted the State Historic Preservation Officer, the local HUD Field Office, architects, materials suppliers, and other parties that milestones depend upon, to ensure that the milestones can reasonably be met;

(2) Checked to see if any litigation or court orders exist that will affect the milestones; and

(3) Prepared a chart that states the estimated production milestones, their relative time frames, and each milestone’s time to completion, e.g., in a Gantt Chart.

(2) The applicant may receive a maximum of 3 points if the applicant has performed two of the three actions in (a) through (c) above and, where applicable, has obtained information that was used in developing the Program Schedule.

(3) The applicant will receive 0 points if the applicant has not performed at least two of the three actions in (a) through (c) above.

b. Achieving Results and Program Evaluation: Logic Model (up to 10 points).

(1) **Assessment in Accord with Appendix A of the General Section.** The final Development Proposal for housing development performed through a grant from this NOFA is required 9 months after execution of the Grant Agreement, and, until that time, the detailed specifics of measurement through the Logic Model cannot be known. Because of this, contrary to the General Section, the Logic Model can earn a maximum of 5 points for evaluation of applications for this NOFA. The matrix provided in Attachment 1 of the General Section identifies how the Logic Model will be rated. For this Rating Factor, the points earned by the Logic Model in accordance with the General Section shall be divided by 2. Half-points shall be rounding up to the next whole point. Applicants awarded funds under this NOFA may be asked to modify their Logic Model to conform to the final development proposal agreed to by HUD.

(2) Development and Fiscal Management (up to 5 points).

(1) Development and fiscal management includes management of the grant in general (administration and reporting), the construction activities, receipt of financial commitments, accounting and distribution of grant funds, and government procurement activities.

(2) If the applicant demonstrates management controls that are adequate to manage a grant from this NOFA for all of the above areas, the applicant will receive 5 points.

(3) If the applicant demonstrates management controls that are adequate to manage a grant from this NOFA for some of the above areas, the applicant will receive 3 points.

(4) If the applicant does not demonstrate management controls that are adequate to manage a grant from this NOFA, the applicant will receive 0 points.

6. Bonus Points -- RC/EZ/EC-II (up to 4 points).

a. RC/EZ/EC-IIs. This NOFA provides for the award of two points for eligible activities/projects that the applicant proposes to locate in federally designated Empowerment Zones (EZs), Renewal Communities (RCs), or Enterprise Communities, designated by the U.S. Department of Agriculture in round II (EC-IIs), that are intended to serve the residents of these areas, and that are certified to be consistent with the area's strategic plan or RC Tax Incentive Utilization Plan (TIUP). (For ease of reference in this notice, all of the federally designated areas are collectively referred to as "RC/EZ/EC-IIs" and residents of any of these federally designated areas as "RC/EZ/EC-II residents.") This NOFA contains a certification, "Certification of Consistency with RC/EZ/EC Strategic Plan" (form HUD2990), that must be completed for the applicant to be considered for RC/EZ/EC-II points. A list of RC/EZ/EC-IIs can be obtained from HUD's webpage at <http://www.hud.gov/cr>. Applicants can determine if their program/project activities are located in one of these designated areas by using the locator on HUD's website at <http://www.hud.gov/crlocator>. Note that there are Urban communities that can be found at http://egis.hud.gov/egis/cpd/rcezec/ezec_open.htm and Rural communities that can be found at <http://www.ezec.gov/> under "Map of Communities" at <http://www.rurdev.usda.gov/rbs/ezec/ezec/mainmap.html>. Also, see Section V.A.1.a. of the General Section.

b. Preferred Sustainable Status Communities. In accordance with section V.A.1.b of the General Section, 2 points will be awarded to applicants that are working with communities that have received Preferred Sustainability Status. To be eligible to receive Preferred Sustainable Communities Status 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 HUD2995. Please refer to the General Section for a description of these bonus points.

B. Review and Selection Process. HUD's selection process is designed to ensure that grants are awarded to eligible local governments with the most meritorious applications.

1. Application Screening.

a. HUD will screen each application to determine if:

- (1) It meets the threshold criteria listed in Section III.C. of this NOFA; and
- (2) It is deficient, i.e., contains any technical deficiencies.

b. Corrections to Deficient Applications. The subsection entitled, "Corrections to Deficient Applications," in Section V.B.4. of the General Section applies, except for the following:

Clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within three (3) Federal Work Days of the date of receipt of HUD notification. HUD will notify the applicant via the email addresses stated in the “Application for Federal Assistance,” Standard Form 424, and will request that any clarifying documentation be scanned into PDF format and emailed back to HUD’s NOFA competition administrator. Note the importance of including the correct emails in the SF424.

c. Applications that will not be rated or ranked.

(1) HUD will not rate or rank applications that are deficient at the end of a three (3) Federal Work Day cure period, as described in the above Section of this NOFA and the General Section. Such applications will not be eligible for funding.

(2) HUD will not rate or rank applications that have not met the thresholds described in Section III.C. of this NOFA and Section III. C. of the General Section. Such applications will not be eligible for funding.

2. Preliminary Rating and Ranking.

a. Rating.

(1) HUD staff will preliminarily rate each eligible application, SOLELY on the basis of the Rating Factors described in Section V.A. of this NOFA.

(2) When rating applications, HUD reviewers will not use any information included in any application submitted for another NOFA nor will it use any information gained from sources outside of this NOFA.

(3) The HUD staff reviewer will assign a preliminary score for each Rating Factor and a preliminary total score for each eligible application.

(4) A different person belonging to HUD staff will perform a second review and rating of each eligible application, in the same manner as the first preliminary rating.

(5) In the event that any score of a Rating Factor differs between the two reviewers, the HUD staff reviewers will discuss their reasoning and information from the application. They will then determine the actual score for the debatable Rating Factor. The preliminary reviewers will then determine the total preliminary score.

(6) The maximum number of points for each application is 104, including a possible 2 RC/EZ/EC-II bonus points and 2 Preferred Sustainable Communities Bonus Points.

(7) Minimum Score. Applications that do not have a preliminary score of 50 points or above will not be eligible for funding.

b. Ranking.

After preliminary review, applications with a minimum score of 50 points or above will be ranked in score order.

3. Final Panel Review.

A Final Review Panel made up of HUD HOPE VI Main Street Program experts and HUD Management will:

a. Review the Preliminary Rating and Ranking documentation to:

(1) Ensure that any inconsistencies between preliminary reviewers have been identified and rectified; and

(2) Ensure that the Preliminary Rating and Ranking documentation accurately reflects the contents of the application.

(3) Assign a final score to each application; and

(4) Recommend for selection **the most highly rated applications**, subject to the amount of available funding, described in Section II. of this NOFA.

4. HUD reserves the right to make reductions in funding for any non-allowable items or activities that are included in the application, including items and activities included in the application's form HUD52861 Sources and Uses' HOPE VI column, or form HUD52825A HOPE VI budget.

5. In accordance with the FY2011 HOPE VI appropriation, HUD may not use HOPE VI funds, including HOPE VI Main Street funds, to grant competitive advantage in awards to settle litigation or pay judgments.

6. **Tie Scores.** If two or more applications have the same score and there are insufficient funds to select all of them, HUD will select for funding the application(s) with the highest score for the **Capacity** Rating Factor. If a tie remains, HUD will select for funding the application(s) with the highest score for the **Readiness (Site Control, Zoning, and Developer/Construction Agreement)** Rating Subfactor. HUD will select further tied applications with the highest score for the **Appropriateness of the HOPE VI Main Street Affordable Housing Project** Rating Factor.

7. **Remaining Funds.**

HUD reserves the right to reallocate remaining funds from this NOFA to other eligible activities under Section 24 of the Act.

(1) If the total amount of funds requested by all applications found eligible for funding under Section V.B. of this NOFA is less than the amount of funds available from this NOFA, all eligible applications that score above 50 points will be funded and those funds in excess of the total requested amount will be considered remaining funds.

(2) If the total amount of funds requested by all applications found eligible for funding under Section V.B. of this NOFA is greater than the amount of funds available from this NOFA, eligible applications will be funded until the amount of non-awarded funds is less than the amount required to fund the next eligible application at a level that will allow the applicant to feasibly complete the NOFA requirements. In this case, the funds that have not been awarded will be considered remaining funds.

8. The following subsections of the General Section are hereby incorporated by reference:

- a. HUD's Strategic Goals;
- b. Policy Priorities;
- c. Threshold Compliance;
- d. Corrections to Deficient Applications;
- e. Rating; and
- f. Ranking.

VI. Award Administration Information

A. Award Notices.

1. Initial Announcement.

a. Award announcement letters are sent to each successful applicant. The date the agreement is signed will be considered the Award Date, after which the cost of eligible activities may be reimbursed from grant funds. Each award announcement letter will be signed by the Assistant Secretary for Public and Indian Housing (grants officer). The award will be sent for signature and you will be allowed 30 days to return the agreement from the date of the e-mail.

b. The HUD Reform Act prohibits HUD from notifying the applicant as to whether or not the applicant has been selected to receive a grant until HUD has announced all grant recipients. If the application has been found to be ineligible or if it did not receive enough points to be funded, the applicant will not be notified until the successful applicants have been notified. HUD will provide email notification of the list of grant awardees to all eligible applicants.

2. Obligating Document. The “Assistance Award/Amendment,” form HUD1044, signed first by the grantee and then by the Assistant Secretary for Public and Indian Housing (grants officer) is the obligating document. This fully executed form will be delivered via the United States Postal Service to the applicant’s authorized signatory at the applicant’s address, as stated on the form SF424.

3. General Section References. Section VI.A. of the General Section is hereby incorporated by reference.

B. Administrative and National Policy Requirements.

1. Administrative Requirements.

a. **Grant Agreement Execution.** The grantee must execute the Grant Agreement within 30 days after HUD emails the Grant Agreement to the grantee.

b. **Grant term.** The time period for completion shall not exceed 36 months from the date the Grant Agreement is executed by HUD.

c. **Sub-Grants and Contracts.** Grant funds may be expended directly by the applicant or they may be granted or loaned by the applicant to a third-party procured Developer, Construction Manager, or Construction Contractor who is undertaking the development of the Project.

d. **Rent and Occupancy Requirements.** Before the project is initially rented, the ownership entity must determine and develop a written statement of its rent determination and occupancy policies, including the requirements of the NOFA and Grant Agreement, and submit the statement to HUD.

e. **Reasonable Time Frame (Program Schedule).** Grantees must proceed within a reasonable time frame to complete the following milestone activities:

(1) **Development Proposal.** Grantees must submit a development proposal for the project within nine months after full execution of the Grant Agreement.

(a) Development proposals must include the following documents and information:

(i) Completed HUD Environmental Review, including the State Historic Preservation Officer approval, in accordance with 24 CFR part 50;

(ii) Identification of parties to the project development;

(iii) Activities and relationships of parties, e.g., Party A will loan \$50,000 to Party C via a hard loan with an interest rate of 6 percent, with a 30-year amortization and a 15-year term;

(iv) Financing and cost estimate, i.e., Permanent Sources and Uses in the HOPE VI Grants Management System format, or if said format is not available, in the form HUD52861 format;

(v) Unit description, i.e., number of Main Street affordable housing units and unit sizes (by number of bedrooms in each);

(vi) Site locations, i.e., lot and block, street address, or legal description;

(vii) When applicable, development construction cost estimate from a licensed third-party Architect or Engineer if an identity-of-interest exists between the Construction Contractor and the Developer, Construction Manager, Architect or other entity that will track and review construction; and

(viii) Certification that open competition has been or will be used by the grantee to select a development/construction partner and/or owner entity, if applicable.

(2) **First Construction Start.** Grantees must start housing unit construction within 18 months after full execution of the Grant Agreement.

(3) **Last Construction Completion.** Grantees must complete construction, and obtain a Certificate of Occupancy, or local equivalent, on a number and mix of units that accounts for an amount of TDC equal to, or greater than, the amount of the grant (TDC Units), within 36 months from the grant award date. The amount of any eligible Community and Supportive Services, e.g., required homeownership counseling, will be subtracted from the TDC amount.

(4) **Reasonableness Determination.** . In determining reasonableness of such time frame, noted in the paragraph above, HUD will take into consideration those delays caused by factors beyond the applicant's control.

(5) **Program Schedule Milestones.** In accordance with the threshold requirements in Section III.C. of this NOFA, and the threshold documentation in Section IV.B. of this NOFA, the above time frames must be stated in a Program Schedule that includes the following milestones, at a minimum:

(a) Grant Award Date (assume September 20, 2011);

(b) Grant Agreement Execution Date. The Grant Agreement may be emailed to the grantee after notice of award. (assume grantee receipt of the Grant Agreement within 90 days after the award date). The grantee will be given a maximum of 30 days to execute and return the Agreement to HUD or request deobligation of grant funds by HUD.;

(c) Development Proposal Submission Date;

(d) Date of closing of financing of the first phase. If the applicant plans not to have a financial closing, it must state so in the Schedule;

(e) Date of the start of construction of the first affordable TDC housing unit, or initial obligation and expenditure of grant funds if the targeted housing units are in a larger development; and

(f) Date of the completion of construction of the last TDC Unit, and date of receipt of its Certificate of Occupancy, or local equivalent,.

f. Upon proof of receipt of a Certificate of Occupancy, or local equivalent, for all of the TDC units, and the submission to HUD of the grantee's written rental and resident rights document for the initial affordable housing period, the grant may be considered complete and grant close-out processing may begin.

g. **Preliminary Environmental Approval Only.** HUD's notification of award to a selected applicant constitutes a preliminary approval by HUD, subject to the completion of an environmental review of the proposed sites in accordance with 24 CFR part 50. See Section III.C. of this NOFA for information about environmental requirements.

h. **Flood Insurance.** In accordance with the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), the application may not propose to provide financial assistance for acquisition or construction (including rehabilitation) of properties located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(1) The community in which the area is situated is participating in the National Flood Insurance program (see 44 CFR parts 59 through 79) or less than one year has passed since FEMA notification regarding such hazards; and

(2) Where the community is participating in the National Flood Insurance Program, flood insurance is obtained as a condition of execution of a Grant Agreement.

i. **Coastal Barrier Resources Act.** In accordance with the Coastal Barrier Resources Act (16 U.S.C. 3501), the application may not target properties in the Coastal Barrier Resources System.

j. **Information for Research and Evaluation Studies.** As a condition of the receipt of financial assistance under a HUD NOFA, all successful applicants will be required to cooperate with all HUD staff or contractors performing HUD-funded research and evaluation studies.

k. **Final Audit.** Grantees are required to obtain a complete final closeout audit of the grantee financial statements for the grant funds. The audit must be completed by a certified public accountant (CPA) in accordance with generally accepted government audit standards, if the Grantee expends \$500,000 or more in a calendar or program year. A written report of the audit must be forwarded to HUD within 60 days of issuance. Grant recipients must comply with the requirements of 24 CFR part 84 or 24 CFR part 85 as stated in OMB Circulars A-110, A-87, and A-122, as applicable.

2. National Policy Requirements.

a. See references to the General Section in Section III. of this NOFA.

C. Reporting.

1. Grants Management System (GMS) Quarterly Administrative and Compliance Checkpoints Report (Quarterly Progress Report or QPR).

a. If the applicant is selected for funding, the applicant must submit a HOPE VI Main Street QPR to HUD. The report will be completed on-line. The Grantee, may request assistance of the HUD assigned Grant Manager and HUD's reporting contractor if they have issues with entering data into the Quarterly Progress Report. The report will capture the following :

(1) During Initial Setup

(a) The initial Program Schedule, which will create base planned activity milestones.

(b) The HOPE VI Main Street affordable housing project's unit mix, including:

(i) Number and size (by number of bedrooms) of housing units;

(ii) Unit Type, e.g., walk-up, row house, etc.

(iii) Unit Use Restriction type, e.g., limited to very low-income residents, to low-income residents, not limited.

(A) Unless the HOPE VI Main Street units are a small part of a larger development that includes total financing that is several times larger than the HOPE VI Main Street grant, all HOPE VI Main Street units must start out as affordable to either very low- or low-income residents.

(2) On a quarterly basis:

(a) Administrative and production planned and actual date milestones, called "Checkpoints;"

(b) Financial status, in a Sources and Uses format using prescribed HUD resource and expense item names (labels). Unique labels may be added to the list with HUD approval. Each

item listed is designated with a Budget Line Item number, as listed on form HUD52825_A, “HOPE VI Budget,” which includes the grant budget, and the amounts authorized by HUD for expenditure. These will correspond to information in the HOPE VI column of the S&U. Other columns of the S&U will contain different types of Leverage resources. The grantee will enter the amounts expended to date; and

(c) A short status narrative of special conditions that are delaying project progress, if necessary.

(3) On an annual basis, the total real estate tax assessment as a measure of Return of Investment of the HOPE VI Main Street grant. The grantee will report the total real estate tax assessment, including housing and commercial sources, for:

(4) The HOPE VI Main Street affordable housing project;

(5) The census tract that includes the Main Street Area;

(6) The entire local government’s jurisdiction; and

(7) The next largest State government subdivision, e.g., if the grantee is a city, the next largest subdivision would be the county. If the grantee is a county, the next largest subdivision would be the State.

b. The grantee must maintain resident income information to the extent that very low- and low-income residents are occupying units that are set aside for their income levels. This income data must be made available for HUD inspection upon request.

c. HUD will provide training and technical assistance on the filing and submission of HOPE VI Main Street Quarterly Progress Reports.

d. Filing of Quarterly Progress Reports is mandatory for all grantees, and failure to do so within the required quarterly time frame will result in suspension of grant funds until the report is filed and approved by HUD.

e. Grantees will be held to the milestones/Checkpoints that are reported in the Quarterly Progress Report, as approved by HUD. If Checkpoints are missed, the grantee technically will be in default of the Grant Agreement until the late Checkpoint activity is completed, or HUD approves an updated Program Schedule.

2. LOCCS. On a real-time basis, and at least monthly if no transactions occur during a month, grantees must report all obligations and expenditures in HUD’s Line of Credit Control System (LOCCS), or its successor system. Grantee obligations must be entered into LOCCS before funds can be drawn down to pay for those obligations. The grantee has 72 hours from the time of the funds draw to payment of the obligation.

3. Logic Model Reporting. The grantee’s Logic Model will be based upon the Logic Model included in the application and negotiated with HUD after grant award. Planned activities and goals will be set in the Logic Model. The Grantee will report Logic Model data based upon approved outputs and outcomes at the time of approval of the Development Proposal. Beginning after HUD approval, at a minimum, the grantee will be required to submit a completed Logic Model showing outputs and outcomes achieved annually. See Logic Model reporting in the General Section.

4. Annual Section 3 Report.

The grantee is required to submit an annual “Section 3 Summary Report,” form HUD60002, to the Assistant Secretary for Fair Housing and Equal Opportunity, located at HUD Headquarters, Washington, DC, for the purpose of determining the grantee’s compliance with the requirements of Section 3. Form HUD60002 shall be submitted to HUD no later than January 10th after each

year that covered activities are completed, or within 10 days of project completion, whichever is earlier.

5. Annual Real Property Status Report. The applicant is required to report annually on Real Property.

6. Final Report.

a. Within 30 days after the grantee obtains the results of the Final Audit, the grantee shall submit a final report. The final report will include a financial report, a narrative evaluating overall performance against its HOPE VI Main Street application and HOPE VI Main Street Quarterly Progress Report, and a completed Logic Model (form HUD96010), including responses to the management questions. Grantees shall use quantifiable data to measure performance against goals and objectives outlined in its application. The financial report shall contain a summary of all expenditures made from the beginning of the grant agreement to the end of the grant agreement and shall include any unexpended balances.

b. The final narrative, financial report, and closeout documentation, as required by HUD, and the Logic Model shall be due to HUD 90 days after either the TDC units have been completed, or when the grant term expires, whichever comes first.

7. Transparency Act Reporting.

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

(1) **Prime Awardee Reporting.** Prime recipients of HUD financial assistance are required to report subawards made either as pass-through awards, subrecipient awards, or vendor awards in the federal governmentwide 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 subawards, including awards made as pass-through awards or awards to vendors, where both the initial award is \$25,000 or greater or the cumulative award will be \$25,000 or greater if funding incrementally as directed by HUD in accordance with OMB guidance. 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. The Transparency Act requires the creation of a public government wide website in which the following subaward data will be displayed:

- (a) Name of entity receiving award;
- (b) Amount of award
- (c) Funding agency;
- (d) North American Industry Classification System (NAICS) code for contracts/CFDA program for financial assistance awards;
- (e) Program source;
- (f) Award title descriptive of the purpose of the funding action;
- (g) Location of the entity (including Congressional district);
- (h) Place of Performance (including Congressional district);
- (i) Unique identifier of the entity and its parent; and

(j) Total compensation and names of top five executives.

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

(2) Prime Awardee Executive Compensation Reporting. Prime awardees must also report in the governmentwide website the total compensation and names of the top five executives in the prime awardee organization if:(a) More than 80% of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and (b) Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC.)

(3) Subaward Executive Compensation Reporting. Prime awardees must also report in the governmentwide website the total compensation and names of the top five executives in the subawardees, pass-through or vendor organization if:

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

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

(4) Transparency Act Reporting Exemptions. The Transparency Act exempts any sub-awards less than \$25,000 made to individuals or 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.

Any other exemptions to the requirements must be approved by the Office of Management and Budget.

8. Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), hereafter referred to as “Section 872.” Section 872 requires the establishment of a governmentwide data system 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. It is anticipated that the federal data system will be known as the Federal Awardee Performance and Integrity Information System (FAPIIS). Only federal officials and the entity will be able to view the information in the FAPIIS system. Further, each recipient of federal funds with a cumulative value greater than \$10 million and their direct (i.e., first-tier) subrecipients would be required to report to the FAPIIS system. The data collection requirements include information about certain civil judgments, criminal convictions, and outcomes of administrative proceedings that reached final disposition within the most recent 5-year period and were connected with the award or performance of a federal or state award. Recipients and first-tier subrecipients must report information at least semi annually to maintain the currency of the information. Section 872 also requires that an entity be allowed to submit comments to the data system about any information that system contains about the entity. Use of the FAPIIS system requires a DUNS number and current valid registration in the CCR for HUD awardees and first-tier subrecipients.

Prior to making a funding decision, the federal official authorized to make the award is required to determine whether the entity is qualified to receive an award, taking into consideration any information about the entity that is in the data system. OMB is in the process of issuing regulations regarding federal agency implementation of Section 872 requirements. A

proposed rule was published in the Federal Register on February 18, 2010, by OMB seeking public comments no later than April 19, 2010.

HUD's terms and conditions to its FY2011 awards will contain requirements related to meeting Section FFATA and Section 872 requirements.

VII. Agency Contacts

A. Technical Corrections to the NOFA.

1. Technical corrections to this NOFA will be posted to the Grants.gov website at <http://www.grants.gov>. Any technical corrections will also be published at the above link.
2. The applicant is responsible for monitoring Grants.gov and the Federal Register during the application preparation period. Applicants may sign up for the Grants.gov notification service. Applicants signed up for the service will receive notification from Grants.gov if HUD issues any modifications to the NOFA, application package, or application instructions.

B. Technical Assistance. Before the application deadline date, HUD staff will be available to provide the applicant with general guidance and technical assistance on this NOFA. However, HUD staff is not permitted to assist in preparing the application. If the applicant has a question or needs clarification, the applicant may contact Lawrence Gnessin via email at <lawrence.gnessin@hud.gov>, or may write to Ms. Dominique Blom, Deputy Assistant Secretary for Public Housing Investments, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4130, Washington, DC 20410-5000. Persons with hearing and/or speech impairments may access these telephone numbers via text telephone (TTY) by calling the toll-free Federal Information Relay Service at (800) 877-8339. For technical support about downloading an application, registering with Grants.gov, and submitting an application, please call Grants.gov Customer Support at (800) 518-GRANTS ((800) 518-4726) (This is a toll-free number) or email Grants.gov at support@grants.gov.

VIII. Other Information.

A. General information specifically about HUD's HOPE VI Main Street program can be found on the Internet at <http://www.hud.gov/mainstreet>. General information about all of HUD's HOPE VI programs can be found on the Internet at <http://www.hud.gov/HOPEVI>.

B. General Section References

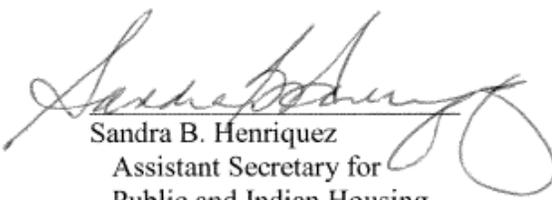
1. General Section References. The following subsections of Section VIII.F. of the General Section are hereby incorporated by reference:
2. Executive Order 13132, Federalism;
3. Public Access, Documentation, and Disclosure;
4. Section 103 of the HUD Reform Act; and

C. Environmental Impact. A Finding of No Significant Impact (FONSI) with respect to the environment has been made for this NOFA in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10276, Washington, DC 20410-0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the

FONSI must be scheduled by calling the Regulations Division at (202) 708-3055 (this is not a toll-free number).

D. Paperwork Reduction Act Statement. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB), under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2577-0208. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. Public reporting burden for the collection of information is estimated to average 68 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data for the application, quarterly reports, and final report. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

Dated: 6-22-11


Sandra B. Henriquez
Assistant Secretary for
Public and Indian Housing

[FR-5500-N-18]