

(a) Clear zones: New construction and major rehabilitation of a property that is located on a clear zone site is prohibited. HUD financial assistance in a clear zone is allowed only for the proposed lease, purchase, or minor rehabilitation of properties (24 CFR 51.302(a)). For HUD funding approval for any property in a clear zone: (a) HUD will give advance written notice to the prospective property buyer in accord with 24 CFR 51.303(a)(3); and (b) a copy of the HUD notice signed by the prospective property buyer will be placed in the property file. The written notice informs the prospective property buyer of: (i) The potential hazards from airplane accidents which studies have shown more likely to occur within clear zones than in other areas around the airport/airfield; and (ii) the potential acquisition by airport or airfield operators, who may wish to buy the property at some future date as part of a clear zone acquisition program.

(b) Accident potential zones: For properties located within the accident potential zone (APZ), HUD shall determine whether the use of the property is generally consistent with Department of Defense "Land Use Compatibility Guidelines for Accident Potential Zones."

*\*Documentation:* You are to select either A or B for the condition that best describes your property and report the option selected in item 5 of section G.

A. The property is not located within 3,000 feet of a civil airport or military airfield.

B. If your property is located within 3,000 feet of a civil airport or military airfield, you must provide HUD with a finding from the airport operator stating whether or not the property is located within a runway clear zone at a civil airport, or a clear zone or accident potential zone at a military airfield.

For properties that are located within a runway clear zone or a clear zone or accident potential zone, if you propose to rehabilitate such a property you must provide HUD with estimates of: (i) The cost of the proposed rehabilitation, and (ii) the property value after completion of the rehabilitation. The estimates are to be provided in section F.

6. Site is or affects an historic property:

*Threshold:* Only if a property is proposed for rehabilitation or new construction must HUD in consultation with the State Historic Preservation Officer (SHPO), and following the Department of the Interiors Standards and Guidelines for Evaluation, make a determination whether the property is:

(a) Listed on or formally determined to be eligible for listing on the National Register of Historic Places;

(b) Located within or directly adjacent to an historic district; or

(c) A property whose area of potential effects includes an historic district or property.

Historic properties and districts are subject by law to special protection and historic preservation processing which HUD must perform to comply with the regulations of the Advisory Council on Historic Preservation (ACHP: 36 CFR part 800). Note: If you are using information from the SHPO as a qualified data source you need to allow sufficient time to obtain the information from

the SHPO. You may wish to make special arrangements with the SHPO for rapid review of the proposed property where this is practicable. In addition, for properties determined to be historic properties, HUD will require 30 to 90 days in most cases for HUD to perform historic preservation compliance with the ACHP regulations. This may result in a disqualification of the application (refer above to number 7 under "Instructions to Applicants").

*\*Documentation:* You are to select one of the following options that best describes the condition of your property and report the option selected in item 6 of section G.

A. You propose financial assistance for rehabilitation or new construction, and are providing HUD with a SHPO's finding that the proposed Youthbuild activity:

1. Is located within an area where there are no historic properties; or

2. Will have no effect on historic properties; or

3. Will have an effect on historic properties not considered adverse

B. You propose financial assistance for rehabilitation or new construction, and are providing HUD with a SHPO's finding that the proposed Youthbuild activity will have an adverse effect on historic properties.

C. You are providing HUD with a copy of a letter from the SHPO stating any reasons for not being able to provide you with the requested information and finding.

7. Site near hazardous industrial operations:

*Threshold:* Properties that are located near hazardous industrial operations handling fuels or chemicals of an explosive or flammable nature are subject to HUD safety standards (24 CFR 51, Subpart C). However, under the Youthbuild program, these standards would apply only if you propose: (i) Construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units. In the case of tanks containing common liquid fuels, the requirement for an acceptable separation distance (ASD) calculation only applies to storage tanks that have a capacity of more than 100 gallons.

*\*Documentation:* You are to select one of the following options that best describe the condition of the property, and report the option selected in item 7 of section G.

A. The proposed project does not include: (i) Construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units.

B. The proposed project includes: (i) construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units; and you are providing HUD with a finding by a

qualified data source that the proposed property is not located within the immediate vicinity of hazardous industrial operations handling fuel or chemicals of an explosive or flammable nature by citing data used and the maps used.

C. The applicant proposes: (i) Construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units; and the grantee provides HUD a finding made by a qualified data source stating: (1) That the proposed property is located within the immediate vicinity of hazardous industrial operations handling fuel or chemicals of an explosive or flammable nature; (2) the type and scale of such hazardous industrial operations; (3) the distance of such operations from the proposed property; (4) a preliminary calculation of the acceptable separation distance (ASD) between such operations and the proposed property; and (5) a recommendation as to whether it is safe to use the property in accord with 24 CFR 51, Subpart C.

8. Site near high noise source:

*Threshold:* For new construction which is to occur in high noise areas (i.e. exceeding 65 decibels), applicants shall incorporate noise attenuation features to the extent required by HUD environmental criteria and standards contained in Subpart B (Noise Abatement and Control) of 24 CFR part 51. Approvals in a Normally unacceptable noise zone require a minimum of 5 decibels additional sound attenuation for buildings having noise-sensitive uses if the day-night average sound level is greater than 65 decibels but does not exceed 70 decibels, or a minimum of 10 decibels of additional sound attenuation if the day-night average sound level is greater than 70 decibels but does not exceed 75 decibels.

Proposed housing sites with above 75 decibels are unacceptable and the noise attenuation measures require the approval of the Assistant Secretary for Community Planning and Development. In Unacceptable noise zones, HUD strongly encourages conversion of noise-exposed sites to non-housing land uses compatible with the high noise levels.

For major rehabilitation projects involving five or more dwelling units located in the "Normally Unacceptable" and "Unacceptable" noise zones, HUD actively seeks to have project sponsors incorporate noise attenuation features, given the extent and nature of the rehabilitation being undertaken and the level of exterior noise exposure.

*\*Documentation:* You are to select A or B for the condition that best describes their project and report the option selected in item 8 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property proposed by the applicant for a major rehabilitation or new construction project involving five or more dwelling units is not located within: (I) 1,000 feet of a major noise source, road, or highway; (ii) 3,000 feet

of a railroad; or (iii) 1 mile of a civil or 5 miles of a military airfield.

B. The applicant provides HUD with a finding made by a qualified data source: (I) Stating that the plans for the property proposed by the applicant for a major rehabilitation or new construction project involving five or more dwelling units will incorporate noise attenuation features in accord with HUD environmental criteria and standards contained in Subpart B (Noise Abatement and Control) of 24 CFR part 51; (ii) stating whether the property is located within a "Normally Unacceptable" or "Unacceptable" noise zone; and (iii) providing HUD plans and a statement of the anticipated interior noise levels.

9. Site affecting coastal zone management:

*Threshold:* Only for proposed activities involving new construction or major rehabilitation of multifamily housing does the Coastal Zone Management (CZM) authority apply. Projects that can affect the coastal zone must be carried out in a manner consistent with the approved State coastal zone management program under Sec. 307 of the Coastal Zone Management Act of 1972, as amended.

*\*Documentation:* You are to select either A or B for the condition that best describes the project and report the option selected in item 9 of section G.

A. You state that your project is not located within a coastal zone, as defined by the States Coastal Zone Management Plan.

B. If your project is located within a coastal zone, you are providing HUD with a finding made by the State CZM agency that the project proposed by the applicant is consistent with the approved State coastal zone management program.

10. Site affecting a sole source aquifer:

*Threshold:* The sole source aquifer authority applies primarily to activities involving proposed new construction or conversion to housing of non-residential property. Projects which can affect aquifers designated by the Environmental Protection Agency (EPA) must be reviewed for impact on such designated aquifer sources. The Safe Drinking Water Act of 1974 requires protection of drinking water systems which are the sole or principal drinking water source for an area and which, if contaminated, would create a significant hazard to public health.

*\*Documentation:* You are to select either A or B for the condition that best describes their project and report the option selected in item 10 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the proposed property is not located on nor does it affect a sole source aquifer designated by EPA.

B. If your project proposes new construction or conversion activities that are located on or may affect any sole source aquifer designated by the EPA, you are identifying the aquifer and providing HUD with an explanation of the effect on the aquifer from a qualified data source, and/or a copy of any comments on the proposed project that have been received from the EPA Regional Office as well as from any State or local agency with jurisdiction for protecting the drinking water system.

11. Site affecting endangered species:

*Threshold:* The Endangered Species Protection (ESP) authority applies primarily to activities involving proposed new construction or conversion to housing of a non-residential property. Projects which can affect listed or proposed endangered or threatened species or critical habitats require consultation with the Department of the Interior in compliance with the procedure of Section 7 of the Endangered Species Act of 1973, as amended.

*\*Documentation:* You are to select either A or B for the condition that best describes the property and report the option selected in item 11 of section G.

A. If your project proposes new construction or conversion activities, you are providing HUD with a finding made by a qualified data source that the project is not likely to affect any listed or proposed endangered or threatened species or critical habitat. The finding shall indicate whether the project is located within a critical habitat, and if so, explain why the project is not likely to affect the species or habitat.

B. If your project proposes new construction or conversion activities that are likely to affect listed or proposed endangered or threatened species or critical habitat, you are providing HUD with a statement from a qualified data source explaining the likely affect, and/or a finding made by the Fish and Wildlife Service of the Department of the Interior stating as acceptable the proposed mitigation that you will provide to protect any affected endangered or threatened species or critical habitat.

12. Site affecting a designated wetland:

*Threshold:* New construction or conversion to housing of a non-residential property located within a designated wetland is subject to Executive Order 11990, Protection of Wetlands. This Executive Order directs HUD to avoid, where practicable, financial support for new construction on wetland property. Note: Proposed funding for new construction or conversion is subject to the Executive Order decision making process.

This may result in a disqualification of the application (refer above to number 7 under "Instructions to Applicants").

*\*Documentation:* You are to select A or B for the condition that best describes the property and report the option selected in item 12 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property is not located within a designated wetland where new construction or conversion is proposed.

B. You are providing HUD with a finding made by a qualified data source that the property is located within a designated wetland, which applies only to property where new construction or conversion is proposed.

The information for A and B must provide HUD with the wetland panel number obtained from official maps issued by the Department of the Interior on the basis of which the finding was made, or where DOI has not mapped the area, a letter or other documentation from the Army Corps of Engineers or other Federal agency.

13. Significant impact to the human environment:

*Threshold:* HUD must perform an environmental assessment of any property proposed for major rehabilitation or new construction except for a single-family property having one-to-four dwelling units. It is the policy of the Department to reject proposals which have significant adverse environmental impacts and to encourage the modification of projects in order to enhance environmental quality and minimize environmental harm. This policy is authorized by the National Environmental Policy Act (NEPA) and the implementing regulations of the Council on Environmental Quality and HUD's Environmental Rule at 24 CFR part 50.

*\*Documentation:* You are to provide HUD with any information on any adverse environmental impacts that affect the property or that the project would create. You are to report this data on a separate sheet and attach it to Exhibit 2C(15). Examples of adverse impacts are: soil instability and erodibility; natural or person-made hazards and nuisances; air pollution; inadequate infrastructure (e.g., water supply, waste water treatment, storm water management, solid waste collection), inadequate public services (i.e., fire, police, health care, social services, schools, parks) and transportation; and encroachment on prime farmlands and wild and scenic river areas. You are to identify any significant impacts to the human environment.

## Appendix B

The non-standard forms, which follow, are required for your Youthbuild application.

**BILLING CODE 4210-32-P**

**APPENDIX B****Exhibit 2F: Court-ordered Consideration**

Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application by the City of Dallas, Texas, for HUD funds, HUD shall consider the extent to which the Youthbuild strategy for the Dallas area will be used to eradicate the vestiges of segregation in the Dallas Housing Authority's low-income housing programs.

Is the applicant the City of Dallas, Texas?

No

Yes

If "yes", please attach a statement that addresses the effect(s), if any, that vestiges of racial segregation in the Dallas Housing Authority's low-income programs have no potential participants in the Youthbuild program and identify proposed actions for remedying those vestiges. Label this documentation Exhibit 2F.

## 2 C. Housing Site Description

Complete all sections.

<p>1. Housing Site Identification</p>	<p>2. Number of housing units planned to be produced</p>	<p>3. Type of housing to be produced: (check all that apply)</p> <p><input type="checkbox"/> residential rental</p> <p><input type="checkbox"/> homeownership</p> <p><input type="checkbox"/> transitional housing for the homeless</p>
<p>4. Homeless Housing: For housing that will be transitional housing for the homeless, attach a description of the plan for the outreach and placement of homeless families or individuals. (1 page) <b>Label this narrative Exhibit 2C4.</b></p>		
<p>5. Will all housing produced be provided for homeless, low-income, or very-low income persons?</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p>	<p>6. The on-site training will consist of:</p> <p><input type="checkbox"/> New Construction</p> <p><input type="checkbox"/> Rehabilitation</p>	
<p>7. Are any of the units currently occupied?</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p> <p>If yes, attach a relocation narrative that identifies: the number of persons, the business or others occupying the property on the date of submission of this application, the number to be displaced, the number to be temporarily relocated but not displaced, the estimated cost of relocation services payments and services, the source of funds for relocation, and the organization that will provide relocation assistance to occupants and the contact person's name and phone number. <b>Label this attachment as Exhibit 2C7.</b></p>	<p>8. Name of the current owner of the property.</p>	
<p>9. Documentation of Access: Attach required evidence of site access. (Letter from the owner identified in No. 8) <b>Label this attachment Exhibit 2C9.</b></p>		
<p>10. Individual Housing Project Site Estimate and Documentation of Resources</p> <p>Complete the attached Exhibit 2C10 for each housing project site to be used in conjunction with the Youthbuild implementation program. <b>Attach documentation of resources behind each Exhibit 2C10.</b></p>		
<p>11. Describe the applicant's role and responsibilities for the on-site housing construction or rehabilitation work. <b>Label this description Exhibit 2C11.</b></p>		
<p>12. Name the entity which will own and manage the property after the construction or rehabilitation work is completed.</p>	<p>13. Housing Project Certifications.</p> <p>Housing Certifications are Attached:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
<p>14. Model Lease</p> <p>A Model Lease is attached:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p>15. Environmental Threshold Information for Property Proposed for Youthbuild funding</p> <p>Exhibit 2C15 and supporting documentation is attached:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
<p>16. Picture: (optional) Provide a picture of each potential housing site. <b>Label it Exhibit 2C16.</b></p>		

## 2 C 10: Youthbuild Grant Individual Housing Project Site Estimate

Address of Property (Include city, state, and zip code)

Grant Activities	Resources					Total
	Youthbuild	Other Federal	State	Local	Private	
1. Acquisition	\$	\$	\$	\$	\$	\$
2. Architecture and Engineering						
3. Housing Construction						
4. Housing Rehabilitation						
5. Total Housing Project Costs for Site						

**Note 1:** Include both cash and in-kind contributions.

**Note 2:** When paid, in whole or in part, with Youthbuild program funds, the activities above will trigger applicable Youthbuild project-related restrictions contained in Youthbuild regulations CFR Part 585.309, 310, or 311. Applicants who propose to use Youthbuild funds for one or more of these activities are required to complete the appropriate certifications.

### Documentation of Housing Resources

Attach a letter of commitment from each source of funding.

Name of Provider (Donor)	Cash or In-Kind	Dollar Value Provided	Page No. of Letter	HUD Use Only
		\$		
		\$		
		\$		
		\$		
Total		\$		

**Exhibit 4A**

**Total Youthbuild Grant Budget**

Grant Activities	Sources of Funds					
	Youthbuild	Other Federal	State	Local	Private	Total
1. Acquisition	\$	\$	\$	\$	\$	\$
2. Architecture and Engineering						
3. Housing construction						
4. Housing rehabilitation						
5. Relocation						
6. Outreach and Recruitment Activities						
7. Education and job training (includes on-site training)						
8. Trainee wage, etc.*						
9. Leadership development, counseling, support services						
10. Job placement and follow-up						
11. Subtotal (sum of lines 1 through 10)						
12. Costs of administering Grant. **						
13. Total Costs (sum of lines 11 and 12)	\$	\$	\$	\$	\$	\$

\* Include need-based stipends/benefits/incentives/tools/clothing/etc.



## 2 C 15: Environmental Threshold Information for a Property Proposed for Youthbuild Funding

(See instructions for completing this exhibit.)

Youthbuild Applicant's Name.	Contact Person's Name.	Phone Number (include Area Code).
------------------------------	------------------------	-----------------------------------

A. Street address for the property:(include City, State, Zip Code)	B. Attach a map of the community and mark on themap the location of the property. Map is attached:    Yes <input type="checkbox"/> No <input type="checkbox"/>
C. Attach a copy of any environmental review for the property obtained from the local qualified data source. Environmental review is attached:    Yes <input type="checkbox"/> No <input type="checkbox"/>	

D. Indicate the present and proposed use of the property (i.e., whether single-family, multifamily or non-residential); and number of dwellings or rooming units.

Present use:	No. of units: _____
Proposed use:	No. of units: _____

E. Indicate the activities for which you are proposing to use Youthbuild funds for the property.

Lease or purchase of a property   
  Major Rehabilitation   
  Minor Rehabilitation   
  New Construction

F. If the proposed Youthbuild property is located within a floodplain, or a clear zone or accident potential zone of an airport or airfield, provide the following information:

Property value before rehabilitation (est. in thousands)	Rehabilitation costs (est. in thousands)	Property value after completion of rehabilitation (est. in thousands)
\$ _____	\$ _____	\$ _____

**G. For new construction or major rehabilitation of multifamily housing, complete items 1 through 13. For new construction of single-family housing, complete items 1 through 12. For minor rehabilitation of multifamily or single-family housing, or for the purchase or lease of a property, complete items 1 through 7. The designation "A" or "B" or "C" refers to the type of documentation required by the Instructions contained in the Appendix**

- |   |                     |       |
|---|---------------------|-------|
| 1. Site within designated coastal barrier resources:  | Indicate A or B     | _____ |
| 2. Site contaminated with toxic chemicals and radioactive materials:  | Indicate A or B     | _____ |
| 3. Site affecting a floodplain:   | Indicate A or B     | _____ |
| 4. Building requiring flood insurance protection:   | Indicate A or B     | _____ |
| 5. Site within clear zones or accident potential zones of airports and airfields:   | Indicate A or B     | _____ |
| 6. Site is or affects an historic property:   | Indicate A, B, or C | _____ |
| 7. Site near hazardous industrial operations:   | Indicate A, B, or C | _____ |
| 8. Site near high noise source:   | Indicate A or B     | _____ |
| 9. Site affecting coastal zone management:  | Indicate A or B     | _____ |
| 10. Site affecting a sole source aquifer:   | Indicate A or B     | _____ |
| 11. Site affecting endangered species:  | Indicate A or B     | _____ |
| 12. Site affecting a designated wetland:  | Indicate A or B     | _____ |
| 13. Significant impact to the human environment: Are there any adverse environmental impacts that affect the property or that the project would create? |                     |       |
| Yes <input type="checkbox"/> If yes, document on separate sheet(s).   |                     |       |
| No <input type="checkbox"/>   |                     |       |

**2 C 13a: Housing Project Certifications For Residential Rental Units**

**Applicants requesting Youthbuild Grant funds to fund any part of the acquisition, architectural and engineering fees, construction, rehabilitation, operating costs or replacement reserves for a housing project that will be used for residential rental units, must make the following certifications. If the rightful property owner is not the applicant, then these certifications must be signed by that property owner. A separate certification must be signed for each housing project.**

The Applicant or Rightful Property Owner certifies that, for a period of not less than ten (10) years after construction or rehabilitation is completed and an occupancy permit is issued for the Youthbuild residential rental housing project receiving Youthbuild assistance, it:

- A. Will maintain at least a 90 percent level of occupancy for individuals and families with incomes less than 60 percent of the area median income, adjusted for family size. The remaining ten percent of the units will be made available to and occupied by low-income families. The income test will be conducted only at the time of entry for each unit available for occupancy. Each available rental unit will be made available to the 60 percent-of-area-median-income group for an advertising period of not less than 90 days upon each vacancy occurrence throughout the ten year period. Community-wide advertisements for tenants of this income group will be conducted. If, at the end of the 90-day advertising period, no qualifying tenant leases the unit, the unit will be advertised for individuals and families with incomes between 60 and 80 percent of the area median income, adjusted for family size, for another 90-day period. Leases for tenants whose incomes are between 60 and 80 percent of the area median income (exclusive of the ten percent allowance) will be limited to one year and such temporary tenants are not covered by paragraphs C., E., and F. below.
- B. Will use the model lease submitted with the Youthbuild application with any modifications approved by HUD at the time of grant award.
- C. Will not terminate the tenancy or refuse to renew the lease of a tenant occupying a Youthbuild residential rental housing unit except for serious or repeated violations of the terms and conditions of the lease, or for violation of applicable Federal, state or local laws, or for other good cause. Any termination or refusal to renew the lease will be preceded by a not less than 30-day written notice to the tenant specifying the grounds for the action.
- D. Will maintain the premises in compliance with all applicable HUD, other Federal, State or local program housing quality standards and local code requirements. If no public assistance is involved other than the Youthbuild grant, HUD's Section 8 housing quality standards will be followed.
- E. Will develop and adopt a tenant selection plan that:
  - (1) is consistent with the purpose of providing housing for homeless and very low-income families and individuals;
  - (2) is reasonably related to program eligibility and the certifying entity's ability to perform the obligations of the lease;
  - (3) gives reasonable consideration to the housing needs of families that would qualify for a preference under section 6(c)(4)(A) of the United States Housing Act of 1937;
  - (4) provides for the selection of tenants from a written waiting list in the chronological order of their application, to the extent practicable, and for the prompt notification in writing of any rejected applicant of the grounds for any rejection; and
  - (5) acknowledges that a family holding tenant-based assistance under section 8 of the United States Housing Act of 1937 will not be refused tenancy because of the status of the prospective tenant as a holder of such assistance.

**2 C 13b: Housing Project Certifications For Transitional Housing**

Applicants requesting Youthbuild Grant funds to fund any part of the acquisition, architectural and engineering fees, construction, rehabilitation, operating costs or replacement reserves for a housing property that will be used for Transitional housing for the homeless must make the certifications below. If the rightful property owner is not the applicant, these certifications must be signed by that owner. A separate certification must be signed for each housing project.

The Applicant or Rightful Property Owner certifies that, for a period of not less than ten (10) years after construction or rehabilitation is completed and an occupancy permit is issued for the Youthbuild transitional housing project receiving Youthbuild assistance, it:

- A. Will ensure that the aggregate monthly rental for each Youthbuild project will not exceed the operating costs of the project (including debt service, management, adequate reserves and other documented operating costs) plus a six percent return on any equity investment of the project owner.
- B. Will, if it is a nonprofit organization, use any profit received from the operation, sale or other disposition of the project for the purposes of providing housing for low- and moderate-income families. Any profit-motivated partners in a nonprofit partnership will receive: (i) not more than a six percent return on their equity investment from project operations; and (ii) upon disposition of the project, not more than an amount equal to their initial equity investment plus a return on that investment equal to the increase in the Consumer Price Index for the geographic location of the project since the time of the initial investment of such partner in the project.
- C. Will ensure that the transitional housing project shall adhere to the requirements regarding service delivery, housing standards and rent limitations applicable to comparable housing receiving assistance under title IV of the Stewart B. McKinney Homeless Assistance Act, unless these requirements are expressly waived by the Secretary of HUD to permit the conversion of the project to a permanent housing project.
- D. Will not convey ownership of the property unless the instrument of conveyance requires a subsequent owner to comply with the above certifications for the balance of the ten year period.

Signature of Authorized Certifying Official of:

Applicant Organization  Rightful Property Owner

Title \_\_\_\_\_

Organization \_\_\_\_\_

Date \_\_\_\_\_

Address of Property:

---

### 2 C 13c: Housing Project Certifications For Homeownership

Applicants requesting Youthbuild Grant funds to fund any part of the acquisition, architectural and engineering fees, construction, or rehabilitation for a housing property that will be used for homeownership must provide the certifications below. If the rightful property owner is not the applicant, then these certifications must be signed by that property owner. A separate certification must be signed for each housing project.

The Applicant or Rightful Property Owner certifies that, for a period of not less than ten (10) years after construction or rehabilitation is completed and an occupancy permit is issued for the Youthbuild homeownership housing project receiving Youthbuild assistance, it:

- A. Will ensure that the homeownership project will comply with the requirements of the HOPE II or HOPE III programs authorized under subtitles B or C respectively of title IV of the Cranston-Gonzales National Affordable Housing Act.
- B. Will not convey ownership of the property unless the instrument of conveyance requires a subsequent owner to comply with the above certification for the balance of the ten year period.

---

Signature of Authorized Certifying Official of:

Applicant Organization     Rightful Property Owner

Title \_\_\_\_\_

Organization \_\_\_\_\_

Date \_\_\_\_\_

Address of Property: \_\_\_\_\_



**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

---

**RURAL HOUSING AND ECONOMIC  
DEVELOPMENT**

Billing Code 4210-32-C



## FUNDING AVAILABILITY FOR THE RURAL HOUSING AND ECONOMIC DEVELOPMENT PROGRAM

### PROGRAM OVERVIEW

*Purpose of Program:* The purpose of the Rural Housing and Economic Development (RHED) program is to build capacity at the State and local level for rural housing and economic development and to support innovative housing and economic development activities in rural areas. The funds made available under this program will be awarded competitively, through a selection process conducted by HUD in consultation with the United States Department of Agriculture (USDA).

*Available Funds:* Approximately \$25 million in Fiscal Year (FY) 2002 funding.

*Eligible Applicants:* Local, rural, non-profit organizations; community development corporations; federally recognized Indian tribes; State housing finance agencies; and, State economic development and/or community development agencies.

*Application Deadline:* April 26, 2002.

*Match:* None.

### ADDITIONAL INFORMATION

If you are interested in applying for funding under this program, please review carefully the General Section of this SuperNOFA and the following additional information:

#### I. Application Due Date, Further Information and Technical Assistance

*Application Due Date:* Applications for RHED grants are due on or before April 26, 2002.

See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, or overnight delivery).

*Application Submission Procedures. New Security Procedures.* HUD has implemented new security procedures that apply to application submission. Please read the following instructions carefully and completely. HUD will not accept hand-delivered applications. Applications may be mailed using the United States Postal Service (UPS) or may be shipped via the following delivery services: United Parcel Service (UPS), FedEx, DHL, or Falcon Carrier. No other delivery services are permitted into HUD Headquarters without an escort. You must, therefore, use one of the four carriers listed above.

*Mailed Applications.* Your application will be considered timely filed if your application is postmarked on or before 12:00 midnight on the application due date and received in

HUD Headquarters on or within fifteen (15) days of the application due date. Applicants must obtain and save a Certificate of Mailing showing the date, when your application was submitted to the United States Postal Service (USPS). The Certificate of Mailing will be your documentary evidence that your application was timely filed.

*Applications Sent by Overnight/Express Mail Delivery.* If your application is sent by overnight delivery or express mail, your application will be timely filed if it is received before or on the application due date, or when you submit documentary evidence that your application was placed in transit with the overnight delivery/express service no later than the application due date. Due to new security measures, you must use one of four carrier services that do business with HUD Headquarters regularly. These services are UPS, DHL, FedEx and Falcon Carrier. Delivery by these services must be made during HUD's Headquarters business hours, between 8:30 AM and 5:30 PM Eastern time, Monday through Friday. If these companies do not service your area, you should submit your application via the United States Postal Service.

*Address for Submitting Applications:* Completed applications (one original and two copies) must be submitted to: Processing and Control Unit, Room 7255, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; ATTN: Office of Rural Housing and Economic Development. When submitting your application, please include your name, mailing address (including zip code), telephone number, and fax number (including area code).

*For Application Kits.* An application kit is not necessary for submitting an application in response to this announcement. This announcement contains all the information necessary for the submission of your application for the Rural Housing and Economic Development Program.

*For Further Information and Technical Assistance.* All information and materials required to submit an application for funding under the HUD Rural Housing and Economic Development program are included in the Appendix to this NOFA.

For information concerning the HUD Rural Housing and Economic Development program, contact Mr. Marty Horwath, Community Planning and Development Specialist, or Ms. Holly A. Kelly, Economic Development Program Specialist, Office of Community Planning and Development (CPD), Department of Housing and

Urban Development, 451 7th Street, SW., Room 7136, Washington, DC 20410; telephone 202-708-2035 (this is not a toll-free number). Persons with speech or hearing impairments may access this number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

Prior to the application deadline, HUD staff at the number above will be available to provide general guidance, but not guidance in actually preparing the application. Following selection, but prior to award, HUD staff will be available to assist in clarifying or confirming information that is a prerequisite to the offer of an award by HUD.

*Satellite Broadcast.* HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of an application. For more information about the date and time of this broadcast, consult the HUD web site at [www.hud.gov](http://www.hud.gov).

#### II. Amount Allocated

(A) *Available Funds.* Approximately \$25 million in Fiscal Year (FY) 2002 funding is being made available through this NOFA. The breakdown for this funding is below.

(B) *The FY 2002 HUD Appropriations Act.* The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (Pub. L. 107-73 approved November 26, 2001) (the "FY 2002 HUD Appropriations Act") made \$25 million in FY 2002 funds available under the RHED program.

(C) *Funding Categories/ Maximum Award Amounts.* HUD will award up to approximately \$25 million on a competitive basis in the following funding categories. Applicants must apply for funds in one of the two categories: Category (1), Capacity Building; or Category (2), Support for Innovative Housing and Economic Development Activities. Only one application will be accepted from any given organization.

(1) *Capacity Building.* HUD will award up to approximately \$10 million to build capacity. This amount will go directly to local rural non-profits, community development corporations (CDCs) and federally recognized Indian tribes to increase an organization's capacity to support innovative housing and economic development activities. The maximum amount awarded to a successful applicant in this category will be \$150,000. If you received two or more RHED grant for capacity building since 1999, you are not eligible to apply

under this category. If you received an RHED grant in 2001 for capacity building, you are eligible for a maximum award of \$100,000 under this category.

(2) *Support for Innovative Housing and Economic Development Activities.* HUD will award up to approximately \$15 million to federally recognized Indian tribes, State Housing Finance Agencies (HFA)s, state community and/or economic development agencies, local rural non-profits and CDCs to support innovative housing and economic development activities in rural areas nationwide. The maximum amount awarded to a successful applicant in this category will be \$400,000.

### III. Program Description; Eligible Applicants; Eligible Activities

#### (A) Program Description.

(1) *Background.* There is a great need for expanding the supply of housing in rural America, particularly affordable housing for low-income families and individuals. A number of rural areas have experienced rapid growth as a result of employment opportunities, and now face a shortage of affordable housing. In other rural areas, out-migration other factors contributing to economic dislocation, have caused severe economic distress. There has been a growing national recognition of the need to enhance the capacity of federally recognized Indian tribes, local rural non-profits, CDCs, and State community and/or economic development agencies to expand the supply of affordable housing and to engage in economic development activities in rural areas.

A number of resources are available from the Federal government to address these problems, including programs of the United States Department of Agriculture (USDA), the Economic Development Administration (EDA), the Appalachian Regional Commission (ARC), the Department of Interior (for Indian Tribes) and HUD. The Rural Housing and Economic Development program has been developed to supplement these resources and to focus specifically on capacity building and innovative approaches to housing and economic development in rural areas. In administering these funds, HUD encourages you to coordinate your activities supported by any of these agencies.

(2) *Definitions.* *Appalachia's Distressed Counties* means those counties in Appalachia that ARC has determined to have unemployment and poverty rates that are 150 percent of the

respective U.S. rates and per capita income that is less than 67 percent of the U.S. per capita income, and counties with 200 percent of the U.S. poverty rate and one other indicator such as percent of overcrowded housing, etc. Appendix B to this notice identifies ARC's list of distressed counties.

*Colonia* means any identifiable community that:

(i) Is located in the State of Arizona, California, New Mexico, or Texas;

(ii) Is located in the U.S.-Mexico border region (that is, within 150 miles of the border between the U.S. and Mexico); and

(iii) Meets objective need criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, sanitary, and accessible housing.

*Farmworker* means a farm employee of an owner, tenant, labor contractor, or other operator raising or harvesting agricultural or aquacultural commodities; or a worker in the employment of a farm operator, handling, planting, drying, packing, grading, storing, delivering to storage or market, or carrying to market agricultural or aquacultural commodities produced by the operator. Seasonal farm workers are those farm employees who typically do not have a constant year round salary.

*A firm commitment* means the agreement by which an applicant's partner agrees to perform an activity specified in the application and demonstrates the financial capacity to deliver the resources necessary to carry out the activity, and commits the resources to the activity either in cash or through in-kind contributions and is irrevocable, subject only to approval and receipt of a FY 2002 RHED grant. Each letter of commitment should include the organization's name, the applicant's name, the proposed program, the proposed total level of commitment and responsibilities as they relate to the proposed program. The commitment must also be signed by an official of the organization legally able to make commitments on behalf of the organization and dated not earlier than the date of publication of this NOFA. In documenting a firm commitment, the applicant's partner must:

(i) Specify the authority by which the commitment is made, the amount of the commitment, the use of funds and the relationship of the commitment to the proposed investment. If the committed activity is to be self-financed, the applicant's partner must evidence its financial capability through a corporate or personal financial statement or other appropriate means. If any portion of it

is to be financed through a lending institution, the participant must evidence the institution's commitment to fund the loan;

(ii) Affirm that the commitment is contingent only upon the receipt of FY 2002 RHED funds and state a willingness on the part of the signatory to sign a legally binding commitment (conditioned on HUD environmental review and approval of a property, where applicable) upon award of the grant.

*Indian tribe* means any entity eligible to apply for funding under the Indian Community Development Block Grant (ICDBG) program (see 24 CFR 1003.5(a)). The list of federally recognized Indian tribes can be found notice published by the Department of the Interior on March 13, 2000, at 65 FR 13299, and is also available from HUD.

*Innovative housing activities* means projects, techniques, methods, combinations of assistance, construction materials, and energy efficiency improvements or financing institutions or sources new to the eligible area, or its population. The innovative activities can also build upon and enhance a model that already exists.

*Local rural non-profit or community development corporation* means either:

(i) Any private entity with tax-exempt status recognized by the Internal Revenue Service (IRS) which serves the eligible rural area involved in the application (including local affiliates of national organizations that provide technical and capacity building assistance in rural areas); or

(ii) Any public non-profit such as a Council of Governments that will serve specific local non-profit organizations in the eligible area.

*Lower Mississippi Delta Region* means the eight state, 235 county/parish region defined by Congress in the Lower Mississippi Delta Development Act, Pub.L. 100-460. Appendix C to this notice identifies the counties referenced in the Act.

*Rural area* may be defined in one of five ways:

(i) A place having fewer than 2,500 inhabitants (within or outside of metropolitan areas).

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

(iii) Territory, persons, and housing units in the rural portions of "extended cities." The U.S. Census Bureau identifies the rural portions of extended cities.

(iv) Open country that is not part of or associated with an urban area. The USDA describes "open country" as a site separated by open space from any adjacent densely populated urban area.

Open space includes undeveloped land, agricultural land, or sparsely settled areas, but does not include physical barriers (such as rivers and canals), public parks, commercial and industrial developments, small areas reserved for recreational purposes, and open space set aside for future development.

(v) Any place with a population not in excess of 20,000 and not located in a Metropolitan Statistical Area.

*State economic development and/or community development agency* means any state agency that has promotion of statewide or local community/economic development as its primary purpose.

*State Housing Finance Agency* means any state agency created to assist local communities and housing providers with financing assistance for development of housing in rural areas, particularly for low- and moderate-income people.

(3) *Eligible applicants.* Eligible applicants for each of the funding categories are as follows:

(a) *For capacity building funding.* If you are a local rural non-profit, CDC, or federally recognized Indian tribe, you are eligible for capacity building funding to carry out innovative housing and economic development activities which may also enable an applicant to become self-sustaining in the future.

(b) *For support for innovative housing and economic development activities funding.* If you are a local, rural non-profit; CDC; federally recognized Indian tribe; State HFA; or State economic development and/or community development agency, you may apply for funding to support innovative housing and economic development activities in rural areas.

(4) *Eligible activities.* The following are examples of eligible activities under the Rural Housing and Economic Development program. These examples are illustrative and are not meant to limit the activities that you may propose in your application.

(a) *For capacity building funding.* Capacity building for innovative rural housing and economic development involves the enhancement of existing organizations to carry out new functions and/or to more effectively perform existing functions. Activities may include, but are not limited to the following:

(i) Enhancement of existing functions or creation of new functions to provide affordable housing and economic development in rural areas;

(ii) Acquisition of additional space and support facilities;

(iii) Salaries for additional staff needed to conduct the work, including

financial management specialists, and economic development specialists;

(iv) Training of staff in the areas of financial management, economic development financing, housing accessibility and visitability standards, fair housing issues and complaint filing;

(v) Development of business plans in order for the organization to be self-sustaining;

(vi) Development of Management Information Systems (MIS) and software to enable better and more accurate reporting of information to HUD and to other entities;

(vii) Development of feasibility studies and market studies;

(viii) Training on energy efficiency in construction for housing and commercial projects;

(ix) Housing counseling services including the provision of information on budgeting, access to credit and other federal program assistance available including the Section 502 Single Family Housing Loan program under the USDA;

(x) Coordinating with the USDA in holding training sessions with your staff on the Section 502 Single Family Housing loan program and other housing or economic development programs available from USDA;

(xi) Conducting conferences or meetings with other Federal and State agencies to inform residents of programs, rights and responsibilities associated with homebuying opportunities; and;

(xii) Arranging for technical assistance to conduct needs assessments, conduct asset inventories and to develop strategic plans.

(i) Administrative costs for assistance under this funding category may not exceed fifteen percent (15%) of the total grant award.

(b) *For support of innovative housing and economic development activities.*

(i) This category is intended to support, but not be limited to, other costs for innovative housing and economic development activities. Activities may include, but are not limited to the following:

(i) Cost for using new or innovative construction, energy efficiency or other techniques that will result in the design and/or construction of innovative housing and economic development projects;

(ii) Preparation of plans, architectural or engineering drawings;

(iii) Preparation of legal documents, government paperwork requirements and applications to allow construction of housing and economic development activities to occur in the jurisdiction;

(i) Financial assistance for the acquisition of land and buildings;

(i) Demolition of property to permit construction or rehabilitation activities to occur;

(i) Development of infrastructure to support the housing or economic development activities;

(i) Purchase of construction materials;

(ii) Job training to support the activities of the organization;

(iii) Homeownership counseling, including credit counseling, budgeting, access to credit, and other federal assistance available including the Section 502 Single Family Housing Loan program under the USDA;

(iv) Coordinating with the USDA in holding training sessions with staff on the Section 502 Single Family Housing loan program and other housing or economic development programs available from USDA;

(v) Conducting conferences or meetings with other Federal and State agencies to inform residents of programs, rights and responsibilities associated with homebuying opportunities;

(vi) Development of feasibility studies and market studies;

(vii) Development of Management Information Systems (MIS) and software to enable better and more accurate reporting of information to HUD and to other entities;

(viii) Establishing Community Development Financial Institutions (CDFIs), lines of credit, revolving loan funds, microenterprises, and small business incubators; and

(ix) Provision of direct financial assistance to homeowners/businesses/developers, etc. This can be in the form of establishing default reserves, pooling/securitization mechanisms, loans, grants, etc.

Applicants are reminded that they must affirmatively further fair housing. Grantees should demonstrate that their activities will continue to serve the populations that are in need and that beneficiaries will have a choice of innovative housing and economic development opportunities as a result of these activities.

(i) Administrative costs for assistance under this funding category may not exceed fifteen percent (15%) of the total grant award.

(5) *Ineligible activities.* Examples of ineligible activities for both funding categories include:

(i) the use of RHED grant funds for income payments to subsidize individuals or families;

(ii) political activities;

(iii) general governmental expenses other than expenses related to the administrative cost of the grant; or

(iv) projects and activities intended for personal gain or private use.

#### IV. Program Requirements

(A) *General*. To be eligible for funding under this program section of this SuperNOFA, you must meet the threshold and statutory or regulatory requirements applicable to all programs set forth in Section II of the General Section of the SuperNOFA. In addition to the above, you must meet the following program specific requirements.

(B) *Accounting System Requirements*. RHED requires that successful applicants have in place an accounting system that meets the policies, guidance, and requirements as described in the following applicable OMB Circulars and Code of Federal Regulations:

(1) OMB Circular No. A-87 (Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments);

(2) OMB Circular No. A-122 (Cost Principles for Nonprofit Organizations),

(3) OMB Circular No. A-133 (Audits of States, Local Governments, and Non-Profit Organizations);

(4) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations); and

(5) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally recognized Indian tribal governments).

These documents apply to the award, acceptance and use of assistance under the Rural Housing and Economic Development program NOFA, and to the remedies for noncompliance, except when inconsistent with the provisions of the FY 2002 HUD Appropriations Act, other Federal statutes or the provisions of this NOFA.

(C) *Ethical Standards*. HUD requires that all grantees adhere to core values and ethical business practices, as described in Section II (B)(2) of the General Section of the SuperNOFA as a condition of the award.

(D) *Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Women-Owned Businesses*. HUD requires grantees to use small businesses, small disadvantaged businesses and women-owned businesses in conducting your work activities, if possible. Please refer to Section II (F) of the General Section of the SuperNOFA for specific requirements.

(E) *Forms, Certifications and Assurances*. You, the applicant, are required to submit signed copies of the standard forms, certifications and assurances included in the Appendix of

this NOFA signed by the managing officer of your organization.

(F) *Environmental Review*. Selection for award does not constitute approval of any proposed sites. Following selection for award, HUD will perform an environmental review of activities proposed for assistance under this part, in accordance with 24 CFR part 50. The results of the environmental review may require that proposed activities be modified or that proposed sites be rejected. Applicants are particularly cautioned not to undertake or commit funds for acquisition or development of proposed properties (including establishing lines of credit that permit financing of such activities or making commitments for loans that would finance such activities from a revolving loan fund capitalized by funds under this NOFA) prior to HUD approval of specific properties or areas. Each application must contain an assurance that you, the applicant, will assist HUD to comply with part 50; will supply HUD with all available, relevant information to perform an environmental review for each proposed property; will carry out mitigating measures required by HUD or select alternate property; and will not acquire, rehabilitate, convert, demolish, lease, repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received. In supplying HUD with environmental information, grantees are to use the same guidance as provided in the Notice CPD-99-01, entitled "Field Environmental Processing for HUD Colonias Initiative (HCI) grants" issued January 27, 1999.

(G) *Conflicts of Interest*. Consultants and experts assisting HUD in rating and ranking applicants for funding under this NOFA are subject to 18 U.S.C. 208. Refer to Section II (K) of the General Section of the SuperNOFA.

(H) *Grant Amounts*. In the event, you, the applicant, are awarded a grant that has been reduced (e.g. the application contained some activities that were ineligible or budget information did not support the request), you will be required to modify your project plans and application to conform to the terms of HUD's approval before execution of the grant agreement. HUD reserves the right to reduce or de-obligate the award if approvable modifications to the proposed project are not submitted by the awardee in the required amounts in a timely manner. Any modifications must be within the scope of the original application. HUD reserves the right not to make awards under this NOFA.

(I) *Grant Period*. Recipients will have 36 months from the date of the executed grant agreement to complete all project activities. .

(J) *Lead-Based Paint Hazard Control*. All property assisted under the Rural Housing and Economic Development program is covered by the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) and HUD's implementing regulations at 24 CFR part 35.

(K) *Adjustments to Funding*. In addition to the items identified under Section III (E) of the General Section of the SuperNOFA, HUD:

(1) reserves the right to utilize this year's funding to fund previous year's errors prior to rating and ranking this year's applications. HUD reserves the right to reallocate funds between categories to achieve the maximum allocation of funds in both categories.

(2) If after all eligible applicants have been selected for funding in Category 2 and funds remain, the remaining funds will be allocated to Category 1 to fund additional eligible applications in that category. If a balance of funds remain, HUD reserves the right to utilize those funds toward the following year's competition.

#### V. Policy Priorities

You should document the extent to which HUD's policy priorities are furthered by the proposed activities. Applicants that include activities that can result in the achievement of these Departmental policy priorities as described below and in Section VI of the General Section of this SuperNOFA will receive higher rating points in evaluating your application for funding. Four Departmental policy priorities are listed below. You will receive 1 rating point for each priority addressed in your program of activities and associated with performance measurements and your management plan under Rating Factor 3, described in Section VI of this program NOFA. Such priorities include:

(1) Increasing homeownership for low- and moderate-income persons, persons with disabilities and the elderly, and minorities and families where English may be a second language.

(2) Encouraging visitability in new construction and substantial rehabilitation activities, allowing a person with mobility impairments access into a home, but not requiring that all features be made accessible. A visitable home also serves persons without disabilities, such as a person pushing a stroller or delivering a large appliance. Encouraging universal design, simplifying life for everyone by

making products, communications and the built environment more usable by as many people at little or no extra cost. Universal design is the design of products and environments to be usable by all people, to the greatest extent possible at little or not extra cost.

(3) Improving computer access, literacy, and employment opportunities, by providing access to computers to low- and moderate-income adults and children who do not have access and therefore may be disadvantaged with respect to education, work and training opportunities. HUD encourages applicants to incorporate education and job training opportunities through initiatives such as HUD's Neighborhood Networks and 20/20 Education communities in their programs.

(4) Increasing economic mobility choices for rural residents. HUD wants to improve the quality of life for rural residents by providing more residents a chance to move into homeownership opportunities or to provide a community with greater housing choices.

## VI. Application Selection Process

### (A) Rating and Ranking.

(1) *General.* To review and rate applications, HUD may establish panels including outside experts or consultants to obtain certain expertise and outside points of view, including views from other Federal agencies.

(2) *Rating.* All applicants for funding will be evaluated against the criteria below. In evaluating applications for funding, HUD will take into account an applicant's past performance in managing funds, including the ability to account for funds appropriately; timely use of funds received either from HUD or other Federal, State or local programs; meeting performance targets for completion of activities and number of persons to be served or targeted for assistance. HUD may use information relating to these items based on information at hand or available from public sources such as newspapers, Inspector General or Government Accounting Office Reports or Findings, hotline complaints that have been proven to have merit, or other such sources of information. In evaluating past performance, HUD will deduct points from rating scores as specified under Rating Factor 1, Capacity of the Applicant and Relevant Organizational Experience, described in this Section below.

(3) *Ranking.* Applicants will be ranked separately within each of the two funding categories. Applicants will be selected for funding in accordance with their rank order in each category.

An application must receive a minimum score of 70 points to be eligible for funding. If two or more applications are rated fundable and have the same score, but there are insufficient funds to fund all of them, the application(s) with the highest score for Rating Factor 2 (Need and Extent of the Problem) shall be selected. If applications still have the same score, the highest score in the following factors will be selected sequentially until one highest score can be determined. Rating Factor 3 (Soundness of Approach), Rating Factor 1 (Capacity and Experience), Rating Factor 5 (Coordination, Self-Sufficiency, and Sustainability) and Rating Factor 4 (Leveraging Resources). To be eligible for funding in the Innovative category, an application must have a minimum score of 30 points for the total combined number of points for Rating Factors 1 and 3. To be eligible for funding in the Capacity Building category, an application must have a minimum score of 25 points for Rating Factor 3.

(B) *Initial screening.* During the period immediately following the application deadline, HUD will screen each application to determine eligibility. Applications will be rejected if they:

(1) Are submitted by ineligible applicants (including applicants that do not meet the threshold requirements described in Section II(B) of the General Section of the SuperNOFA);

(2) Do not serve an eligible rural area;

(3) Do not meet the objectives of the RHED program;

(4) Propose a program for which significant activities are ineligible.

(C) *Rating Factors for Award Used to Evaluate and Rate Applications.* The factors for rating and ranking applicants, and maximum points for each factor, are provided below. The maximum number of points for this program is 102. This includes two RC/EZ/EC bonus points, as described in the General Section of the SuperNOFA.

(D) *Notification of Approval and Disapproval.* HUD will notify you whether or not you have been selected for an award. If you are selected, HUD's notice to you of the amount of the grant award based on the approved application will constitute HUD's preliminary approval, subject to negotiation and execution of the grant agreement by HUD.

(E) *Applicant Debriefing.* Any applicant can obtain a debriefing of their application. Please refer to Section VII (E) of the General Section of the SuperNOFA for details on the conditions and timeframes for requesting a debriefing. In addition, applicants requesting a debriefing must

send a written request to Ms. Jackie W. Mitchell, Director, Office of Rural Housing and Economic Development (RHED), at the address listed in Section I of this NOFA under "For Further Information and Technical Assistance."

### Rating Factor 1—Capacity of the Applicant and Relevant Organizational Experience (15 points)

This rating factor addresses the extent to which you have the organizational resources necessary to successfully implement your proposed work plan as further described in Rating Factor 3 in a timely manner within the 36 month award period.

*Rating standards applicable to individual funding categories.* The two funding categories have different objectives. Accordingly, in addition to the generally applicable rating standard discussed above, different standards as discussed below will be used to judge the experience and qualifications of the applicants for each of the two funding categories. HUD fully supports emerging organizations who desire to develop internal capacity. Therefore, the following categories will be evaluated:

(1) *For Capacity Building applications.* (15 points) *Team members, composition, experience, organizational structure and management capacity.* Your response to this subfactor should clearly state the need which your organization is to address through the request for assistance. In addition, you should describe how the enhanced capacity realized through the assistance will fulfill that need. HUD will evaluate the experience of your project director, core staff, any outside consultants, contractors, subrecipients, and project partners to implement all of the work activities in your workplan as they relate to innovative housing and economic development activities. In evaluating your capacity to do the work, HUD will assess the recentness and relevancy of the prior work experience of each of the parties listed above to execute the prescribed activities; the services that consultants or other parties will provide to fill gaps in your staffing structure to enable you to carry out the proposed workplan; the experience of your project director in managing projects of similar size, scope, and dollar amount; the lines of authority and procedures that you have in place for ensuring that workplan goals and objectives are being met, consultants and other project partners are performing as planned, and that beneficiaries are being adequately served. In responding to this sub-factor, please indicate how the capacity

building assistance will strengthen or otherwise impact your organization's current housing or economic development program portfolio, or if you are a new grantee, how will the capacity assistance ensure that you can carry out your proposed activities. In judging your response to this factor, HUD will only consider work experience gained within the last 3 years. When responding, please be sure to provide the dates, job titles and relevancy of the past experience to work undertaken by the employee or contractor under your proposed RHED application. The more recent, relevant, and successful the experience is of your team members in relationship to the workplan activities, the greater the number of points that you will receive.

(2) *For Support for Innovative Rural Housing and Economic Development Activities applications.*

(a) (5 points) *Team members, composition, and experience.* HUD will evaluate the experience of your project director, core staff, any outside consultants, contractors, subrecipients, and project partners to implement all of the work activities in your workplan. In evaluating your capacity to do the work, HUD will assess the recentness and relevancy of the prior work experience of each of the parties listed above, to execute the prescribed activities; the services that consultants or other parties will provide to fill gaps in your staffing structure to enable you to carry out the proposed workplan; the experience of your project director in managing projects of similar size, scope, and dollar amount; the lines of authority and procedures that you have in place for ensuring that workplan goals and objectives are being met, that consultants and other project partners are performing as planned, and that beneficiaries are being adequately served. In judging your response to this factor, HUD will only consider work experience gained within the last 7 years. When responding, please be sure to provide the dates, job titles and relevancy of the past experience to work undertaken by the employee or contractor under your proposed RHED application. The more recent, relevant, and successful the experience is of your team members in relationship to the workplan activities, the greater the number of points that you will receive.

(b) (5 points) *Organizational structure and management capacity.* HUD will evaluate the extent to which you can demonstrate your organization's ability to manage a workforce composed of full time and/or part-time staff as well as any consultant staff and your ability to work with community-based groups or

organizations in resolving issues related to affordable housing and economic development. In evaluating this sub-factor, HUD will take into account your experience in working with community-based organizations to design and implement programs which address the identified housing and economic development issues. The more recent, relevant, and successful the experience is of your organization and any participating entities, the greater the number of points that you will receive.

(c) (5 points) *Experience with performance based funding requirements.* HUD will evaluate your experience in producing timely products and reports in any previous grant programs undertaken with HUD funds or other Federal, state, local or non-profit or for-profit organization funds. In assessing points for this sub-factor, HUD reserves the right to take into account your past performance in meeting performance and reporting goals on any previous HUD awards. HUD will deduct one point for each of the following activities related to previous HUD grant programs for which unsatisfactory performance has been verified and related to: (1) Managing funds, including the ability to account for funds appropriately; (2) timely use of funds received either from HUD or other Federal, State, or local programs; and (3) significant and consistent failure to meet performance targets. Among the specific outcomes to be measured are the number of jobs created or retained the number of people trained, the number of housing units rehabilitated or constructed and made available for low- and moderate-income persons, or other relevant objective performance measures related to your previous job experience and/or grant programs. Applicants that can demonstrate a closer and greater linkage between the expected outcomes and the previously generated outcomes will receive higher points for this sub-factor.

**Rating Factor 2—Need and Extent of the Problem (25 Points)**

The Rural Housing and Economic Development program has been designed to address the problems of rural poverty, inadequate housing and lack of economic opportunity. This Factor addresses the extent to which there is need for funding the proposed activities based on levels of distress, and an indication of the urgency of meeting the need/distress in the applicant's target area. In responding to this Factor, applications will be evaluated on the extent to which the level of need for the proposed activity and the urgency in meeting the need are documented and

compared, vis-à-vis, the target area, and national data.

(1) In applying this Factor, HUD will compare current levels of need in the area (i.e. Census Tract(s) or Block Groups), immediately surrounding the project site or the target area to be served by the proposed project and in the national level of need. This means that an application that provides data that show levels of need in the project area expressed as a percent greater than the national average, will be rated higher under this Factor.

Notwithstanding the above, an applicant proposing a project to be located outside the target area could still receive points under the Need Factor if a clear rationale and linkage is provided linking the proposed project location and the benefits to be derived by persons living in more distressed area(s) of the applicant's target area.

(2) Applicants should provide data that address indicators of need as follows:

(a) *Poverty Rate* (5 points)—data should be provided in both absolute and percentage form (i.e., whole numbers and percents) for the target area(s). An application that compares the local poverty rate in the following manner to the national average at the time of submission will receive points under this section as follows:

(i) Less than the national average = 0 points;

(ii) Equal to but less than twice the national average = 1 points;

(iii) Twice but less than three times the national average = 3 points;

(iv) Three or more times the national average = 5 points.

(b) *Unemployment* (5 points)—for the target area:

(i) Less than the national average = 0 points;

(ii) Equal to but less than twice the national average = 1 points;

(iii) Twice but less than three times the national average = 2 points;

(iv) Three but less than four times the national average = 3 points;

(v) Four but less than five times the national average = 4 points;

(vi) Five or more times the national average = 5 points.

(c) *Other indicators of social and/or economic decline that best capture the applicant's local situation* (5 points)—Examples that could be provided under this section are information on the community's stagnant or falling tax base, including recent commercial or industrial closings, housing conditions, such as the number and percentage of substandard and/or overcrowded units, rent burden (defined as average housing cost divided by average income) for the

target area, local crime statistics, etc. To the extent that the applicant's statewide or local Consolidated Plan, its Analysis of Impediments to Fair Housing Choice (AI), and/or its Anti-Poverty Strategy identify the level of distress in the community and the neighborhood in which the project is to be carried out, references to such documents should be included in preparing the response to this Factor.

(3) In rating applications under this Factor, HUD reserves the right to consider sources of available objective data other than, or in addition to, those provided by applicants, and to compare such data to those provided by applicants for the project site. This data includes the use of U.S. Census data or information received from USDA.

(a) HUD requires use of sound and reliable data (e.g., U.S. Census data, State statistical reports, university studies/reports that are verifiable) to support distress levels cited in each application. A source for all information along with the publication or origination date must also be provided.

(b) Updated Census data are available for the following indicators:

(i) Unemployment rate—estimated monthly for counties, with a two-month lag;

(ii) Population—estimated for incorporated places and counties, through 2000;

(c) Poverty rate—1990 data being the most recent available.

(d) *Demographics of Distress—Special Factors (10 points)*. Because of the concern of HUD with meeting the needs of certain underserved areas, you will be awarded a total of ten points if you are located in or propose to serve one or more of the following populations, your application demonstrates that 100 percent of the beneficiaries supported by RHED funds are in one or more of the following populations. You must also specifically identify how each population will be served and that the proposed service area meets the definition of "eligible rural area" as described in Section III(A)(2) of this NOFA:

(i) Areas with very small populations in non-urban areas (2,500 population or less);

(ii) Seasonal farmworkers;

(iii) Federally recognized Indian Tribes;

(iv) Colonias;

(v) Appalachia's Distressed Counties; or

(vi) The Lower Mississippi Delta Region (8 States and 235 counties/parishes). For these underserved areas, you should ensure that the populations that you serve and the documentation

that you provide is consistent with the information described in the above paragraphs under this rating factor.

### Rating Factor 3—Soundness of Approach (40 Points)

This factor addresses the overall quality of your proposed workplan, taking into account the project and the activities proposed to be undertaken; the cost-effectiveness of your proposed program; and the linkages between identified needs, the purposes of this program and your proposed activities and tasks. In addition, this factor addresses your ability to ensure that a clear linkage exists between innovative rural housing and economic development. In assessing cost-effectiveness, HUD will take into account your staffing levels, beneficiaries to be served, a timetable for the achievement of program outcomes, the delivery of products and reports and any anticipated outcomes or products. You will receive a greater number of points if your workplan is consistent with the purpose of the RHED program, your program goals and the resources provided.

(a) (20 points) *Management Plan*. A clearly defined management plan which identifies each of the projects and activities you will carry out to further the objectives of this program; describes the linkage between rural housing and economic development activities; and addresses the needs identified in Factor 2, including needs that had been previously identified in a statewide or local Analysis of Impediments to Fair Housing Choice (AI) or Consolidated Plan. The populations that were described in Rating Factor 2 for the purpose of documenting need should be the same populations which will receive the primary benefit of the activities, both immediately and longterm. The benefits should be affirmatively marketed to those populations least likely to apply for and receive these benefits without such marketing. Your timetable should address the measurable goals and objectives to be achieved through the proposed activities; the method you will use for evaluating and monitoring program progress with respect to those activities and the method you will use to ensure that the activities will be completed on time and within your proposed budget estimates. Applicants that have a clearly defined management plan and which can produce results in less than 36 months will receive higher rating points for this sub-factor. Your management plan should also include the budget for your program, broken out for each line item. Documented projected cost

estimates from outside sources are also required. Applicants should submit their workplan on a spreadsheet showing each project, to be undertaken and the tasks (to the extent necessary or appropriate) in your workplan to implement the project with your associated budget estimate per activity/task. Your workplan should provide the rationale for your proposed activities and any assumptions used in determining your project timeline and budget estimates. Failure to provide your rationale may result in an application receiving fewer points for lack of clarity in the proposed management plan. Applicants that propose as part of their workplan activities that address and support HUD's policy priority areas as outlined in Section (V) of this NOFA will receive one rating point for each of the policy priorities described under this sub-factor.

(b) (15 points) *Expected Outcomes*. HUD encourages applicants to include in their workplans, program measures to ensure that goals established in your application can be accounted for and independently assessed to ensure that performance measures have been met. HUD will be assessing outcomes resulting from your proposed workplan for the likelihood it will result in measurable and achievable outcomes that will alleviate or address the needs described in Rating Factor 2 and that those outcomes can and will be sustained beyond the grant period, without further assistance from HUD. You must include in this sub-factor a qualitative or quantitative description of estimated outcomes in order to receive points for this sub-factor. Outcomes may be described in terms of the estimated number of new units constructed or units rehabilitated; jobs retained or created; loans financed; individuals trained, counseled or assisted; and/or number of persons on welfare or under-employed trained in a career path or apprenticeship program.

The exact nature of the expected outcomes will vary according to your proposed workplan. Applicants that propose activities to increase their capacity to carry out innovative rural housing and economic development activities should include among their projected outcomes performance measures for maintaining the financial health and integrity of the organization. Applicants that can demonstrate clearly identified outcomes and the means for ensuring that outcomes will be tracked and are likely to be achieved will receive a greater number of points under this sub-factor.

(c) (5 points) *Self-monitoring and Program Evaluation.* Your workplan will be evaluated to ensure that you have a mechanism for monitoring and self-assessing your progress in meeting program goals and objectives, ensuring that the integrity of the use of funds is in accordance with OMB Cost Principles and record-keeping requirements and the approved program budget. Applicants that clearly define roles and responsibilities and steps to be taken to meet this requirement will receive a greater number of rating points in the evaluation. Therefore, your workplan should describe and identify the specific steps that you will take to carry out a self-monitoring function that meets these requirements.

**Rating Factor 4—Leveraging Resources (10 Points)**

This factor addresses the extent to which applicants for any of the two funding categories have obtained firm commitments of financial or in-kind resources from other Federal, State, local, and private sources. For every RHED dollar anticipated, you should provide the specific amount of dollars leveraged. In assigning points for this criterion, HUD will consider the level of outside resources obtained for cash or in-kind services that support activities proposed in your application. HUD will award a greater number of points based upon a comparison of the extent of leveraged funds compared to the requested RHED grant. This criterion is applicable to both funding categories under this NOFA. The level of outside resources for which commitments are obtained will be evaluated based on their importance to the total program. You must provide evidence of leveraging by including in the application letters of firm commitment to participate from any entity, including your own organization, that will be providing matching funds to the project. Each commitment described in the narrative of this factor must be in accordance with the definition of “firm commitment” as defined in Section III(A)(2) of this NOFA.

**Rating Factor 5—Coordination, Self-Sufficiency and Sustainability (10 Points)**

This factor addresses the extent to which your proposed program is coordinated with other ongoing and related activities in the area you propose to serve, how well your program outcomes result in increased independence and empowerment to your beneficiaries, and your organization’s ability to becoming

financially self-sustaining into the future absent any HUD funding.

This factor consists of three elements:

(1) Coordination of activities (4 points). The extent to which you have coordinated your activities with other known organizations that are not directly participating in your proposed work activities, but with which you share common goals and objectives and are working toward meeting these objectives in a holistic and comprehensive manner. The goal of coordination is to ensure that programs do not operate in isolation. The more your activities are coordinated with other ongoing activities in your service area, the more points you will receive.

(2) Self-Sufficiency (3 points). The extent to which your application implements practical solutions within the grant term that result in assisting beneficiaries of grant program funds in achieving independent living, economic empowerment, educational opportunities, housing choice or improved living environments which are free from environmental hazards such as lead hazards, brownfields, overcrowded housing, etc. Applicants that clearly describe the extent to which proposed activities result in increased independence and empowerment for their beneficiaries will receive higher points in this sub-factor.

(3) Sustainability (3 points). The extent to which your program exhibits the potential to be financially self-sustaining by decreasing dependence on RHED funding and relying more on state, local, and private funding so your activities can be continued after your grant award is complete. Applicants that demonstrate a reduced dependence on RHED funds over the life of their award will receive a greater number of rating points for this sub-factor.

**RC/EZ/EC Bonus Points (2 points)**

HUD will award two bonus points to all applications that include documentation stating that the proposed eligible activities/projects will be located in and serve Federally designated Rural Renewal Communities, Rural Empowerment Zones or Enterprise Communities (Rural EZs/ECs). A listing of Federally designated Rural RCs, EZs and ECs is available on the Internet at <http://www.hud.gov>.

**VII. Application Submission Requirements**

(A) *Form of Application.* All pages of the application shall be numbered sequentially. Your application must include an original and two copies of the items listed below.

(B) *Application Items.* Your application must contain the items listed in this section. These items include the standard forms and non-standard certifications that can be found in the Appendices to this program section of the SuperNOFA. The items are as follows:

(1) A transmittal letter;  
 (2) A table of contents;  
 (3) A signed SF-424 (application form);

(4) A budget for all funds (Federal and Non-Federal) and a breakdown of all Federal funds requested, in the format provided in Appendix A of this NOFA;

(5) Documentation of funds pledged in support of Rating Factor 4—“Leveraging Resources” (which will not be counted in the 15 page limitation);

(6) The required certifications (signed, as appropriate, and attached as an Appendix);

(7) Acknowledgment of the Application Receipt form (submitted with application and returned to you as verification of timely receipt).

(8) If you are a private nonprofit organization, a copy of your organization’s IRS ruling providing tax-exempt status under section 501 of the IRS Code of 1986, as amended.

(9) The attached forms specifying:

(a) Which category of funds, as described in Section III(C), you are applying for.

(b) Which of the five definitions of the term “rural area” set forth in Section III(A)(2) of this NOFA applies to the proposed service area and accompanying documentation as indicated on the form; and

(10) The Environmental Review Assurance.

(11) Narrative Response to Factors for Award

(a) You must describe your organization and the assignment of responsibilities for the work to be carried out under the grant (Rating Factor 1).

(b) You must describe the need and extent of the problem and populations to be served (Rating Factor 2).

(c) You must submit a workplan which describes your soundness of approach and the clear linkage between rural housing and economic development (Rating Factor 3). In addressing this submission requirement, you must:

(i) Describe the activities you propose to undertake to address the needs which have been identified, the linkage between rural housing and economic development, and describe the specific outcomes you expect to achieve.

(ii) Include a management plan which identifies the specific actions you will

take to complete the proposed activities on time and a budget in the format provided which explains the uses of both Federal and non-Federal funds and the period of performance under the grant.

(iii) Include a discussion of the process by which the work accomplished with the grant will be evaluated to determine if the objectives of the grant were met.

(d) You must identify the resources which will be leveraged by the amount of this grant's funding that you are requesting. (Rating Factor 4). To receive the maximum number of points under Rating Factor 4 you must provide evidence of firm commitments. The commitment can be contingent upon HUD site approval following environmental review.

(e) You must describe the extent to which your program reflects a coordinated, community based process of identifying needs and building a system to address these needs, providing program beneficiaries outcomes resulting in increased independence and empowerment, and the potential for your organization to become financially self-sustaining. (Rating Factor 5).

The total narrative response to all factors should not exceed 15 pages and

must be submitted on 8.5" by 11" paper, using a 12 point font size, with lines double spaced and printed only on one side. Please note that although submitting pages in excess of the page limit will not disqualify your application, HUD will not consider or review the information on any excess pages, which may result in a lower score or failure to meet a threshold.

#### **VIII. Corrections to Deficient Applications**

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications. After the application due date, HUD may not, consistent with its regulations in 24 CFR part 4, subpart B, consider any unsolicited information you, the applicant, may want to provide. HUD may contact you, however, to clarify an item in your application or to correct technical deficiencies. You should note, however, that HUD may not seek clarification of items or responses that improve the substantive quality of your response to any eligibility or selection factors. Examples of curable (correctable) technical deficiencies include your failure to submit the proper certifications or your failure to submit an application that contains an

original signature by an authorized official. In each case, HUD will notify you in writing by describing the clarification or technical deficiency. HUD will notify applicants by facsimile or by return receipt requested. Applicants must submit clarifications or corrections of technical deficiencies in accordance with the information provided by HUD within 5 calendar days of the date of receipt of the HUD notification. If your deficiency is not corrected within this time period, HUD will reject your application as incomplete, and it will not be considered for funding.

#### *Catalog of Federal Domestic Assistance*

The Catalogue of Federal Domestic Assistance number is: 14.250

#### **IX. Authority**

The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 Pub.L. 107-73, approved November 26, 2001).

#### **Appendix A**

The standard and non-standard forms that follow are required for your RHED application.

**BILLING CODE 4210-32-C**

## Appendix A

### Checklist of Forms and Certifications

---

#### Page Number

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | Transmittal Letter  |
| <input type="checkbox"/> | Checklist and Submission Table of Contents  |
| <input type="checkbox"/> | Standard Form for Application for Federal Assistance (SF-424)   |
| <input type="checkbox"/> | Federal Assistance Funding Matrix (HUD-424-M)   |
| <input type="checkbox"/> | Assurances - Non-Construction Program (SF-424-B)  |
| <input type="checkbox"/> | Assurances - Construction Program (SF-424-D)  |
| <input type="checkbox"/> | Statement of Work, including summary and responses to factors for award   |
| <input type="checkbox"/> | Budget in support of Rating Factor 3 (HUD-424-CB)   |
| <input type="checkbox"/> | Documentation of Funds/In-Kind Services pledged in support of Rating Factor 4   |
| <input type="checkbox"/> | Required Certifications (signed)  |
| <input type="checkbox"/> | <input type="checkbox"/> Certification for a Drug-Free Workplace (HUD-50070)  |
| <input type="checkbox"/> | <input type="checkbox"/> Certification of Payments to Influence Federal Transactions (HUD-50071) (see 24 CFR part 87, Appendix A) |
| <input type="checkbox"/> | <input type="checkbox"/> Disclosure of Lobbying Activities (SF-LLL) (If required, see 24 CFR part 87, Appendix B)                 |
| <input type="checkbox"/> | <input type="checkbox"/> Applicant/Recipient Disclosure/Update Report (HUD-2880)  |
| <input type="checkbox"/> | <input type="checkbox"/> Certification Regarding Debarment and Suspension (HUD-2992)  |
| <input type="checkbox"/> | <input type="checkbox"/> Certification of Consistency with the EZ/EC Strategic Plan (HUD-2990)                                    |

- 
- Acknowledgment of Application Receipt (HUD-2993)  
(to be returned to applicant)
  - For nonprofit organizations, a copy of the IRS ruling providing tax-exempt status under section 501 of the IRS Code of 1996, as amended
  - Documentation that area served is rural area, as defined in this NOFA
  - The Environmental Review Assurance
  - Client Comments and Suggestions (HUD-2994)

## Environmental Review Assurances

The award of funds under this program is subject to the environmental review requirements of 24 CFR part 50. These requirements only apply to grant-funded projects fully or partially funded by HUD, undertaken by grantees and all tiers of subgrantees and subcontractors.

When a project is limited to activities described in 24 CFR 50.19, it does not require an environmental review. All other activities (for example, acquisition of real property, construction and alteration) are subject to an environmental review. Since the approval of the initial grants in this program must occur prior to the identification of properties to be treated, as is provided for in 24 CFR 50.3(h), the applicant hereby agrees that it will assist HUD to comply with 24 CFR part 50, and that the applicant shall:

1. Advise HUD of all projects requiring a review under 24 CFR part 50 prior to their approval and supply HUD with all available and relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50;
2. Carry out mitigating measures required by HUD or select an alternate property or project;
3. Not acquire, rehabilitate, convert, lease, repair or construct property, nor commit or expend HUD or local funds for these program activities on a HUD-assisted project until HUD has completed an environmental review to the extent required under 24 CFR 50 and has given notification of its approval in accordance with 24 CFR 50.3(h)(3); and
4. Include the above requirements in all subgrants and subcontracts.

Signature of Authorized Certifying Official	Applicant
X	
Title	Date

## APPENDIX B

**Housing Affordability and Quality Indicators for  
Appalachian Regional Commission -Designated Distressed Counties**

State/County	Estimated % of Renters Unable to Afford 2BR FMR <sup>1</sup>	Estimated % of Substandard Housing Units <sup>2</sup>
<b>Alabama</b>		
Hale	63%	14.3%
Macon	49%	8.8%
Pickens	58%	10.0%
<b>Georgia</b>		
Elbert	50%	6.5%
<b>Kentucky</b>		
Adair	43%	6.9%
Bath	51%	10.5%
Bell	52%	8.8%
Breathitt	58%	19.8%
Carter	45%	9.0%
Casey	44%	13.2%
Clay	65%	15.6%
Clinton	55%	11.2%
Cumberland	49%	8.6%
Elliott	66%	15.5%
Estill	45%	12.3%
Floyd	44%	6.1%
Green	49%	5.0%
Harlan	66%	9.0%
Jackson	65%	14.8%
Johnson	41%	7.0%
Knott	59%	10.8%
Knox	66%	10.2%
Lawrence	52%	11.0%
Lee	63%	15.3%
Leslie	50%	14.0%
Letcher	58%	8.9%
Lewis	45%	13.7%
Lincoln	45%	9.9%
McCreary	59%	13.4%
Magoffin	69%	11.0%
Martin	63%	7.1%
Menifee	51%	8.4%
Monroe	45%	8.3%
Morgan	51%	9.8%
Owsley	80%	17.7%
Perry	52%	10.7%
Pike	41%	4.6%
Powell	50%	10.9%
Rockcastle	49%	11.5%

**Housing Affordability and Quality Indicators for  
Appalachian Regional Commission -Designated Distressed Counties**

State/County	Estimated % of Renters Unable to Afford 2BR FMR <sup>1</sup>	Estimated % of Substandard Housing Units <sup>2</sup>
Johnson	48%	7.3%
Meigs	48%	8.0%
Pickett	55%	7.4%
Scott	47%	8.7%
<b>Virginia</b>		
Buchanan	49%	6.7%
Dickenson	62%	8.0%
Lee	53%	10.4%
Russell	50%	6.3%
Wise	53%	5.7%
<b>West Virginia</b>		
Barbour	55%	6.1%
Boone	53%	4.1%
Braxton	48%	8.1%
Calhoun	66%	12.0%
Clay	52%	10.2%
Fayette	44%	5.1%
Gilmer	55%	9.8%
Lewis	49%	4.8%
Lincoln	63%	9.8%
Logan	45%	5.0%
McDowell	68%	8.5%
Mason	43%	5.8%
Mingo	58%	6.6%
Nicholas	55%	5.3%
Pocahontas	45%	7.5%
Raleigh	49%	3.3%
Randolph	45%	5.0%
Ritchie	48%	6.3%
Roane	48%	8.6%
Summers	55%	7.9%
Taylor	49%	4.0%
Upshur	49%	5.6%
Webster	59%	10.2%
Wetzel	43%	5.5%
Wirt	64%	13.5%
Wyoming	58%	5.8%
<b>Mean County-level Indicators</b>	<b>52%</b>	<b>8.7%</b>

## APPENDIX C

## LOWER MISSISSIPPI DELTA COUNTIES AND PARISHES

ARKANSAS	ILLINOIS	KENTUCKY	LOUISIANA	MISSISSIPPI	MISSOURI	TENNESSEE
Arkansas	Alexander	Ballard	Acadia	Adams	Bollinger	Benton
Ashley	Franklin	Caldwell	Allen	Amite	Butler	Carroll
Baxter	Gallatin	Calloway	Ascension	Attala	Cape Girardeau	Chester
Bradley	Hamilton	Carlisle	Assumption	Benton	Carter	Crockett
Calhoun	Hardin	Christian	Avoyelles	Bolivar	Crawford	Decatur
Chicot	Jackson	Crittenden	Caldwell	Carroll	Dent	Dyer
Clay	Johnson	Fulton	Catahoula	Clairborne	Douglas	Fayette
Cleveland	Massac	Graves	Concordia	Coahoma	Dunkin	Gibson
Craighead	Perry	Henderson	East Baton Rouge	Copiah	Howell	Hardeman
Crittenden	Pope	Hickman	East Carroll	Covington	Iron	Hardin
Cross	Pulaski	Hopkins	East Feliciana	DeSoto	Madison	Haywood
Dallas	Randolph	Livingston	Evangeline	Franklin	Mississippi	Henderson
Desha	Saline	Lyon	Franklin	Grenada	New Madrid	Henry
Drew	Union	Marshall	Grant	Hinds	Oregon	Lake
Fulton	White	McCracken	Iberia	Holmes	Ozark	Lauderdale
Grant	Williamson	McLean	Iberville	Humphreys	Pemiscott	McNairy
Greene		Muhlenberg	Jackson	Issaquena	Perry	Madison
Independence	<b>TOTAL</b>	Todd	Jefferson	Jefferson	Phelps	Obion
Izard	<b>COUNTIES</b>	Trigg	Lafourche	Jefferson Davis	Reynolds	Shelby
Jackson	<b>16</b>	Union	LaSalle	Lafayette	Ripley	Tipton
Jefferson		Webster	Lincoln	Lawrence	St. Genevieve	Weakley
Lawrence		<b>TOTAL</b>	Livingston	Leflore	St. Francois	
Lee	<b>ALABAMA</b>	<b>COUNTIES</b>	Madison	Lincoln	Scott	<b>TOTAL</b>
Lincoln	Barbour		Morehouse	Madison	Shannon	<b>COUNTIES</b>
Lonoke	Bullock	<b>21</b>	Orleans	Marion	Stoddard	<b>21</b>
Marion	Choctaw		Ouachita	Marshall	Texas	
Mississippi	Clarke		Pointe Coupee	Montgomery	Washington	
Monroe	Dallas		Plaquemines	Panola	Wayne	
Ouachita	Greene		Rapides	Pike	Wright	
Phillips	Hale		Richland	Quitman		
Poinsett	Lowndes		St. Bernard	Rankin	<b>TOTAL</b>	
Prairie	Macon		St. Charles	Sharkey	<b>COUNTIES</b>	
Pulaski	Marengo		St. Helena	Simpson	<b>29</b>	<b>GRAND</b>
Randolph	Perry		St. James	Sunflower		<b>TOTAL</b>
St. Francis	Pickens		St. John the	Tallahatchie		<b>235</b>
Searcy	Russell		Baptist	Tate		
Sharp	Sumter		St. Landry	Tippah		
Stone	Washington		St. Martin	Tunica		
Union	Wilcox		Tangipahoa	Union		
Van Buren			Tensas	Walthall		
White			Union	Warren		
Woodruff	<b>TOTAL</b>		Washington	Washington		
	<b>COUNTIES</b>		West Baton Rouge	Wilkinson		
<b>TOTAL</b>	<b>16</b>		West Carroll	Yalobusha		
<b>COUNTIES</b>			West Feliciana	Yazoo		
			Winn			
			<b>TOTAL</b>			
			<b>PARISHES</b>			
			<b>45</b>	<b>TOTAL</b>		
				<b>COUNTIES</b>		
				<b>45</b>		



**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

---

**RESIDENT OPPORTUNITIES AND  
SELF-SUFFICIENCY (ROSS)  
PROGRAM**

Billing Code 4210-32-C



**FUNDING AVAILABILITY FOR PUBLIC HOUSING RESIDENT OPPORTUNITIES AND SELF SUFFICIENCY (ROSS) PROGRAM PROGRAM OVERVIEW**

*Purpose of Program.* The purpose of the Public Housing Resident Opportunities and Self Sufficiency (ROSS) Program is to link services to public and Indian housing residents by providing grants for supportive services, resident empowerment activities and activities to assist residents in becoming economically self-sufficient.

*Available Funds.* A total of \$80.1 million; approximately \$70 million from FY 2002 funds and \$10.1 million in carryover funding.

*Eligible Applicants.* Public Housing Agencies (PHAs), resident management corporations (RMCs), resident councils (RCs), resident organizations (ROs), Intermediary Resident Organizations (IROs), City-Wide Resident Organizations (CWROs) and nonprofit entities supported by residents. Indian tribes (tribes) and tribally designated housing entities (TDHEs) are eligible for grants under the Resident Management and Business Development (RMBD), Capacity Building (CB), and Resident Service Delivery Models (RSDM) funding categories. Tribes and TDHEs are not eligible for grants as part of Neighborhood Networks, Homeownership Supportive Services and renewal of public housing service coordinator funding categories.

*Application Deadline for ROSS Funding Categories.*

May 14, 2002 for Resident Management and Business Development;  
 May 14 2002 for Capacity Building;  
 June 18, 2002 for Resident Service Delivery Models;  
 July 10, 2002 for Homeownership Supportive Services;  
 July 10, 2002 for Neighborhood Networks Centers; and  
 May 14, 2002 for Public Housing Service Coordinator.

*Match.* At least 25 percent of the grant amount is required as the grant match. This match does not have to be a cash match. The match can be in-kind and/or cash contributions.

**ADDITIONAL INFORMATION**

If you are interested in applying for funding under any of these programs, please review carefully the General Section of this SuperNOFA and the following additional information.

**I. Application Due Date, Application Kits, Further Information and Technical Assistance.**

*Application Due Date.* Your completed application (one original and two copies is due on or before 12:00 midnight, Eastern time, on the following application due dates to HUD Headquarters at the address shown below.

May 14, 2002 for Resident Management and Business Development;  
 May 14, 2002 for Capacity Building;  
 June 18, 2002 for Resident Service Delivery Models;  
 July 10, 2002 for Homeownership and Supportive Services;  
 July 10, 2002 for Neighborhood Networks Centers; and  
 May 14, 2002 for Renewal of Public Housing Service Coordinator grants.

See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mail application, express mail, overnight delivery, or hand-carried).

*New Security Procedures.* HUD has implemented new security procedures that impact on application submission procedures. Please read the following instructions carefully and completely. HUD will not accept hand delivered applications. Applicants must comply with the procedures included in the General Section of the SuperNOFA.

*Address for Submitting Applications.* You must submit your completed ROSS Program application (the original and two copies) to the Grants Management Center (GMC), 501 School Street, SW., Suite 800, Washington, DC 20024, by mail using the United States Postal Service (USPS) or it may be delivered only via the following four carrier services: United Parcel Service (UPS), FedEx, DHL, or Falcon Carrier. Delivery by these services must be made during HUD's Headquarters business hours, between 8:30 am and 5:30 pm Eastern Standard Time, Monday to Friday. If these companies do not service your area, you must submit your application via the United States Postal Service. All mailed applications must be postmarked on or before midnight of their due date and received within 15 days of the due date.

In the case of tribes/TDHEs, please submit your completed application (the original and two copies) to Denver Program Office of Native American Programs (DPONAP), 1999 Broadway, Suite 3390, Denver, CO 80202, by mail using the United States Postal Service (USPS) or it may be delivered only via the following four carrier services: United Parcel Service (UPS), FedEx,

DHL, or Falcon Carrier. Delivery by these services must be made during HUD's business hours, between 8:30 am and 5:30 pm Eastern Standard Time (or Mountain Standard Time for Tribes/TDHEs), Monday to Friday. If these companies do not service your area, you must submit your application via the United States Postal Service. All mailed applications must be postmarked on or before midnight of their due date and received within 15 days of the due date.

*For Application Kits.* For an application kit and any supplemental material, please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. When requesting an application kit, please refer to the ROSS Program, and provide your name, address (including zip code) and telephone number (including area code). An application kit is also available on the Internet through the HUD web site at <http://www.hud.gov/grants>.

*For Further Information and Technical Assistance.* You may contact the local HUD field office or you may call the Public and Indian Housing Information and Resource Center at 1-800-955-2232. In the case of tribes/TDHEs, please contact the Local Area DPONAP or Carol Quinlan, DPONAP, Denver Program Office at 1-800-561-5913 or (303) 675-1600 (this is not a toll free number).

*Satellite Broadcast.* HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov/grants>.

**II. Amount Allocated**

(A) *Total Amount.* A total amount of \$80.1 million is allocated for this NOFA. This amount is comprised of \$70 million from the FY 2002 Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 2001, and \$10.1 million in carryover funding. For FY 2002, approximately \$55 million is available for the Resident Opportunities and Self Sufficiency Program under Section 34 of the U.S. Housing Act of 1937, and \$15 million is available from the Public Housing Capital Fund for Neighborhood Networks in public housing developments. The \$10.1 million in carryover funding is composed of approximately \$8.2 million from FY 1998 and FY 1999 carryover funding is being used from the Public Housing

Capital Fund, and an additional \$1.9 million is carried over from the FY 2000 Community Development Block Grant fund. The \$8.2 million is composed of approximately \$2.6 million from the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act of 1998 and approximately \$5.6 million from the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act of 1999.

(B) *Allocation.* To the extent that there are a sufficient number of qualified applications, not less than 25 percent of funds available for ROSS shall be provided directly to Resident councils (RCs), Resident Organizations (ROs), Resident Management Corporations (RMCs), Intermediary Resident Organizations (IROs), tribes/TDHEs on behalf of tribal residents and City-Wide Resident Organizations (CWROs). This requirement will be implemented by the awards made to resident organizations for the Resident Management and Business Development, Capacity Building, and the Resident Service Delivery Models funding categories.

(C) *Funding Categories and Funds Allocated to Each Category.* The funding categories under ROSS and the amount allocated for each funding category are as follows:

(1) *Resident Management and Business Development (RMBD).* A total of \$6 million is allocated for this funding category.

(i) Grants will be made directly to site-based RAs/ROs, RMCs, CWROs, and to tribal ROs, tribal RMCs, tribes/TDHEs that partner with tribal ROs and tribal RMCs to: increase resident involvement and participation in their housing developments; develop resident management opportunities; provide resident-led business or cooperative development opportunities; and obtain necessary supportive services for self-sufficiency.

(ii) The maximum grant award for this funding category is \$100,000 per applicant.

(2) *Capacity Building (CB).* A total of \$5 million is allocated for this funding category, described below:

(i) CB grants will be made to Intermediary Resident Organizations (IROs), tribes/TDHEs on behalf of tribal housing residents, tribal ROs, tribal RMCs, and non-profits which operate associations and networks that administer programs benefiting resident organizations. These grants provide assistance to site-based resident associations who do not yet have the capacity to administer a welfare-to-work

program or conduct management activities.

(ii) You may apply for funding that will be used to assist public and tribal housing residents in establishing a new resident organization or you may apply for funds to help or enhance the capacity of existing resident organizations to enable residents to participate in housing agency decision-making, manage all or a portion of their housing developments, and/or apply for and administer grants.

(iii) The maximum amounts for CB grants are: \$100,000 for CWROs or tribes/TDHEs per applicant, and \$240,000 per applicant for all other eligible applicants. Applicants are required to allocate at least two-thirds of the total grant to direct funding of CB activities for site-based RAs/ROs and/or tribal ROs. CWROs or tribes/TDHEs are required to serve a minimum of 3 RAs and/or tribal ROs. All other applicants are required to serve a minimum of 10 RAs and/or tribal ROs.

(3) *Resident Service Delivery Models (RSDM).* A total of \$22.9 million is allocated for this category of funding. The Resident Service Delivery Models (RSDM) funding category provides grants to Public Housing Agencies (PHAs), tribes/TDHEs or directly to resident management corporations, resident councils, or resident organizations, and nonprofit entities supported by residents. There are two sub-categories of grants under this funding category: Family Grants for program-related activities and supportive services to establish and implement comprehensive programs that achieve resident self-sufficiency for families; and Elderly and Persons with Disabilities Grants for independent living for the elderly and persons with disabilities.

(a) RSDM Family sub-category.

(i) *Maximum grant amount.* For RSDM, the maximum grant amounts are as follows:

For PHAs applying for family grants, the maximum grant application award will be based on the number of occupied family conventional public housing units. Tribes/TDHEs applying for RSDM should refer to section III (e) of this NOFA for computation of units for the maximum grant amount.

(ii) For the RSDM family category, PHAs must use the number of occupied conventional family public housing units to determine the maximum grant amount in accordance with the categories listed below for families:

— For PHAs with 1 to 780 occupied family units, the maximum grant award is \$250,000.

— For PHAs with 781 to 7,300 occupied family units, the maximum grant award is \$500,000.

— For PHAs with 7,301 or more occupied family units, the maximum grant award is \$1,000,000.

(b) RSDM Elderly and persons with disabilities sub-category.

(i) *Maximum grant amount.* For the Elderly and Persons with Disabilities RSDM Category, PHAs must use the number of occupied elderly conventional public housing units to determine the maximum awards listed below:

— For 1 to 217 units occupied by elderly residents and persons with disabilities, the maximum grant award is \$100,000.

— For 218 to 1,155 units occupied by elderly residents and persons with disabilities, the maximum grant award is \$200,000.

— For 1,156 or more units occupied by elderly residents and persons with disabilities, the maximum grant award is \$300,000.

(c) The maximum grant award is \$100,000 for each RA.

(d) Nonprofit entities supported by residents or RAs/ROs are limited to \$100,000 for each RA/RO. A non-profit may submit a single application for no more than three different RAs for a maximum grant award of \$300,000.

(e) Tribes/TDHEs should use the number of units counted as Formula Current Assisted Stock for Fiscal Year 2001 as defined in 24 CFR 1000.316. Tribes who have not previously received funds from the Department under the 1937 Housing Act should count housing units under management that are owned and operated by the Tribe and are identified in their housing inventory as of September 30, 2001 for either family or elderly/disabled units.

(4) *Homeownership Supportive Services (HSS).* A total of \$11.2 million is allocated for this funding category.

(i) This funding category provides grants for a targeted group of public housing residents who were beneficiaries of previously awarded ROSS grants, and public housing Family Self-Sufficiency participants funded through operating subsidy. This funding category recognizes the improved earning capacity of residents participating in self-sufficiency programs and provides the support necessary to achieve increased opportunities for homeownership for public housing residents through housing choice vouchers. Under this funding category, PHAs will receive grants for counseling and other supportive services to achieve

homeownership for public housing residents. PHAs will design and develop homeownership supportive services for public housing residents. These supportive services shall comprehensively address the needs identified by the PHA for public housing families to obtain homeownership.

(ii) Grants will be made to PHAs. Tribes/TDHEs are not eligible applicants for the HSS.

(iii) For the Homeownership Supportive Services grants, PHAs must use the number of occupied conventional family public housing units to determine the maximum grant amount in accordance with the categories listed below for families:

- For PHAs with 1 to 780 occupied family units, the maximum grant award is \$300,000.
- For PHAs with 781 to 7,300 occupied family units, the maximum grant award is \$400,000.
- For PHAs with 7,301 or more occupied family units, the maximum grant award is \$500,000.

(5) *Neighborhood Networks (NN)*. A total of \$15 million is allocated for this funding category. Of this funding, \$12 million will provide grants to PHAs to establish and operate new Neighborhood Networks Centers for public housing residents; and \$3 million will provide funding to update and expand existing computer technology centers to become Neighborhood Networks centers. Computer centers operating in public housing developments or planned for public housing developments will receive assistance to secure the necessary space, computer hardware, software and peripherals necessary to operate self-sustaining NN centers. Conversion to NN centers will be part of the proposed grant for existing and new computer centers.

(i) For new NN centers, PHAs must use the number of occupied conventional family public housing units to determine the maximum grant amount in accordance with the categories listed below for families:

- For PHAs with 1 to 780 occupied family units, the maximum grant award is \$150,000.
- For PHAs with 781 to 7,300 occupied family units, the maximum grant award is \$250,000.
- For PHAs with 7,301 or more occupied family units, the maximum grant award is \$450,000.

(ii) To update and expand new and existing technology centers, PHAs must use the number of occupied conventional family public housing

units to determine the maximum grant amount in accordance with the categories listed below for families:

- For PHAs with 1 to 780 occupied family units, the maximum grant award is \$50,000.
- For PHAs with 781 to 7,300 occupied family units, the maximum grant award is \$100,000.
- For PHAs with 7,301 or more occupied family units, the maximum grant award is \$200,000.

(6) *Service Coordinator Renewals*. A total of \$20 million is allocated for this funding category.

(i) The Service Coordinator Renewal category provides grants to PHAs to address the needs of public housing residents who are elderly and persons with disabilities. Service coordinators help residents obtain supportive services that are needed to maintain independent living. Only renewals of FY 1995 Public Housing Elderly and Persons with Disabilities Service Coordinator grants will be funded under this ROSS competition; no applications for new Service Coordinator grants will be accepted.

(ii) These funds may only be used as follows:

- Renewal of existing Service Coordinator (SC) grants from FY 1995. This limitation is imposed to achieve Congressional intent to renew all service coordinator and congregate services grants.
- For the Elderly and Persons with Disabilities Service Coordinators category, award amounts cannot be higher than your highest funding and staffing level for any one-year period that was approved for their last funded Service Coordinator Grant. An increase of up to 2 percent over this amount will be allowed if supported by a narrative justification.

(D) *Transfer of Funds*. Funds for Neighborhood Networks centers may not be transferred to any other funding category within this NOFA. If all funds are not awarded in the RMBD, CB, HSS, SC funding categories, funds will be transferred to the RSDM funding category in this competition.

(E) *Number of Applications Permitted*. PHAs applying for Service Coordinator Renewal grants under this program section of the SuperNOFA may apply for one renewal grant and three additional grants in the NN, HSS and RSDM funding categories. RO applicants may submit a total of two applications for RMBD and RSDM, but not more than one application in any one funding category. Nonprofit applicants may submit a total of two applications for CB and RSDM, but not

more than one application in any one funding category under this ROSS competition. Please read each funding category carefully for additional limitations.

### III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description*. The purpose of ROSS is to assist residents to become economically self-sufficient by providing supportive services and resident empowerment activities. This program is consistent with the Department's goal to most effectively focus resources on "welfare to work" and on independent living for the elderly and persons with disabilities. HUD is looking for applications that implement practical solutions within the grant term, and result in improved economic self-sufficiency for public or Indian housing residents. HUD seeks holistic solutions that involve the support of the entire community in providing self-sufficiency opportunities for residents. Therefore, HUD encourages you to involve elderly and persons with disabilities in activities that support self-sufficiency, such as child-care, mentoring, or after school care. This philosophy should be reflected in your proposed grant activities for all funding categories within this ROSS competition. Current experience with welfare to work programs has shown that a single approach or program does not always result in residents reaching desired self-sufficiency goals. The ROSS program permits proposed grant activities, which will build on or expand previous self-sufficiency efforts. Within the scope of the ROSS Program, proposed grant activities may be directed toward building on the foundation created by previous ROSS grants or other federal, State and local self-sufficiency efforts. Proposed grant activities may enhance self-sufficiency by providing opportunities for increased earning capacity; use of tools to encourage economic capacity (such as Individual Development Accounts); and action on resident goals to move toward homeownership. A description of each of the funding categories was provided in Section II of this program section. This section describes the eligible applicants and eligible activities of each funding category.

(B) *Definitions*.

*City-Wide Resident Organization* consists of members from Resident Councils, Resident Management Corporations, and Resident Organizations who reside in housing developments that are owned and operated by the same PHA within a city.

*Community Facility* means a non-dwelling structure that provides space for multiple supportive services for the benefit of public or Indian housing residents and others eligible for the services provided. Services that may include but are not limited to:

- (1) Child care;
- (2) After-school activities for youth;
- (3) Job training;
- (4) Twenty/20 Education

Communities (TECs) (formerly Campus of Learners) activities; and

- (5) English as a Second Language (ESL) classes.

*Contract Administrator* means an overall administrator and/or a financial management agent that oversees the financial aspects of a grant and assists in the entire implementation of the grant. A signed Contractor Administrator Partnership Agreement must be included in your application. This agreement may be contingent upon you receiving a grant award and adherence to PHA or tribe/TDHE procurement policies. The contract administrator must assure that the financial management system and procurement procedures fully comply with 24 CFR part 84. Contract Administrators may be: Local Housing Agencies; community-based organizations such as Community Development Corporations (CDCs), churches, temples, synagogues, mosques; non-profits; State/Regional associations and organizations. Troubled PHAs are not eligible to be Contract Administrators.

*Firmly Committed* means that the amount of resources and their dedication to ROSS-funded activities must be explicit, in writing and signed by a person authorized to make the commitment or by a person who certifies the commitment is by an authorized body or person. This written agreement may be contingent upon receiving an award.

*Elderly person* means a person who is at least 62 years of age.

*Jurisdiction-Wide Resident Organization* means an incorporated nonprofit organization or association that meets the following requirements:

- (1) Most of its activities are conducted within the jurisdiction of a single housing agency;
- (2) There are no incorporated Resident Councils or Resident Management Corporations within the jurisdiction of the single housing agency;
- (3) It has experience in providing start-up and capacity-building training to residents and resident organizations; and

(4) Public housing residents representing unincorporated Resident Councils within the jurisdiction of the single housing agency must comprise the majority of the board of directors.

*Tribally Designated Housing Entity (TDHE)* is an entity authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity.

*Indian Tribe* means any tribe, band, nation, or other organized group of a community of Indians, including any Alaska native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self Determination and Education Act of 1975.

*Intermediary Resident Organizations* means Jurisdiction-Wide Resident Organizations, City-Wide Resident Organizations, State-Wide Resident Organizations, Regional Resident Organizations, and National Resident Organizations.

*National Resident Organization (NRO)* means an incorporated nonprofit organization or association for public housing that meets each of the following requirements:

- (1) It is national (i.e., conducts activities or provides services in at least two HUD Areas or two States);
- (2) It has experience in providing start-up and capacity-building training to residents and resident organizations; and
- (3) Public housing residents representing different geographical locations in the country must comprise the majority of the board of directors.

*Person with disabilities* means a person who:

- (1) Has a condition defined as a disability in section 223 of the Social Security Act;
- (2) Has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act; or
- (3) Is determined to have a physical, mental, or emotional impairment which:
  - (a) Is expected to be of long-continued and indefinite duration;
  - (b) Substantially impedes his or her ability to live independently; and
  - (c) Is of such a nature that such ability could be improved by more suitable housing conditions.

The term "person with disabilities" does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising

from the etiologic agent for acquired immunodeficiency syndrome. In addition, no individual shall be considered a person with disabilities, for purposes of eligibility for low-income housing, solely on the basis of any drug or alcohol dependence.

The definition provided above for persons with disabilities is the proper definition for determining program qualifications. However, the definition of a person with disabilities contained in section 504 of the Rehabilitation Act of 1973 and its implementing regulations must be used for purposes of reasonable accommodations.

*Program Coordinator* is a person who is responsible for coordinating various proposed activities to ensure that their accomplishment will assist in achieving the overall grant goals and objectives.

*Project* is the same as "low-income housing project" as defined in section 3(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437 *et seq.*) (1937 Act).

*Resident Association (RA)* means any or all of the forms of resident organizations as they are defined elsewhere in this Definitions section and includes Resident Councils (RC), Resident Management Corporations (RMC), Regional Resident Organizations (RRO), Statewide Resident Organizations (SRO), Jurisdiction-Wide Resident Organizations, and National Resident Organizations (NRO).

*Resident Council (RC)* means (as provided in 24 CFR 964.115) an incorporated or unincorporated nonprofit organization or association that shall consist of persons residing in public housing and must meet each of the following requirements in order to receive official recognition from the PHA/HUD, and be eligible to receive funds for RC activities and stipends for officers for their related costs for volunteer work in public housing. (Although 24 CFR part 964 defines an RC as an incorporated or unincorporated nonprofit organization, HUD requires RC applicants for ROSS grants to be registered with the State at the time of application submission.) The following also applies to resident councils:

- (1) The RC must adopt written procedures such as by-laws, or a constitution, which provides for the election of residents to the governing board by the voting membership of the public housing residents. The elections must be held on a regular basis, but at least once every 3 years. The written procedures must provide for the recall of the resident board by the voting membership. These provisions shall allow for a petition or other expression

of the voting membership's desire for a recall election, and set the percentage of voting membership that must be in agreement in order to hold a recall election. This threshold shall not be less than 10 percent of the voting membership.

(2) The RC must have a democratically elected governing board that is elected by the voting membership. At a minimum, the governing board should consist of five elected board members. The voting membership must consist of heads of households (any age) and other residents at least 18 years of age or older and whose names appear on a lease for the unit in the public housing that the resident council represents.

(3) The RC may represent residents residing in:

- (a) Scattered site buildings in areas of contiguous row houses;
- (b) One or more contiguous buildings;
- (c) A development; or
- (d) A combination of the buildings or developments described above.

*Regional Resident Organization (RRO)* means an incorporated nonprofit organization or association for public housing that meets each of the following requirements:

(1) The RRO is regional (i.e., not limited by HUD Areas);

(2) The RRO has experience in providing start-up and capacity-building training to residents and resident organizations; and

(3) Public housing residents representing different geographical locations in the region must comprise the majority of the board of directors.

*Resident Management Corporation (RMC)* (see 24 CFR 964.7, 964.120) means an entity that consists of residents residing in public housing and must have each of the following characteristics in order to receive official recognition by the PHA and HUD:

(1) The RMC shall be a nonprofit organization that is validly incorporated under the laws of the State in which it is located;

(2) The RMC may be established by more than one RC, so long as each such council:

(a) Approves the establishment of the corporation; and

(b) Has representation on the Board of Directors of the corporation.

(3) The RMC shall have an elected Board of Directors, and elections must be held at least once every 3 years;

(4) The RMC's by-laws shall require the Board of Directors to include resident representatives of each RC involved in establishing the corporation; include qualifications to run for office,

frequency of elections, procedures for recall; and term limits if desired;

(5) The RMC's voting members shall be heads of households (any age) and other residents at least 18 years of age and whose names appear on the lease of a unit in public housing represented by the RMC;

(6) Where an RC already exists for the development, or a portion of the development, the RMC shall be approved by the RC board and a majority of the residents. If there is no RC, a majority of the residents of the public housing development it will represent must approve the establishment of such a corporation for the purposes of managing the project; and

(7) The RMC may serve as both the RMC and the RC, so long as the corporation meets the requirements of 24 CFR part 964 for an RC.

*Resident Organization (RO) for tribal entities* means an incorporated or nonprofit tribal organization or association that meets each of the following criteria:

(1) It shall consist of residents only, and only residents may vote;

(2) If it represents residents in more than one development or in all of the developments of the tribal/TDHE community, it shall fairly represent residents from each development that it represents;

(3) It shall adopt written procedures providing for the election of specific officers on a regular basis; and

(4) It shall have democratically elected a governing board. The voting membership of the board shall consist solely of the residents of the development or developments that the tribal RO represents.

*Secretary* means the Secretary of Housing and Urban Development.

*Site-Based Resident Associations* means Resident Councils and Resident Management Corporations.

*Statewide Resident Organization (SRO)* means a Site-Based incorporated nonprofit organization or association for public housing that meets the following requirements:

(1) The SRO is Statewide;

(2) The SRO has experience in providing start-up and capacity-building training to residents and resident organizations; and

(3) Public housing residents representing different geographical locations in the State must comprise the majority of the Board of Directors.

*Tribal/TDHE Resident Group* means tribal/TDHE resident groups that are democratically elected groups such as IHA-wide resident groups, area-wide resident groups, single development

groups, or resident management corporations (RCMs).

(C) *Resident Management and Business Development (RMBD)*. This funding category makes grants to establish and strengthen organizational capacity for site-based resident organizations that do not have the capacity to administer a welfare to work program or conduct management activities, conduct training or implement business development.

(1) *Eligible applicants*. Site-Based Resident Associations (RAs), tribes/TDHEs, tribes/TDHEs that partner with tribal ROs or tribal RMCs and City-Wide Resident Organizations (CWROs). If you are an RA/RO that is a beneficiary or recipient of proposed grant activities by a CWRO/TDHE, then you cannot also apply under this category. You may only submit one application under this funding category.

(2) *Eligible participants*. Program participants must be residents of conventional public housing or Indian housing programs. You must provide a certification that at least 51 percent of those served by your proposed activities are residents affected by welfare reform.

(3) *Eligible Activities*. Funding is limited to the following activities below:

(a) Training related to resident-owned business, cooperative development, resident property management and technical assistance for job training and placement in housing developments. Proposed grant activities may include but are not limited to: feasibility and market studies; development of business plans; outreach activities; and innovative financing methods including revolving loan funds and the development of credit unions; and legal advice in establishing a resident-managed business entity or cooperative.

(b) Establishing and funding revolving loan funds. Revolving loan funds cannot be used for acquisition, disposition, or physical development;

(c) Training residents, as potential employees of an RMC, in skills directly related to the operation, management, maintenance and financial systems of a development;

(d) Training residents with respect to fair housing requirements; and

(e) Gaining assistance in negotiating management contracts and designing a long-range planning system.

(f) Providing social support needs (such as self-sufficiency and youth initiatives) including:

(g) Feasibility studies to determine training and social services needs;

(h) Training in management-related trade skills, computer skills, and similar skills;

(i) Management-related employment training and counseling including job search assistance, job development assistance, job placement assistance, and follow up assistance;

(j) Supportive services including: child care services; educational services, remedial education, literacy training, ESL instruction, assistance in attaining a GED; vocational training including computer training; health care outreach and referral services; meal services for the elderly or persons with disabilities; personal assistance to maintain hygiene/appearance for the elderly or persons with disabilities; housekeeping assistance for the elderly or persons with disabilities; transportation services; congregate services for the elderly or persons with disabilities; and case management;

(k) Training for programs such as childcare, early childhood development, parent involvement, volunteer services, parenting skills, before and after school programs;

(l) Training programs on health, nutrition, safety and substance abuse. Food costs that are directly attributable to the nutrition and health training are eligible grant expenditures. These are not food costs associated with entertainment.

(m) Workshops for youth services including: child abuse and neglect prevention, tutorial services, youth leadership skills, youth mentoring, peer pressure reversal, life skills, and goal planning. The workshops can be held in partnership with community-based organizations such as local Boys and Girls Clubs, YMCA/YWCA, Boy/Girl Scouts, Campfire, and Big Brother/Big Sisters. Proposed activities may include training in the development of strategies to successfully implement a youth program. For example, assessing the needs and problems of youth, improving youth initiatives that are currently active, and training youth, housing agency staff, resident management corporations and resident councils or resident organizations on youth initiatives and program activities;

(n) Physical improvements to facilities at public or tribal housing developments to provide space for self-sufficiency activities for residents, i.e. to provide cosmetic improvements and repairs to space to conduct community activities; or to expand existing community space for your proposed ROSS activities or modifications for accessibility for persons with disabilities. Renovation, conversion, and repair costs may be essential parts of physical improvements. In addition, architectural, engineering, and related professional services required to prepare

architectural plans or drawings, write-ups, specifications or inspections may also be part of the cost components to implement physical improvements.

Your physical improvements may not exceed 50 percent of the total grant amount and must be directly related to providing space for self-sufficiency activities for residents. Refer to Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; all renovations must meet appropriate accessibility requirements, including Section 504 requirements at 24 CFR part 8, Architectural Barriers Act at 24 CFR part 40, the Americans with Disabilities Act and the Fair Housing Act.

(i) The renovation, conversion, or combination of vacant dwelling units in a PHA or tribal development to create common areas to accommodate the provision of supportive services is an eligible activity for physical improvements.

(ii) The renovation of existing common areas in a PHA or tribal development to accommodate the provision of supportive services.

(iii) The renovation or repair of facilities located near the premises of one or more PHA or tribal developments to accommodate the provision of supportive services.

(iv) If renovation, conversion, or repair is done off-site, the PHA, tribe or owner must provide documentation that it has control of the proposed property for not less than 2 years and preferably for 4 years or more. Control can be evidenced through a lease agreement, ownership documentation, or other appropriate documentation.

(4) *Ineligible Resident Management and Business Development Activities and Costs.*

(a) Entertainment, including associated costs such as food and beverages, except normal per diem for meals related to travel performed in connection with implementing the Work Plan. A travel budget limit of a maximum of \$5,000 is allowed to support travel expenses. These travel expenses must directly pertain to travel related to work plan implementation.

(b) Purchase or rental of land.

(c) Activities not directly related to the welfare-to-work initiatives (e.g., lead-based paint testing and abatement and operating capital for economic development activities).

(d) Purchase of any vehicle (car, van, bus, etc.).

(e) Payment of salaries for routine project operations, such as security and maintenance, or for applicant staff, except that a reasonable amount of grant funds may be used to hire a person to

coordinate the Resident Management and Business Development grant activities or coordinate on-site social services.

(f) Payment of fees for lobbying services.

(g) Any expenditures that are fraudulent, wasteful or otherwise incurred contrary to HUD or OMB directives.

(h) Any cost otherwise eligible under this program section of the SuperNOFA for which funds are being provided from any other source.

(i) Entertainment equipment such as televisions, radios, stereos, and VCRs. An exception to this item may be granted by the HUD Field or DPONAP Office if funding is being utilized specifically for the purposes of establishing a business directly related to radio, television or film or some other form of technical communication, and equipment is being utilized for training of residents, ROs or RAs. All such exceptions must be authorized in writing by the HUD Field or DPONAP Office before purchases may be made.

(j) The cost of application preparation is not eligible.

(5) *Supporting Information.* The following information may be useful in developing proposed grant activities and costs:

(a) *Training.* Training activities may include training on HUD regulations and policies governing the operation of low-income public or Indian housing including contracting/procurement regulations; financial management; job and business development training; capacity building to develop the necessary skills to assume management responsibilities at the project and property management; and training in accessing other funding sources.

(b) *Hiring trainers or other experts.* Resident grantees must ensure that all training is provided by a qualified public housing or management specialist (Consultant/Trainer), HUD Headquarters, Field or DPONAP staff, or the local PHA or tribe /TDHE. A qualified trainer is one who has a high degree of working program knowledge. To ensure the successful implementation of the grant Work Plan activities, you are required to determine the need to contract for outside consulting/training services. You and the PHA or tribe/TDHE must jointly select and approve the consultant/trainer. Your application should make maximum use of your PHA, non-profit, or other Federal, State, or local government resources for technical assistance and training needs. The amount allowed for hiring an individual consultant for this purpose shall not

exceed 30 percent of your total grant amount or \$30,000, whichever is less. The amount available for all consultants and contracts should not exceed 50 percent of your grant amount or \$50,000, whichever is less. HUD Field or DPONAP Offices will monitor this process to ensure compliance with program and OMB requirements, and particularly the requirement for competitive bidding. You must use performance-based contracting, which requires that fees be paid in exchange for goods and services actually delivered. For example, a trainer would be paid for the number of residents that were trained, *i.e.*, performance, regardless of the maximum dollar amount quoted in the contract.

(c) *Stipends.* Trainees and program participants of an RA, RO or CWRO, may receive stipends for participating in or receiving training under Resident Management to cover reasonable costs related to participation in training and other activities in your program, subject to the availability of funds. The stipends should be used for additional costs incurred during the training programs, such as childcare and transportation costs. The cost of stipends may not exceed \$200 per month per trainee without written HUD Field or DPONAP Office authorization.

(d) *Reimbursement of Reasonable Expenses.* Reimbursement of reasonable expenses incurred by Officers and Board members in the performance of their fiduciary duties and/or training related to the performance of their official duties.

(e) *Travel.* Travel directly related to the successful completion of your required Work Plan adhere to the travel policy that sets travel costs at a maximum amount of \$5,000 per RA or RO without special HUD approval.

(f) *Child-Care Expenses.* Childcare expenses for individual staff, board members, or residents in cases where those who need child care are involved in training-related activities associated with your grant activities.

(g) *Costs incurred by a RA or RO in applying for 501(c) tax-exempt status with the Internal Revenue Service.* Please refer to the Internal Revenue Service (IRS) Publication 557, which describes the requirements for section 501(c) tax exempt organizations and list the applicable forms required.

(h) *Administrative costs.* These costs are necessary for the implementation of your grant activities. Administrative costs are not to exceed 20 percent of the grant. Appropriate administrative costs include, but are not limited to, the following reasonable costs or activities:

(i) *Space and equipment.* Maintenance, utility costs, postage, building lease/rental costs, purchase or lease of telephone, computer, printing, copying, and sundry non-dwelling equipment (such as office supplies, software, and furniture). If appropriate, you may also include rental or lease of a car, van, or bus by resident grantees to attend training. You must justify the need for this equipment or space based on services being delivered in relationship to implementing your approved grant activities;

(6) *Grant term.* The grant term for Resident Management and Business Development grants is thirty-six months from the execution date of your grant agreement.

(D) *Capacity Building.*

(1) *Eligible applicants.* (a) Intermediary Resident Organizations (IROs) on behalf of public or Indian housing residents, which include Public Housing Site-Based Resident Councils, Resident Organizations and Resident Management Corporations, may apply for Capacity Building (CB) grants. IROs include National Resident Organizations, Statewide Resident Organizations, Regional Resident Organizations, City-Wide Resident Organizations, and Jurisdiction-Wide Resident Organizations.

(b) Non-profits that operate as associations or networks that administer programs that benefit public or Indian housing resident organizations are also eligible for this funding category.

(2) Eligible activities. Eligible activities for CB grants may include, but are not limited to:

(a) Training for Resident Advisory Board Members and Resident representatives that serve on the PHA Board of Directors, and for resident Board members in community organizing, Board development, and leadership training;

(b) Assessing the feasibility of training existing resident groups for resident management or for a specific resident management project;

(c) Assisting in the creation of an RMC, such as consulting and legal assistance to incorporate, preparing by-laws and drafting a corporate charter;

(d) Developing the management capabilities of existing resident organizations; and

(e) Determining the feasibility of homeownership by residents, including assessing the feasibility of other housing (including HUD-owned or held single or multi-family) affordable for purchase by residents.

(3) *Ineligible Activities.* Ineligible activities are the same as those listed in

Section III(C)(4) of this program section of the SuperNOFA, above.

(a) In addition, physical development activities are not eligible for funding under CB grants.

(b) The cost of application preparation is not eligible.

(4) *Administrative costs* may include, but are not limited to, purchase of furniture, office equipment and supplies, training, quality assurance, travel, and utilities. Administrative costs must not exceed 20 percent of the total grant costs.

(5) *Grant term.* The grant term for Capacity Building grants is thirty-six months from the execution date of the grant agreement.

(E) *Resident Service Delivery Models (RSDM).*

(1) *Eligible Applicants.* (a) Family. This funding category provides grants to PHAs, tribes/TDHEs, resident management corporations, resident councils, resident organizations, and nonprofit entities supported by residents, to enable them to establish and implement comprehensive programs that assist residents in becoming self-sufficient.

(b) *Elderly and Persons with Disabilities.* PHAs, tribes/TDHEs and non-profits supported by a duly elected resident council are the only eligible applicants in providing supportive services for the elderly and persons with disabilities.

(c) IROs with 501(c) status may apply as non-profit entities under this funding category.

(2) *Number of RSDM Applications Permitted.*

(a) *General.* A PHA or tribe/TDHE must submit an application either for a family or an elderly grant. ROs or RCs must submit one application for a family grant; and non-profits may submit one application for a family or elderly grant representing up to three public or Indian housing resident groups.

(b) *Joint applications.* Two or more applicants may join together to submit a joint application for proposed grant activities. Joint applications must designate a lead applicant. All parties in a joint application (lead or non-lead) are considered to be applying for ROSS and are therefore subject to the limit of one ROSS application per applicant, with the exception of those Public Housing Service Coordinator renewal applicants that may also apply in one additional ROSS category. Both lead and non-lead applicants are subject to threshold requirements. Joint applications may include PHAs, RAs, IROs, Tribes/TDHEs, and nonprofit entities on behalf of resident organizations. Joint

applications must also provide evidence of resident support. The maximum funding for joint applications cannot exceed the sum of the individual grants as specified above. Any eligible applicant can serve as a lead applicant.

(3) *Eligible participants.* Program participants must be residents of conventional public or Indian housing. You must provide a certification that at least 51 percent of those served by your proposed activities are residents affected by welfare reform.

(4) *Eligible Activities.* Funds may be used for the activities described below for the family category.

(a) *Program Coordinator.* You are encouraged to include a Program Coordinator for either proposed family or elderly RSDM activities for the entire term of your grant. A Program Coordinator is a person who is responsible for coordinating various proposed activities to ensure that their accomplishment will assist in achieving overall grant goals and objectives.

(b) *Physical improvements.* Physical improvements to provide space for self-sufficiency activities for residents (*i.e.* to provide cosmetic repairs for space to conduct community activities; or to expand existing community space for proposed ROSS activities) or modification for accessibility for persons with disabilities. Renovation, conversion, and repair costs may be essential parts of physical improvements. In addition, architectural, engineering, and related professional services required to prepare architectural plans or drawings, write-ups, specifications or inspections may also be part of the cost components to implement physical improvements. Physical improvements may not exceed 50 percent of the total grant amount and must be directly related to providing space for self-sufficiency activities for residents. Refer to Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments. All renovations must meet appropriate accessibility requirements, including Section 504 requirements at 24 CFR part 8, Architectural Barriers Act at 24 CFR part 40, the Americans with Disabilities Act and the Fair Housing Act. Physical improvements include the following:

(i) The renovation, conversion, or combination of vacant dwelling units in a housing development to create common areas to accommodate the provision of supportive services is an eligible activity for physical improvement;

(ii) The renovation of existing common areas in a housing development to accommodate the

provision of supportive services is an eligible activity for physical improvements;

(iii) The renovation or repair of facilities located near the premises of one or more housing developments to accommodate the provision of supportive services is an eligible activity for physical improvements;

(iv) If renovation, conversion, or repair is done off-site, you must provide documentation that you have control of the proposed property for not less than 2 years and preferably for 4 years or more. Control can be evidenced through a lease agreement, ownership documentation or other appropriate documentation.

(c) *Entrepreneurship training.* Entrepreneurship training includes literacy training, computer skills training, and business development planning.

(d) *Entrepreneurship development.* Entrepreneurship development includes entrepreneurship training curriculum and entrepreneurship courses.

(e) *Micro/Loan fund.* Developing a strategy for establishing a revolving micro/loan fund and/or capitalizing a loan fund, including licensing, bonding, and insurance needed to operate a business. Revolving loan funds cannot be used for acquisition, disposition, or physical development.

(f) *Developing credit unions.* Developing a strategy to establish and/or create on-site credit union(s) to provide financial and economic development initiatives to PHA residents. (RSDM grant funds cannot be used to capitalize a credit union.) The credit union can support the normal financial management needs of the community (*i.e.*, check cashing, savings, consumer loans, micro-businesses money management, home buyer counseling, educational loans, and other revolving loans).

(g) *Individual development accounts.* Activities or programs that encourage residents to contribute to matched savings accounts known as Individual Development Accounts (IDAs). These programs include financial counseling and education activities. (RSDM funds cannot be used as matching funds for the actual savings account).

(h) *Employment training and counseling* (*e.g.*, job training, establishing registered apprenticeship programs, preparation and counseling, job search assistance, job development and placement, and supportive services to support job training and apprenticeship activities).

(i) *Employer linkage and job placement.*

(j) *Enhanced self-sufficiency programs or work initiatives.* These programs will reinforce initial welfare to work programs and will focus on efforts to increase the earning capacity of residents. With a goal of increased resident earning capacity, additional efforts may be undertaken to establish or develop programs through job training, employment training and counseling, employer linkages and job placement, or other welfare to work initiatives. Activities may include but are not limited to assisting eligible residents in: securing better-paying jobs, seeking an improved work environment, preparing for work in a new job category, or obtaining enhanced job-related skills and educational training.

(k) *Family only—supportive services activities.* The provision of services to assist eligible residents to become economically self-sufficient, particularly families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs. Eligible supportive services may include, but are not limited to:

(1) Child care, of a type that provides sufficient hours of operation and serves appropriate ages as needed to facilitate parental access to education and job opportunities;

(2) Computer-based educational opportunities, skills training, and entrepreneurial activities;

(3) Homeownership training and counseling, development of feasibility studies and preparation of homeownership plans/proposals;

(4) Education including but not limited to: remedial education; computer skills training; career counseling; literacy training; assistance in the attainment of certificates of high school equivalency; two-year college tuition assistance; trade school assistance; youth leadership skills and related activities (activities may include peer leadership roles training for youth counselors, peer pressure reversal, life skills, and goal planning). Academic support shall not be limited to TANF recipients;

(5) Youth mentoring of a type that mobilizes a potential pool of role models to serve as mentors to public housing youth. Mentor activities may include after-school tutoring, help with problem resolution issues, illegal drugs avoidance, job counseling, or mental health counseling;

(6) Transportation costs, as necessary to enable any participating family member to receive available services to commute to his or her training or

supportive services activities or place of employment;

(7) Personal well-being (e.g., family/parental development counseling, parenting skills training for adult and teenage parents, self-development counseling, support groups/counseling for victims of domestic violence, and/or families with a mentally ill member, etc.);

(8) Supportive health care services (e.g., outreach and referral services to substance and alcohol abuse treatment and counseling, mental health services, wellness programs). Food costs that are directly attributable to the actual nutrition and health training are eligible grant expenditure. These are not food costs associated with entertainment;

(9) Contracting for case management services or employment of case managers, which must ensure confidentiality about resident's disabilities;

(l) *Administrative costs.*

Administrative costs may include, but are not limited to, purchase of furniture, office equipment and supplies, quality assurance, travel, and utilities. Administrative costs must not exceed 20 percent of the total grant costs;

(m) *Stipends.* No more than \$200 per participant per month of the grant award may be used for stipends for active trainees and program participants to cover the reasonable costs related to participation in training and other activities.

(5) *Elderly and persons with disabilities—eligible activities.* Supportive services activities for elderly and persons with disabilities activities may include, but are not limited to:

(a) A Program Coordinator (See Section III (E) (4) (a) for a description);

(b) Meal service adequate to meet nutritional need;

(c) Assistance with daily activities;

(d) Housekeeping aid;

(e) Transportation services;

(f) Health and nutrition programs, preventive health education, referral to community resources;

(g) Personal emergency response;

(h) Congregate services—includes supportive services that are provided in a congregate setting at a conventional public housing development;

(i) Case management;

(6) *Administrative costs.*

Administrative costs, which may include, but are not limited to, purchase of furniture, office equipment and supplies, training, quality assurance, travel, and utilities. Administrative costs must not exceed 20 percent of the total grant costs.

(7) *Ineligible Activities.* Activities for which costs are ineligible for funding

under the RSDM funding category include:

(a) Elderly Service Coordinator salary funding;

(b) Payment of wages and/or salaries to participants receiving supportive services and/or training programs, except that grant funds under family RSDM may be used to hire a resident(s) as a Program Coordinator or to provide training program activities;

(c) Purchase or rental of land;

(d) New construction, materials, costs;

(e) Purchase of vehicles; and

(f) Cost of application preparation is not eligible.

(8) *Grant term.* The grant term for Resident Service Delivery Models grants is thirty-six months from the execution date of the grant agreement.

(F) *Homeownership Supportive Services (HSS).* This funding category makes grants to PHAs for homeownership counseling and other supportive services for public housing residents who have participated in self-sufficiency programs. HSS activities including housing counseling are a missing link for working public housing residents to secure homeownership. HSS will build on the foundation of previous self-sufficiency activities to enhance the economic benefit for residents. Through these self-sufficiency programs the improved earning capacity of residents can be recognized as a foundation for homeownership. These grants will provide public housing residents with critical preparation for moving from renting to homeownership. In addition, HSS grants will create a pool of residents adequately prepared to pursue homeownership through the housing choice voucher program or other local homeownership programs. Therefore, HSS supports the existing section 8 homeownership program activities.

(1) *Eligible Applicants.* This funding category provides grants to PHAs for homeownership supportive services for public housing residents that were recipients of previously awarded ROSS grants and participates in the public housing Family Self Sufficiency Program funded from the operating fund. Tribes/TDHEs are not eligible applicants for HSS.

(2) *Eligible participants and requirements.* Program participants must meet all of the following conditions:

(a) This funding category is targeted to the population of public housing residents that were recipients/beneficiaries of previously awarded ROSS grants between FY 1999 and FY 2000, and participates in the public housing Family Self Sufficiency

Program funded from the operating fund.

(b) Program participants must be residents of conventional public housing. As the applicant you must provide a statement that all of those served are residents affected by welfare reform. This includes those residents who are currently eligible, currently receiving, or have received within the preceding five years, assistance or services funded under TANF, SSI, or food stamp program.

(c) Where the number of targeted residents is not sufficient, the PHA may request a waiver to include conventional public housing residents, who participated in State and/or local self sufficiency programs in order to address homeownership needs in the local area.

(d) ROSS families or PH FSS residents to be targeted for proposed grant activities must meet the following eligibility requirements: Demonstrate an increase over a base year in earned income of at least 35 percent; achieve a level of income within the acceptable range for the local minimum income for home purchases in the local area; and currently reside in public housing.

(e) PHAs must have a Section 8 Homeownership program as stated in 24 CFR 982.625 *et seq.* (65 FR 55163). Those PHAs that have not elected to provide assistance under the voucher homeownership option (see final rule published September 12, 2000, 65 FR 55134), will be required to make such option available to eligible applicants who receive a voucher.

(f) In applying for HSS, applicants will be required to offer a minimum of 10 housing choice vouchers per year for eligible residents described above.

(3) *Eligible Activities.* Under this funding category, PHAs will design and develop homeownership supportive services for public housing residents. These supportive services shall comprehensively address the needs identified by the PHA for public housing families to obtain homeownership.

(a) Eligible activities shall include but not be limited to: Pre-purchase homeownership counseling and training; which may include training on such subjects as credit and financial management; credit repair; housing search; how to finance purchase of a home; fair housing; Individual Development Accounts, Real Estate Settlement Procedures Act (RESPA); and home maintenance.

(b) *Program Coordinator.* You are encouraged to include a Program Coordinator for activities for the entire term of your grant. A Program

Coordinator is a person who is responsible for coordinating various proposed activities to ensure that their accomplishment will assist in achieving overall grant goals and objectives.

(c) *Physical improvements.* Physical improvements to facilities at public or tribal housing developments to provide space for self-sufficiency activities for residents, i.e. to provide cosmetic improvements and repairs to space to conduct community activities; or to expand existing community space for your proposed ROSS activities or modifications for accessibility for persons with disabilities. Renovation, conversion, and repair costs may be essential parts of physical improvements. In addition, architectural, engineering, and related professional services required to prepare architectural plans or drawings, write-ups, specifications or inspections may also be part of the cost components to implement physical improvements. Your physical improvements may not exceed 50 percent of the total grant amount and must be directly related to providing space for self-sufficiency activities for residents. Refer to Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; All renovations must meet appropriate accessibility requirements, including Section 504 requirements at 24 CFR part 8, Architectural Barriers Act at 24 CFR part 40, the Americans with Disabilities Act and the Fair Housing Act.

(i) The renovation, conversion, or combination of vacant dwelling units in a PHA or tribal development to create common areas to accommodate the provision of supportive services is an eligible activity for physical improvements.

(ii) The renovation of existing common areas in a PHA or tribal development to accommodate the provision of supportive services.

(iii) The renovation or repair of facilities located near the premises of one or more PHA or tribal developments to accommodate the provision of supportive services.

(iv) If renovation, conversion, or repair is done off-site, the PHA, tribe or owner must provide documentation that it has control of the proposed property for not less than 2 years and preferably for 4 years or more. Control can be evidenced through a lease agreement, ownership documentation, or other appropriate documentation.

(d) PHAs are strongly encouraged to partner with HUD-approved housing counseling agencies, or other agencies that provide housing counseling services.

(e) *Administrative Costs.* These costs are necessary for the implementation of your grant activities. Administrative costs are not to exceed 10 percent of the grant. Appropriate administrative costs include, but are not limited to, the following reasonable costs or activities:

(f) *Space and equipment.* Maintenance, utility costs, postage, building lease/rental costs, purchase or lease of telephone, computer, printing, copying, and sundry non-dwelling equipment (such as office supplies, software, and furniture). You must justify the need for this equipment or space based on services being delivered in relationship to implementing your approved grant activities.

(4) *Grant Term.* The grant term for Homeownership supportive services grants is thirty-six months from the execution date of your grant agreement.

(G) *Neighborhood Networks.* This funding category provides grants to PHAs to establish and/or operate Neighborhood Networks Centers that use computer technology and telecommunications or to update and expand existing computer centers. These computer centers will function as self-sustaining Neighborhood Networks Centers that: Increase the use of computer technology; reduce welfare dependency; promote economic self sufficiency; improve human development; provide opportunities for job training and development; expand educational opportunities for residents; develop access to health and nutrition information; and empower the clients they serve. All awardees will be required to complete the NN Business Plan and receive designation as a NN center within the grant term as part of proposed grant activities.

(1) *Eligible Applicants.* This funding category provides grants to PHAs. Tribes/TDHEs are not eligible applicants for NN under this funding category.

(2) *Eligible Activities.* Under this funding category, funds may be used for the following activities for either new NN or to update and expand existing computer centers to become NN:

(a) *Program Coordinator.* You are encouraged to include a Program Coordinator for NN activities for the entire term of your grant. A Program Coordinator is a person who is responsible for coordinating various proposed activities to ensure that their accomplishment will assist in achieving overall grant goals and objectives.

(b) *Physical improvements.* Physical improvements must directly relate to providing space for Neighborhood Networks Center activities for residents, including modifications for accessibility for persons with disabilities.

Renovation, conversion, and repair costs may be essential parts of physical improvements. In addition, architectural, engineering, and related professional services required to prepare architectural plans or drawings, write-ups, specifications or inspections may also be part of the cost components to implement physical improvements. Your physical improvements may not exceed 20 percent of the total grant amount and must be directly related to providing space for self-sufficiency activities for residents. Refer to Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; All renovations must meet appropriate accessibility requirements, including Section 504 requirements at 24 CFR part 8, Architectural Barriers Act at 24 CFR part 40, the Americans with Disabilities Act and the Fair Housing Act.

(i) The renovation, conversion, or combination of vacant dwelling units in a PHA or tribal development to create common areas to accommodate the provision of a NN and supportive services is an eligible activity for physical improvements.

(ii) The renovation of existing common areas in a PHA development to accommodate the provision of a NN and supportive services.

(iii) The renovation or repair of facilities located near the premises of one or more PHA or tribal developments to accommodate the provision of supportive services.

(iv) If renovation, conversion, or repair is done off-site, the PHA, tribe or owner must provide documentation that it has control of the proposed property for not less than 2 years and preferably for 4 years or more. Control can be evidenced through a lease agreement, ownership documentation, or other appropriate documentation.

(3) *Maintenance and insurance costs.* Include installing, training, and maintaining the hardware and software as well as insurance coverage for the space and equipment. Costs of computer hardware and software necessary to accommodate the needs of persons with disabilities are an eligible cost for this funding category.

(4) *Online computer center coordinator.* Costs for implementing the Neighborhood Networks Center and coordinating with social and supportive services staff.

(5) *Security and related costs.* Includes space and minor refitting, locks, and oversight.

(6) *Resident development and training courses.* These courses may be on disk, through the Web, and/or presented live.

(7) *Distance Learning Equipment.* Distance learning equipment, including the costs for video casting and purchase/lease/rental of distance learning equipment.

(8) *Administrative Costs.* Administrative costs may include, but are not limited to, purchase of furniture, office equipment and supplies, training, quality assurance, travel, and utilities. Administrative costs must not exceed 20 percent of the total grant costs.

(9) *Grant Term.* The grant term for Neighborhood Networks grants is thirty-six months from the execution date of the grant agreement.

(H) *Service Coordinators for Elderly and Persons with Disabilities.*

(1) *Eligible Applicants.* This funding category provides grants to PHAs with developments designated for the elderly and persons with disabilities, which were initially awarded in FY 1995. Tribes/TDHEs are not eligible for public housing service coordinator renewal grants.

(2) *Joint Applications.* Two or more PHAs may join together to share a service coordinator and to submit joint applications. Joint applicants must designate a lead applicant. All joint applicants must be existing service coordinator grantees.

(3) *Eligible Developments.* To be eligible, a development must have elderly residents and/or non-elderly residents with disabilities who together total at least 25 percent of the building's residents.

(4) *Eligible Activities.* Under this funding category, funds may be used for the following activities:

(a) *Service Coordinator.* To pay for the salary, fringe benefits, and related administrative costs for employing a service coordinator. A service coordinator is a social service staff person hired or contracted by the PHA. The coordinator is responsible for assuring that elderly residents, especially those who are frail or at risk, and those non-elderly residents with disabilities are linked to the supportive services they need to continue living independently in that development. The service coordinator, however, may not require any elderly person or person with disabilities to accept the supportive services. For the purposes of this program, a service coordinator is any person who is responsible for one or more of the following functions:

(i) Working with community service providers to coordinate the provision of services and to tailor the services to the needs and characteristics of eligible residents;

(ii) Establishing a system to monitor and evaluate the delivery, impact,

effectiveness and outcomes of supportive services under this program;

(iii) Coordinating this program with other independent living or self-sufficiency, education and employment programs;

(iv) Performing other duties and functions to assist residents to remain independent, and to prevent unnecessary institutionalization; and

(v) Mobilizing other national and local public/private resources and partnerships.

(b) *Administrative Costs.*

Administrative costs may include, but are not limited to, purchase of furniture, office equipment and supplies, training, quality assurance, travel, and utilities. Administrative costs must not exceed 20 percent of the total grant costs.

(5) *Ineligible Activities/Costs.* (a) Applicants may not use these monies to replace current funding from other sources for a Service Coordinator or for some other staff person who performs service coordinator functions; and

(b) The cost of application preparation is not eligible.

(6) *Grant Term.* The grant term for Elderly or Persons with Disabilities Service Coordinator grants is 12 months.

#### IV. Program Requirements

The requirements of this section are applicable to all applicants, and grantees under this announcement of funding availability.

(A) *Compliance with Fair Housing and Civil Rights Laws.* Your application must meet all the applicable threshold requirements found in Section II (B) of the General Section of the SuperNOFA, as well as the following requirements.

(B) *Affirmatively Furthering Fair Housing.* You must adhere to the requirements as provided in Section II(D) of the General Section of the SuperNOFA.

(C) *Conducting Business In Accordance With Core Values and Ethical Standards.* All applicants shall develop and maintain a written code of conduct that reflects Core Values. See Section II(B)(2) of the General Section of the SuperNOFA for requirements.

(D) *Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Women-Owned Businesses.* The Department of Housing and Urban Development (HUD) is committed to ensuring that small businesses, small disadvantaged businesses and women-owned businesses participate fully in HUD's direct contracting and in contracting opportunities generated by HUD grant funds. See Section II (F) of the General Section of the SuperNOFA for requirements.

(E) *Economic Opportunities for Low and Very Low Income Persons (Section 3).* You must adhere to the requirements as provided in Section II (E) of the General Section of the SuperNOFA.

(F) *Certifications and Assurances.* You must comply with the certifications and assurances contained in Section II (G) of the General Section of the SuperNOFA.

(G) *Applicant Internet Access.* Prior to the initial draw down, all grantees must have secured online access to the Internet as a means to communicate with HUD on grant matters. Tribes/TDHEs awardees may submit a waiver request to the Office of Native American Programs for this requirement if Internet access cannot be obtained.

(H) *ROSS Evaluation and Assessment.* All applicants selected for award must be willing to participate in the evaluation and assessment that HUD intends to conduct for the ROSS Program. At grant award HUD will provide additional information on the evaluation and assessment for applicants who receive awards.

(I) *ROSS Performance Measures.* All applicants selected for award must use ROSS Performance Measures in grant reporting for all awards. A comprehensive list of Performance Measures is provided in Appendix A to this NOFA. At grant award HUD will provide additional information on the Performance Measures for applicants who receive awards.

#### V. Application Selection Process

(A) *Application Selection Process for Resident Management and Business Development.* Applicants for Resident Management and Business Development grants are required to address application submission requirements, but are not required to address selection factors. Eligibility will be determined by applications that meet the threshold requirements of Section VI of this program section of the SuperNOFA. HUD will accept for funding a maximum of the first five eligible applications from each of the ten federal regions and DPONAP on a first-come, first-serve basis for this SuperNOFA. Any funds remaining after making awards to the first five eligible applications from each region and DPONAP will be awarded to the next eligible application from each region, then the next, and so forth until funds are exhausted. If sufficient funds are not available in any round to fund an eligible application from each region and DPONAP, the eligible applications will then be funded in the order in which they were received regardless of region. Where physical development

activities are proposed, HUD will perform an environmental review, to the extent required by 24 CFR part 50, prior to award. The results of the environmental review may require that proposed activities be modified or proposed sites rejected. If all funds are not awarded in this funding category, available funds may be transferable to the RSDM funding category in this ROSS competition.

(B) *Application Selection Process for Capacity Building.* Applicants for Capacity Building grants are required to address application submission requirements but are not required to address selection factors. Eligibility will be determined by applications that meet the threshold requirements of Section VI of this program section of the SuperNOFA. HUD will accept for funding the first two eligible applications from each of the ten federal regions and DPONAP on a first-come, first-served basis for this SuperNOFA. Any funds remaining after making awards to the first two eligible applications from each region and DPONAP will be awarded to the next eligible application from each region and DPONAP, then the next, and so forth until funds are exhausted. If sufficient funds are not available in any round to fund an eligible application from each region and DPONAP, the eligible applications will then be funded in the order in which they were received regardless of region and DPONAP. If all funds are not awarded in this funding category, available funds may be transferable to the RSDM funding category in this ROSS competition.

(C) *Application Selection Process for Resident Service Delivery Models.*

(1) Three types of reviews will be conducted: a screening to determine if your application submission is complete and on time; a threshold review to determine applicant eligibility; and a technical review to rate your application based on the five rating factors provided in this section. A minimum score of 70 is required to be considered for funding. If you are not the PHA or Tribe/TDHE, where physical development activities are proposed, HUD will perform an environmental review, to the extent required by 24 CFR part 50, prior to award. The results of the environmental review may require that proposed activities be modified or proposed sites rejected.

(2) The selection process is designed to achieve geographic diversity of grant awards throughout the country. HUD will first select the highest ranked application from each of the ten federal regions and DPONAP for funding. After

this "round," HUD will select the second highest ranked application in each of the ten federal regions and DPONAP for funding (the second round). HUD will continue this process with the third, fourth, and so on, highest ranked applications in each federal region and DPONAP until the last complete round is selected for funding. If available funds exist to fund some but not all eligible applications in the next round, HUD will make awards to those remaining applications in rank order regardless of region and DPONAP and will fully fund as many as possible with remaining funds. Additional funding rounds to utilized transferred funding will be awarded utilizing the process described above.

(3) *Factors for Award Used to Evaluate and Rate RSDM Applications.* The factors for rating and ranking applicants and maximum points for each factor are provided below. The maximum number of points available for this program is 102. This includes two RC/EZ/EC bonus points, as described in the General Section of the SuperNOFA. The application kit contains a certification that must be completed for the applicant to be considered for RC/EZ/EC bonus points and a listing of federally designated RCs, EZs and ECs. In addition, a list of RCs, EZs, and ECs is attached to the General Section of the SuperNOFA as Appendix A-2 and is also available from the SuperNOFA Information Center, and the HUD web site, [www.hud.gov](http://www.hud.gov). A RSDM application must receive a total of 70 points out of 100 to be eligible for funding.

**Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)**

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. In rating this factor HUD will consider the extent to which the proposal demonstrates:

(1) *Proposed Program Staffing.* (7 Points)

(a) *Experience.* (4 Points) The knowledge and experience of your proposed project director and staff, including the day-to-day program manager, sub-recipients and partners in planning and managing programs for which funding is being requested. Your experience will be judged in terms of recent, relevant and successful experience to undertake eligible program activities.

(b) *Sufficiency.* (3 Points) You and your sub-recipients and partners have sufficient personnel or will be able to

quickly access qualified experts or professionals, to deliver the proposed activities in each proposed service area in a timely and effective fashion, including your readiness and ability to immediately begin the proposed work program. To demonstrate sufficiency, you must submit the proposed number of staff years to be allocated to your program by employees and experts, the titles and relevant professional background and experience of each employee and expert proposed to be assigned to your program, and the roles to be performed by each identified employee and expert.

(2) *Program Administration and Fiscal Management.* (7 Points)

(a) *Program Administration.* (4 Points)

The soundness of the proposed management of your proposed RSDM program. To receive a high score, you must provide a comprehensive description of your project management structure. Your narrative must provide a description of how any co-applicants, sub-grantees, and other partner agencies relate to the program administrator as well as the lines of authority and accountability among all components of your proposed program.

(b) *Fiscal Management.* (3 Points) The soundness of your proposed fiscal management. To receive a high score you must provide a comprehensive description of the fiscal management structure, including, but not limited to, budgeting, fiscal controls, and accounting. The application must identify the staff responsible for fiscal management, and the processes and timetable for implementation during the proposed grant period.

(3) *Applicant/Administrator Track Record.* (6 Points) To receive a high score, you must demonstrate your (or your proposed Administrator's) program compliance and successful implementation of any resident self-sufficiency, enhanced self-sufficiency program, welfare-to-work initiative, or economic independence oriented grants (including those listed below) awarded to you or overseen by your Administrator. If you or your Administrator has no prior experience in operating programs that foster resident self-sufficiency, enhanced self-sufficiency program, welfare-to-work initiative, or economic independence you will receive a score of 0 on this factor. Your past experience may include, but is not limited to, administering the following grants: Family Investment Center Program; Youth Development Initiative under Family Investment Center Program; Youth Apprenticeship Program; Apprenticeship Demonstration in the

Construction Trades Program; Urban Youth Corps Program; HOPE I Program; Public Housing Service Coordinator Program; Public Housing Drug Elimination Program; Tenant Opportunities Program; Economic Development and Supportive Services; Indian Housing Drug Elimination Program; and Youth Sports Program.

**Rating Factor 2: Need/Extent of the Problem (20 Points)**

This factor addresses the extent to which there is a need for funding your proposed program activities to address a documented problem in the target area. You will be evaluated on the extent to which they document a critical level of need in the development or your proposed activities in the area where activities will be carried out. In responding to this factor, you will be evaluated on:

(1) *A Needs Assessment Document.* (18 Points) HUD will award up to 18 points based on the quality and comprehensiveness of the needs assessment document.

(a) To obtain maximum points for Family RSDM applications, this document must contain statistical data, which provides:

(i) A thorough socioeconomic profile of the eligible residents to be served by your program, in relationship to PHA-wide and national public and assisted housing data on residents who are on TANF, SSI benefits, or other fixed income arrangements; in job training, entrepreneurship, or community service programs; and employed;

(ii) Specific information on training, contracting, and employment through the PHA or tribe/TDHE;

(iii) An assessment of the current service delivery system as it relates to the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use. For enhanced self-sufficiency programs, you must describe specific baseline elements upon which goals will be measured;

(iv) A description of the goals, objectives, and program strategies that will result in the successful transition of residents from welfare-to-work increased earning capacity or sustained work; and

(v) For enhanced self-sufficiency programs, you must describe how your proposed grant activities will contribute to the economic stability of the affected area.

(b) In order to obtain maximum points for Elderly and Persons with Disabilities RSDM applications, the needs

assessment document should contain statistical data that provide:

(i) The numbers of residents needing assistance for activities of daily living;

(ii) An assessment of the current service delivery system as it relates to the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use;

(iii) A description of the goals, objectives, and program strategies that will result in increased independence for proposed program participants;

(2) *Level of Priority in Consolidated Plan or Indian Housing Plan.* (2 Points) Documentation of the level of priority the locality's, or in the case of small cities, the State's, Consolidated Plan, or Indian Housing Plan has placed on addressing the needs. You may also address needs in terms of fulfilling the requirements of court actions or other legal decisions or which expand upon the Analysis of Impediments to Fair Housing Choice (AI) to further fair housing. If you address needs that are in your community's Consolidated Plan, AI, or a court decision, or identify and substantiate needs in addition to those in the AI, you will receive a greater number of points than applicants who do not relate their proposed program to the approved Consolidated Plan or AI or court action. There must be a clear relationship between your proposed activities, community needs and the purpose of the program funding for you to receive points for this factor.

**Rating Factor 3: Soundness of Approach (40 Points)**

This factor addresses the quality and cost-effectiveness of your proposed work plan. In rating this factor HUD will consider: the viability and comprehensiveness of your strategies to address the needs of residents; budget appropriateness/efficient use of grant; the speed at which you can realistically accomplish the goals of the proposed RSDM program; the soundness of your plan to evaluate the success of your proposed RSDM program at completion and during program implementation; and resident and other partnerships; and policy priorities.

(1) *Viability and comprehensiveness of the strategies to address the needs of residents* (21 Points). The score under this subfactor will be based on the viability and comprehensiveness of your strategies to address the needs of residents:

(a) *Services.* (18 Points for Family RSDM applicants and 21 Points for Elderly and Persons with Disabilities RSDM applicants). More points are awarded in the Elderly and Persons

with Disabilities RSDM applications to balance other sections of the rating criteria where points are not applicable to an Elderly and Persons with Disabilities RSDM applicant) The score under this subfactor will be based on the following:

(i) For Family RSDM applications, the extent to which your plan provides services that specifically address the successful transition from welfare to work of non-elderly families. To receive a high score, your plan must include case management/counseling, job training/development/placement (and/or business training/development/startup), childcare, and transportation services. If you are not proposing to use RSDM funding for these activities, you must show that you will provide these services with other funds or through specific commitments from partners.

(ii) In order to receive maximum points, the goals and objectives of your proposed plan must represent significant achievements related to welfare-to-work, enhanced self-sufficiency programs or other initiatives which build on previous welfare-to-work programs, and other self-sufficiency/independence goals. Specifically for those residents affected by welfare reform, we are interested in achievements that are performance outcomes such as the number of residents employed or businesses started, in addition to process descriptions, such as the number of residents receiving training. Similarly, for those residents involved in enhanced self-sufficiency programs, we are interested in achievements related to performance measures such as sustained work and increased earning capacity.

(iii) For Elderly and/or Persons with Disabilities RSDM applications, services in your plan should include case management, health care, congregate services and transportation. To obtain maximum points, you must describe the goals, objectives, and program strategies that will result in increased independence for proposed program participants; your services must be located in a community facility; and must be available on a 12-hour basis or as needed by the eligible residents.

(b) *Resident Contracting and Employment.* (3 Points for Family RSDM applicants) The score in this factor will be based on the extent to which residents will achieve self-sufficiency or increased earning capacity through your contracts with resident-owned businesses and through resident employment. A high score will be awarded where there is documentation (a letter or resolution from your governing body) describing

your commitment to hire or contract with at least 15 percent of residents and a narrative describing the number of resident jobs or contracts involved, as well as the training processes related to the comprehensive plan of your application. Elderly and Persons with Disabilities RSDM applications will not be scored on the criterion in this subcategory.

(2) *Budget Appropriateness/Efficient Use of Grant.* (5 Points for Family RSDM and Elderly and Persons with Disabilities RSDM) The score in this factor will be based on the following:

(a) *Detailed Budget Breakout.* The extent to which your application includes a detailed budget breakout for each budget category in the SF-424A.

(b) *Reasonable Administrative Costs.* The extent to which your application includes administrative costs at or below the 20 percent administrative cost ceiling.

(c) *Budget Efficiency.* The extent to which your application requests funds commensurate with the level of effort necessary to accomplish your goals and anticipated results.

(3) *Reasonableness of the Timetable.* (2 Points for Family RSDM applicants and 4 Points for Elderly and Persons with Disabilities RSDM applicants. More points are awarded in Elderly and Persons with Disabilities RSDM applications in order to balance other sections of the rating criteria where points are not applicable to an Elderly and Persons with Disabilities RSDM applicant)

The score in this factor will be based on a reasonable response that you can accomplish the goals of your proposed RSDM program. To receive a high score, you must demonstrate that it will make substantial program implementation progress within the first six months after grant execution, including putting staff in place, finalizing partnership arrangements, completing the development of requests for proposals, and achieving other milestones that are prerequisites for implementation of the program. In addition, you must demonstrate that your proposed timetable for all components of the proposed program is feasible considering the size of your award and activities and results that can be accomplished within the 36-month time limit.

(4) *Program Assessment.* (3 Points for Family RSDM and Elderly and Persons with Disabilities RSDM) The score in this factor will be based on the soundness of your plan to evaluate the success of your proposed RSDM program both at the completion of your program and during program

implementation. At a minimum, you must track the goals and objectives of your proposed work plan program, which must include, if applicable, a plan for monitoring your Contract Administrator's performance. Your application should track specific measurable achievements for the use of program funds, such as number of residents employed, salary scales of jobs obtained, persons removed from welfare roles 12 months or longer, number of elderly or persons with disabilities residents receiving supportive services, increased earnings based on grant activities, and number of persons receiving certificates for successful completion of training in careers such as computer technology.

(5) *Resident and Other Partnerships* (9 Points for Family RSDM applicants and 7 Points for Elderly and Persons with Disabilities RSDM applicants)

(a) *Resident Involvement in RSDM Activities* (3 Points for Family RSDM applicants and 4 Points for Elderly and Persons with Disabilities RSDM applicants. More points are awarded in Elderly and Persons with Disabilities RSDM applications in order to balance other sections of the rating criteria where points are not applicable to an Elderly and Persons with Disabilities RSDM applicant): The score in this factor will be based on the extent of resident involvement in developing your proposed RSDM program as well as the extent of proposed resident involvement in implementing your proposed RSDM program. To receive a high score on this factor, you must describe the involvement of residents in the planning phase for this program, and a commitment to provide continued involvement in grant implementation. For applicants to receive the maximum number of points, a work plan must be included.

(b) *Other Partnerships.* (3 Points) The score in this factor will be based on the successful integration of partners into implementation of the proposed RSDM program. To receive a high score, you must provide a signed Memorandum of Understanding (MOU) or other equivalent signed documentation that delineates the roles and responsibilities of each of the parties in your program and the benefits they will receive. In assessing this subfactor, HUD will examine a number of aspects of the proposed partnership, including:

(i) The division of responsibilities or management structure of your proposed partnership relative to the expertise and resources of your partners;

(ii) The extent to which the partnership as a whole addresses the unmet resident needs; and

(iii) The extent to which the addition of the partners provides the ability to meet needs that the applicant could not meet without the partner(s).

(c) *Overall Relationship/Coordination.* (3 Points for Family RSDM only) For Family RSDM applicants, the score in this factor will be based on the extent of coordination between your proposed RSDM program and any existing or proposed programs within your jurisdiction. To receive a high score, you must contain an MOU that describes collaboration between the applicant and residents on all of the specific components related to the work plan of the proposed RSDM program. To receive points, at a minimum, you must have a narrative description of this collaboration. Elderly and Persons with Disabilities RSDM applications will not be scored on this criterion.

#### **Rating Factor 4: Leveraging Resources (10 Points)**

This factor addresses your ability to secure community resources (note: financing is a community resource) that can be combined with HUD's program resources to achieve program purposes. You must have at least a 25 percent cash or in-kind match to receive points under this rating factor. Leveraging in excess of the 25 percent of the grant amount will receive a higher point value. In evaluating this factor HUD will consider the extent to which you have partnered with other entities to secure additional resources to increase the effectiveness of your proposed program activities. The budget, the work plan, and commitments for additional resources and services, other than the grant, must show that these resources are firmly committed, will support the proposed grant activities and will, in combined amount (including in-kind contributions of personnel, space and/or equipment, and monetary contributions) equal at least 25 percent of the RSDM grant amount proposed in this application. "Firmly committed" means there must be a written agreement with the provider of resources, signed by an official legally able to make commitments on behalf of the organization. The signed, written agreement may be contingent upon you receiving a grant award. Other resources and services may include: the value of in-kind services, contributions or administrative costs provided to the applicant; funds from Federal sources (not including RSDM funds); funds from any State or local government sources; and funds from private contributions. You may also partner with other program funding recipients to

coordinate the use of resources in your target area.

You must provide evidence of leveraging/partnerships by including in the application letters of firm commitments, Memoranda of Understanding, or agreements to participate from those entities identified as partners in the application. To be firmly committed there must be a written agreement with the provider of resources signed by an official legally able to make commitments on behalf of the organization. This agreement may be contingent upon you receiving a grant award. Each letter of commitment, Memorandum of Understanding, or agreement to participate should include the organization's name, proposed level of commitment and responsibilities as they relate to the proposed program.

**Rating Factor 5: Coordination, Self-Sufficiency and Sustainability (10 Points)**

This factor addresses the extent to which your program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor HUD will consider the extent to which your application addresses:

(1) *Coordination with the Consolidated Plan or Indian Housing Plan.* (2 Points for Family RSDM applicants and 6 points for Elderly and Persons with Disabilities RSDM applicants. More points are awarded for Elderly and Persons with Disabilities RSDM applications in order to balance other sections of the rating criteria where points are not applicable to an Elderly and Persons with Disabilities RSDM applicant.) Demonstrates the applicant has reviewed the community's Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice, and has proposed activities that address the priorities, needs, goals or objectives in those documents; or substantially furthers fair housing choice in the community.

(2) *For Family RSDM Applications, Coordination with the State and/or Local Welfare Plan* (4 Points): Provides evidence that your proposed RSDM program has been coordinated with and supports the PHA's efforts to increase resident self-sufficiency or increase resident earning capacity and is coordinated and consistent with the State, or local Welfare Plan.

(3) *Coordination with Other Activities* (4 Points) Demonstrates that in carrying out your program activities, you will

develop linkages with: other HUD-funded program activities proposed or on-going in the community; or other State, Federal or locally funded activities proposed or on-going in the community which, taken as a whole, support and sustain a comprehensive system to address the needs.

(D) *Application Selection Process for Homeownership Supportive Services.*

(1) Three types of reviews will be conducted: a screening to determine if your application submission is complete and on time; a threshold review to determine applicant eligibility; and a technical review to rate your application based on the five rating factors provided in this section.

The selection process is designed to achieve geographic diversity of grant awards throughout the country. HUD will first select the highest ranked application from each of the ten federal regions for funding. After this "round," HUD will select the second highest ranked application in each of the ten federal regions for funding (the second round). HUD will continue this process with the third, fourth, and so on, highest ranked applications in each federal region until the last complete round is selected for funding. If available funds exist to fund some but not all eligible applications in the next round, HUD will make awards to those remaining applications in rank order regardless of region and will fully fund as many as possible with remaining funds. If all funds are not awarded in RMBD, CB, HSS, SC funding categories, funds will be transferred to RSDM funding categories in this competition.

(2) *Factors for Award Used to Evaluate and Rate HSS Applications.* The factors for rating and ranking applicants and maximum points for each factor are provided below. The maximum number of points available for this program is 1024. This includes two RC/EZ/EC bonus points, as described in the General Section of the SuperNOFA. The application kit contains a certification that must be completed for the applicant to be considered for RC/EZ/EC bonus points and a listing of federally designated RCs, EZs and ECs. In addition, a list of RCs, EZs, and ECs is attached to the General Section of the SuperNOFA as Appendix A-2 and is also available from the SuperNOFA Information Center, and the HUD web site, [www.hud.gov](http://www.hud.gov). A HSS application must receive a total of 70 points out of 100 to be eligible for funding.

**Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)**

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. In rating this factor HUD will consider the extent to which the proposal demonstrates:

(1) *Proposed Program Staffing.* (7 Points)

(a) *Experience.* (4 Points) The knowledge and experience of your proposed project director and staff, including the day-to-day program manager, sub-recipients and partners in planning and managing programs for which funding is being requested. Your experience will be judged in terms of recent, relevant and successful experience to undertake eligible program activities.

(b) *Sufficiency.* (3 Points) You and your sub-recipients and partners have sufficient personnel or will be able to quickly access qualified experts or professionals, to deliver the proposed activities in each proposed service area in a timely and effective fashion, including your readiness and ability to immediately begin the proposed work program. To demonstrate sufficiency, you must submit the proposed number of staff years to be allocated to your program by employees and experts, the titles and relevant professional background and experience of each employee and expert proposed to be assigned to your program, and the roles to be performed by each identified employee and expert.

(2) *Program Administration and Fiscal Management.* (7 Points)

(a) *Program Administration.* (4 Points) The soundness of the proposed management of your proposed HSS program. To receive a high score, you must provide a comprehensive description of your project management structure. Your narrative must provide a description of how any co-applicants, sub-grantees, and other partner agencies relate to the program administrator as well as the lines of authority and accountability among all components of your proposed program.

(b) *Fiscal Management.* (3 Points) The soundness of your proposed fiscal management. To receive a high score you must provide a comprehensive description of the fiscal management structure, including, but not limited to, budgeting, fiscal controls, and accounting. The application must identify the staff responsible for fiscal management, and the processes and

timetable for implementation during the proposed grant period.

(3) *Applicant/Administrator Track Record*. (6 Points) To receive a high score, you must demonstrate your (or your proposed Administrator's) program compliance and successful implementation of any resident self-sufficiency, homeownership or independence-oriented grants (including those listed below) awarded to you or overseen by your Administrator. If you or your Administrator has no prior experience in operating programs that foster resident self-sufficiency, homeownership, or independence you will receive a score of 0 on this factor. Your past experience may include, but is not limited to, administering the following grants or programs: Family Self Sufficiency; Family Investment Center Program; Youth Development Initiative under Family Investment Center Program; Youth Apprenticeship Program; Apprenticeship Demonstration in the Construction Trades Program; Urban Youth Corps Program; HOPE I Program; Public Housing Service Coordinator Program; housing choice voucher homeownership program; Public Housing Drug Elimination Program; Tenant Opportunities Program; Economic Development and Supportive Services; and Youth Sports Program.

**Rating Factor 2: Need/Extent of the Problem (20 Points)**

This factor addresses the extent to which there is a need for funding your proposed program activities to address the need/goal of the target population of previous ROSS recipients/beneficiaries. You will be evaluated on the extent to which you document your proposed activities demonstrate that participants in self sufficiency programs are able to move from renting to homeownership, based on need, increases in resident income and other self sufficiency efforts. In responding to this factor, you will be evaluated on:

(1) *A Needs/Goals Assessment Document*. (18 Points) HUD will award up to 18 points based on the quality and comprehensiveness of the needs assessment document. To obtain maximum points for HSS applications, this document must contain statistical data that provides:

(a) A thorough socioeconomic profile of the eligible residents to be served by your program, in relationship to PHA-wide and national public and assisted housing data on residents who are on TANF, SSI benefits, or other fixed income arrangements; in job training,

entrepreneurship, or community service programs; and employed;

(b) Specific information on training, contracting, and employment through the PHA;

(c) An assessment of the current service delivery system as it relates to the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use;

(d) A description of the goals, objectives, and program strategies that will result in the successful transition of residents from renters to homeowners.

(2) *Level of Priority in Consolidated Plan*. (2 Points) Documentation of the level of priority the locality's, or in the case of small cities, the State's, Consolidated Plan has placed on addressing the needs. You may also address needs in terms of fulfilling the requirements of court actions or other legal decisions or which expand upon the Analysis of Impediments to Fair Housing Choice (AI) to further fair housing. If you address needs that are in your community's Consolidated Plan, AI, or a court decision, or identify and substantiate needs in addition to those in the AI, you will receive a greater number of points than applicants who do not relate their proposed program to the approved Consolidated Plan or AI or court action. There must be a clear relationship between your proposed activities, community needs and the purpose of the program funding for you to receive points for this factor.

**Rating Factor 3: Soundness of Approach (40 Points)**

This factor addresses the quality and cost-effectiveness of your proposed work plan. In rating this factor HUD will consider: The viability and comprehensiveness of your strategies to address the needs of residents; budget appropriateness/efficient use of grant; the speed at which you can realistically accomplish the goals of the proposed HSS program; the soundness of your plan to evaluate the success of your proposed HSS program at completion and during program implementation; and resident and other partnerships; and policy priorities.

(1) *Viability and comprehensiveness of the strategies to address the homeownership of transferred residents*. (18 Points) The score under this subfactor will be based on the viability and comprehensiveness of your strategies to address the counseling needs of residents identified for homeownership.

(a) *Services*. The score under this subfactor will be based on the following:

(i) The extent to which your plan provides services that specifically addresses the successful transition from renters to homeowners. To receive a high score, your plan must include case management and/or counseling.

(ii) In order to receive maximum points, the goals and objectives of your proposed plan must represent significant achievements related to moving from renting to homeownership. Specifically for those residents affected by welfare reform, we are interested in achievements that are performance outcomes of residents targeted for homeownership, in addition to, descriptions of residents receiving training and homeownership counseling activities.

(2) *Budget Appropriateness/Efficient Use of Grant*. (8 Points) The score in this factor will be based on the following:

(a) *Detailed Budget Breakout*. The extent to which your application includes a detailed budget breakout for each budget category in the SF-424A.

(b) *Reasonable Administrative Costs*. The extent to which your application includes administrative costs at or below the 10 percent administrative cost ceiling.

(c) *Budget Efficiency*. The extent to which your application requests funds commensurate with the level of effort necessary to accomplish your goals and anticipated results.

(d) *Reasonableness of the Timetable*.

The score in this factor will be based on a reasonable response that you can accomplish the goals of your proposed HSS program. To receive a high score, you must demonstrate that it will make substantial program implementation progress within the first six months after grant execution, including putting staff in place, finalizing partnership arrangements, completing the development of requests for proposals, and achieving other milestones that are prerequisites for implementation of the program. In addition, you must demonstrate that your proposed timetable for all components of the proposed program is feasible considering the size of your award and activities and results that can be accomplished within the 36-month time limit.

(3) *Program Assessment*. (5 Points). The score in this factor will be based on the soundness of your plan to evaluate the success of your proposed HSS program both at the completion of your program and during program implementation. At a minimum, you must track the goals and objectives of your proposed work plan program. Your application should track specific measurable achievements for the use of

program funds, such as number of residents counseled on becoming homeowners.

(4) *Resident and Other Partnerships.* (9 Points)

(a) *Resident Involvement in HSS Activities.* (3 Points). The score in this factor will be based on the extent of resident involvement in developing your proposed HSS program as well as the extent of proposed resident involvement in implementing your proposed HSS program. To receive a high score on this factor, you must describe the involvement of residents in the planning phase for this program, and a commitment to provide continued involvement in grant implementation. For applicants to receive the maximum number of points, a work plan, must be included.

(b) *Other Partnerships.* (3 Points) The score in this factor will be based on the successful integration of partners into implementation of the proposed HSS program. To receive a high score, you must provide a signed Memorandum of Understanding (MOU) or other equivalent signed documentation that delineates the roles and responsibilities of each of the parties in your program and the benefits they will receive. In assessing this subfactor, HUD will examine a number of aspects of the proposed partnership, including:

(i) The division of responsibilities or management structure of your proposed partnership relative to the expertise and resources of your partners;

(ii) The extent to which the partnership as a whole addresses the unmet resident needs; and

(iii) The extent to which the addition of the partners provides the ability to meet needs that the applicant could not meet without the partner(s).

(c) *Overall Relationship/Coordination.* (3 Points) For HSS applicants, the score in this factor will be based on the extent of coordination between your proposed HSS program and any existing or proposed programs within your jurisdiction. To receive points, at a minimum, you must have a narrative description of this collaboration.

**Rating Factor 4: Leveraging Resources (10 Points)**

This factor addresses your ability to secure community resources (note: financing is a community resource) that can be combined with HUD's program resources to achieve program purposes. You must have at least a 25 percent cash or in-kind match to receive points under this rating factor. Leveraging in excess of the 25 percent of the grant amount will receive a higher point value.

In evaluating this factor HUD will consider the extent to which you have partnered with other entities to secure additional resources to increase the effectiveness of your proposed program activities. The budget, the work plan, and commitments for additional resources and services, other than the grant, must show that these resources are firmly committed, will support the proposed grant activities and will, in combined amount (including in-kind contributions of personnel, space and/or equipment, and monetary contributions) equal at least 25 percent of the HSS grant amount proposed in this application. "Firmly committed" means there must be a written agreement with the provider of resources, signed by an official legally able to make commitments on behalf of the organization. The signed, written agreement may be contingent upon you receiving a grant award. Other resources and services may include: The value of in-kind services, contributions or administrative costs provided to the applicant; funds from Federal sources (not including HSS funds); funds from any State or local government sources; and funds from private contributions. You may also partner with other program funding recipients to coordinate the use of resources in your target area.

You must provide evidence of leveraging/partnerships by including in the application letters of firm commitments, Memoranda of Understanding, or agreements to participate from those entities identified as partners in the application. To be firmly committed there must be a written agreement with the provider of resources signed by an official legally able to make commitments on behalf of the organization. This agreement may be contingent upon you receiving a grant award. Each letter of commitment, Memorandum of Understanding, or agreement to participate must include the organization's name, proposed level of commitment and responsibilities as they relate to the proposed program.

**Rating Factor 5: Coordination, Self-Sufficiency and Sustainability (10 Points)**

This factor addresses the extent to which your program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor HUD will consider the extent to which your application addresses:

(1) *Coordination with the Consolidated Plan* (2 points). Demonstrates the applicant has reviewed the community's Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice, and has proposed activities that address the priorities, needs, goals or objectives in those documents; or substantially furthers fair housing choice in the community.

(2) *For HSS Program Applications, Coordination with the State and/or Local Welfare Plan* (4 Points). Provides evidence that your proposed HSS program has been coordinated with and supports the PHA's efforts to increase resident homeownership and is coordinated and consistent with the State, or local Welfare Plan.

(3) *Coordination with Other Activities* (4 Points). Demonstrates that in carrying out your program activities, you will develop linkages with: other HUD-funded program activities proposed or on-going in the community; or other State, Federal or locally funded activities proposed or on-going in the community which, taken as a whole, support and sustain a comprehensive system to address the needs.

(E) *Application Selection Process for Neighborhood Networks Centers.*

(1) Three types of reviews will be conducted: A screening to determine if your application submission is complete and on time; a threshold review to determine applicant eligibility; and a technical review to rate your application based on the five rating factors provided in this section. A minimum score of 70 is required to be considered for funding.

(2) The selection process is designed to achieve geographic diversity of grant awards throughout the country. HUD will first select the highest ranked application from each of the ten federal regions for funding. After this "round," HUD will select the second highest ranked application in each of the ten federal regions for funding (the second round). HUD will continue this process with the third, fourth, and so on, highest ranked applications in each federal region until the last complete round is selected for funding. If available funds exist to fund some but not all eligible applications in the next round, HUD will make awards to those remaining applications in rank order regardless of region and will fully fund as many as possible with remaining funds. NN funds may not be transferred to any other funding category within this NOFA.

(3) *Factors for Award Used to Evaluate and Rate NN Applications.* The factors for rating and ranking applicants and maximum points for each factor are provided below. The

maximum number of points available for this program is 102. This includes two RC/EZ/EC bonus points, as described in the General Section of the SuperNOFA. The application kit contains a certification that must be completed for the applicant to be considered for RC/EZ/EC bonus points and a listing of federally designated RCs, EZs and ECs. In addition, a list of RCs, EZs, and ECs is attached to the General Section of the SuperNOFA as Appendix A-2 and is also available from the SuperNOFA Information Center, and the HUD web site, [www.hud.gov](http://www.hud.gov). A NN application must receive a total of 70 points out of 100 to be eligible for funding.

**Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)**

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. In rating this factor HUD will consider the extent to which the proposal demonstrates:

(1) *Proposed Program Staffing.* (7 Points)

(a) *Experience.* (4 Points) The knowledge and experience of your proposed project director and staff, including the day-to-day program manager, sub-recipients and partners in planning and managing programs for which funding is being requested. Your experience will be judged in terms of recent, relevant and successful experience to undertake eligible program activities.

(b) *Sufficiency.* (3 Points) You and your sub-recipients and partners have sufficient personnel or will be able to quickly access qualified experts or professionals, to deliver the proposed activities in each proposed service area in a timely and effective fashion, including your readiness and ability to immediately begin the proposed work program. To demonstrate sufficiency, you must submit the proposed number of staff years to be allocated to your program by employees and experts, the titles and relevant professional background and experience of each employee and expert proposed to be assigned to your program, and the roles to be performed by each identified employee and expert.

(2) *Program Administration and Fiscal Management.* (7 Points)

(a) *Program Administration.* (4 Points) The soundness of the proposed management of your proposed NN program. To receive a high score, you must provide a comprehensive description of your project management

structure. Your narrative must provide a description of how any co-applicants, sub-grantees, and other partner agencies relate to the program administrator as well as the lines of authority and accountability among all components of your proposed program.

(b) *Fiscal Management.* (3 Points) The soundness of your proposed fiscal management. To receive a high score you must provide a comprehensive description of the fiscal management structure, including, but not limited to, budgeting, fiscal controls, and accounting. The application must identify the staff responsible for fiscal management, and the processes and timetable for implementation during the proposed grant period.

(3) *Applicant/Administrator Track Record.* (6 Points) To receive a high score, you must demonstrate your (or your proposed Administrator's) program compliance and successful implementation of any resident self-sufficiency, technology-oriented training, community-based job training, telecommunications, or other computer services (including those listed below) awarded to you or overseen by your Administrator. If you or your Administrator has no prior experience in operating programs that foster resident use of technology, computer instruction, or other computer services you will receive a score of 0 on this factor. Your past experience may include, but is not limited to, administering the following grants or programs: Family Self Sufficiency; Family Investment Center Program; Youth Development Initiative under Family Investment Center Program; Youth Apprenticeship Program; Apprenticeship Demonstration in the Construction Trades Program; Urban Youth Corps Program; HOPE I Program; Public Housing Service Coordinator Program; housing choice voucher homeownership program; Public Housing Drug Elimination Program; Tenant Opportunities Program; Economic Development and Supportive Services; and Youth Sports Program.

**Rating Factor 2: Need/Extent of the Problem (20 Points)**

This factor addresses the extent to which there is a need for funding your proposed program activities to address the need of public housing residents for computer technology. You will be evaluated on the extent to which you document your proposed activities in this area. In responding to this factor, you will be evaluated on:

(1) *A Needs/Goals Assessment Document.* (18 Points) HUD will award up to 18 points based on the quality and

comprehensiveness of the needs assessment document. To obtain maximum points for NN applications, this document must contain statistical data that provides:

(a) A profile of the eligible residents to be served by your NN center and its programs;

(b) Specific information on activities and programs to be undertaken as part of the NN center including job training, adult education, using the Internet to make linkages with health care providers, health services, and health information, youth and afterschool programs and other proposed activities;

(c) An assessment of the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use;

(d) A description of the goals and objectives of the NN center.

(2) *Level of Priority in Consolidated Plan.* (2 Points) Documentation of the level of priority the locality's, or in the case of small cities, the State's, Consolidated Plan has placed on addressing the needs. You may also address needs in terms of fulfilling the requirements of court actions or other legal decisions or which expand upon the Analysis of Impediments to Fair Housing Choice (AI) to further fair housing. If you address needs that are in your community's Consolidated Plan, AI, or a court decision, or identify and substantiate needs in addition to those in the AI, you will receive a greater number of points than applicants who do not relate their proposed program to the approved Consolidated Plan or AI or court action. There must be a clear relationship between your proposed activities, community needs and the purpose of the program funding for you to receive points for this factor.

**Rating Factor 3: Soundness of Approach (40 Points)**

This factor addresses the quality and cost-effectiveness of your proposed work plan. In rating this factor HUD will consider: the viability and comprehensiveness of your strategies to address the needs of residents; budget appropriateness/efficient use of grant; the speed at which you can realistically accomplish the goals of the proposed NN program; the soundness of your plan to evaluate the success of your proposed NN program at completion and during program implementation; and resident and other partnerships; and policy priorities.

(1) *Viability and comprehensiveness of the strategies to address Neighborhood Networks needs in the proposed area.* (10 Points) The score