

# **FY24 PRO Housing FAQs**

Updated 10.03.24 - Latest FAQs can be found at the end of the document.

This document provides answers to frequently asked questions about HUD’s Pathways to Removing Obstacles to Housing (PRO Housing) competition, including new information for the second round of funding.

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## General Questions

1. What has changed for the second round of funding?

- Maximum award amount decreased to \$7m
- Total funding increased to \$100m
- Increased number of expected awards to 30
- Added language encouraging overlapping jurisdictions to partner, rather than submitting competing applications
- Added criteria for review of pass-through programs into rating factors
- Updated rating factors to reflect FY24 Appropriations Act directive to prioritize applicants who can demonstrate progress and commitment to overcoming local barriers ‘primarily by having enacted improved laws and regulations’
- Priority geography points reduced from 10 to 8
- Added a definition of ‘geographic scope’
- Prior (FY23) PRO Housing awards may not be used as leverage
- New required Attachment B: Certification of Compliance with NOFO Public Participation requirements
- Unscored narratives for Advancing Racial Equity, Experience Promoting Racial Equity, and Affirmative Marketing and Outreach are required
- Awardee reporting in the Disaster Recovery Grant Reporting (DRGR) system will now occur quarterly, instead of the FY23 requirement for annual reporting

2. If I applied for FY23 PRO Housing and did not receive an award, can I apply to FY24 PRO Housing?

Any applicants who meet the eligibility criteria found in the FY24 PRO Housing NOFO, including unsuccessful applicants to FY23 PRO Housing, are invited to apply. FY24 PRO Housing is not limited to successful applicants under FY23.

3. If I received an FY23 PRO Housing award, can I apply for FY24 PRO Housing?

Yes. FY23 PRO Housing awardees are eligible to apply for FY24 PRO Housing.

4. Can HUD help interpret the NOFO? Can we set up a phone call with the PRO Housing team?

No. Under the HUD Reform Act, HUD cannot provide advice about prospective proposals. This means that HUD cannot answer questions about specific proposals, including whether a proposal would be eligible or competitive. Applicants should rely on the FY24 PRO Housing NOFO as the definitive source of information about the FY24 PRO Housing competition.

Prospective applicants are encouraged to attend future webinars on the FY24 PRO Housing NOFO.

5. How can I contact HUD with questions about program-specific requirements?

Please direct questions to [CDBG-PROHousing@hud.gov](mailto:CDBG-PROHousing@hud.gov).

## **Funding Opportunity Description**

6. What is the PRO Housing competition? What are PRO Housing grants for?

Pathways to Removing Obstacles to Housing, or PRO Housing, is a competitive grant program being administered by HUD. PRO Housing seeks to identify and remove barriers to affordable housing production and preservation.

7. What kinds of barriers does PRO Housing seek to remove?

Barriers to affordable housing look different in every community, but they can be caused by zoning decisions, land use policies, or regulations; inefficient procedures; gaps in available resources for development; deteriorating or inadequate infrastructure; lack of neighborhood amenities; or challenges to preserving existing housing stock such as increasing threats from natural hazards, redevelopment that reduces the number of affordable units, or expiration of affordability requirements. Applicants are asked to describe and respond to their own unique barriers.

8. What is HUD prioritizing in the PRO Housing competition?

HUD will prioritize applicants that demonstrate:

(1) progress and a commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation, primarily by having enacted improved laws and regulations; and

(2) an acute need for housing affordable to households with incomes below 100 percent of the area median income.

9. What is a NOFO?

NOFO stands for Notice of Funding Opportunity. The FY24 PRO Housing NOFO provides the regulations, scoring criteria, application instructions and more for the FY24 PRO Housing competition. The FY24 PRO Housing NOFO was released on August 13, 2024.

10. How is PRO Housing related to the Community Development Block Grant (CDBG) program?

PRO Housing funds use the CDBG framework. This means that statutes and regulations governing the CDBG program, including Title I of the Housing and Community Development Act of 1974 and 24 CFR part 570, apply to PRO Housing funds. The FY24 PRO Housing NOFO contains certain exceptions and waivers.

As with all CDBG assistance, the priority is to serve low- and moderate-income people.

See Section III.G of the FY24 PRO Housing NOFO for more information.

11. What are the public participation requirements?

The streamlined requirements mandate at least one public hearing at the applicant's level of government for the application and for each substantial amendment and require providing a reasonable notice of the hearing. The applicant must publish the application for public comment for 15 days and provide ongoing public access to information about the use of grant funds. The applicant must provide evidence of meeting these streamlined public participation requirements in Attachment B of the application. For more information, please visit Section VI.E.5.a.iii of the FY24 PRO Housing NOFO.

## **Award Information**

12. How much funding is available through the FY24 PRO Housing NOFO?

Funding of approximately \$100,064,100 is available through the FY24 PRO Housing NOFO.

13. How many awards will HUD make?

HUD expects to make approximately 30 awards from the funds available under the FY24 PRO Housing NOFO.

14. Are there minimum and maximum award amounts?

Yes. The minimum award amount is \$1,000,000. The maximum award amount is \$7,000,000.

15. When are the project start and end dates?

PRO Housing has a six-year period of performance. The estimated project start date is the first quarter of 2025, or after the expected issuance of awards. The estimated project end date is 9/30/2030.

16. When is the application deadline?

Applications must be submitted by 11:59:59pm Eastern Time on October 15, 2024.

## **Eligibility Information**

17. Who is eligible to apply?

Eligible applicants include state governments, local governments (i.e., city and county governments), Metropolitan Planning Organizations (MPOs), and multijurisdictional entities.

18. Who is ineligible to apply?

HUD will not award grants to individuals or any entity that does not meet the eligibility criteria. HUD will not evaluate applications from ineligible applicants.

Tribes, non-profits, public housing authorities, and other entities that are not listed are not eligible to apply for PRO Housing funds on their own. However, they may partner with eligible applicants.

19. What is a multijurisdictional entity?

Multijurisdictional entity refers to any association of local governments or public agencies which are bound by collective agreement (such as a memorandum of understanding, joint powers authority, interstate compact, or the like), such that HUD determines that the entity is authorized and has administrative capability to carry out the activities under this NOFO on behalf of its member jurisdiction(s).

Multijurisdictional entities must demonstrate partnership among all parties. The parties must demonstrate a partnership by attaching relevant documentation, such as a memorandum of understanding or another foundational document (such as a CDBG joint agreement between an urban county and a metropolitan city, HOME consortium agreement, joint powers agreement, interstate compact, or letter of intent) to an application.

20. Does PRO Housing require cost sharing or matching funds?

No. However, PRO Housing provides points based on leverage as described below and in Section V.A.1.d of the FY24 PRO Housing NOFO.

21. How many applications can I submit? What happens if I submit more than one?

An eligible applicant may submit only one application.

If HUD receives multiple versions of an application electronically, HUD will review the last version of the application received by Grants.gov that meets the timely receipt requirements. All other applications (i.e., prior versions) will not be considered eligible.

22. What is a national objective?

Each activity, other than general administration and planning, proposed to be carried out with PRO Housing assistance must meet a CDBG national objective pursuant to section 101(c) of the Housing and Community Development Act of 1974:

- a. Benefiting low- and moderate-income persons,
- b. Preventing or eliminating slums or blight, or
- c. Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

Activities that do not meet a national objective are ineligible for PRO Housing funding.

23. What activities are eligible?

Each proposed activity must be an eligible CDBG activity. Specifically, each proposed activity must be eligible pursuant to section 105(a) of the Housing and Community Development Act of 1974 and applicable program regulations at 24 CFR part 570 or receive an eligibility waiver for the activity, requested in the application.

Eligible activities include planning and policy activities, development activities, infrastructure activities, and preservation activities. For specific examples, please see Section III.F.2.c of the FY24 PRO Housing NOFO.

24. Can PRO Housing funds be used to construct new housing?

Yes. HUD is waiving 42 U.S.C. 5305(a) and 24 CFR 570.207(b)(3) and adopting alternative requirements to the extent necessary to permit new construction of housing, subject to the same requirements that apply to rehabilitation activities under the provisions at section 105(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(4)) and 24 CFR 570.202(b).

25. Can I request an eligibility waiver for activities that are not eligible?

Yes. For information about waivers and how to request them, please see Section VI.E and Appendix A of the FY24 PRO Housing NOFO.

26. Can PRO Housing funds be used for the general conduct of government?

No. Any activity to carry out the regular responsibilities of the government is ineligible. Applicants should plan their approaches accordingly to ensure that PRO Housing award funds are not used for such costs. Grantees may and are encouraged to use leverage funding for such unallowable costs.

27. Can PRO Housing funds be used for downzoning?

No. Any activity that results in a net decrease in allowable or actual housing construction is ineligible. Rezoning efforts and development activities must ensure a net increase in zoned capacity or number of homes, respectively, to be considered for funding.

28. What if I want to amend my application after submitting it?

If applicants find, after submitting an application, that they want to amend or adjust their application and it is prior to the deadline date, applicants must resubmit the entire application to ensure that HUD gets a complete application. HUD will not consider information from applicants after the application deadline except for curable deficiencies.

29. What if I want to amend the application after I've been awarded?

HUD will review and approve or disapprove any requested amendment that is a substantial amendment. Substantial amendments are changes that affect the responses to the rating factors and include but are not limited to a change in program benefit, beneficiaries, or eligibility criteria; the allocation or re-allocation of more than ten percent of the award; or the addition or deletion of an activity. Subsequent to HUD's review and approval, a grantee may substantially amend the application if it follows the same public participation requirements in this NOFO for the preparation and submission of an application and HUD agrees in writing that the amended application would still score in the fundable range for the competition. Prior to preparation and submission of any post-award amendment, the grantee is encouraged to work with its HUD representative to ensure the proposed change is consistent with this NOFO, and all applicable regulations and Federal law.

If a PRO Housing Action Plan is revised or scaled as discussed in an applicant's narrative response because HUD awarded less than the amount requested, then a grantee does not need to undertake public participation requirements.

30. PRO Housing uses the CDBG framework, but CDBG has different regulations for entitlement communities and states. Which regulations apply to me?

For CDBG entitlement communities, multijurisdictional entities, and metropolitan planning organizations, regulatory provisions at 24 CFR part 570 subparts A, C, D, J, K, and O apply, as appropriate. For states, 24 CFR part 570 subpart I applies; however, Section VI.E of the FY24 PRO Housing NOFO waives the requirement for states to distribute funds through a method of distribution as is required for annual State CDBG funds. In other words, states may act directly with PRO Housing funds.

31. Can different types of eligible activities be grouped together in one proposal?

Yes. Applicants may propose multiple activities, as long as all activities are eligible. An eligible applicant may only submit one application.

32. The NOFO provides examples of planning and policy activities, development activities, infrastructure activities and preservation activities. Will certain types of activities be prioritized?

No, the FY24 PRO Housing NOFO does not prioritize certain activities over others.

HUD is prioritizing applicants who demonstrate (1) progress and a commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation, primarily by having enacted improved laws and regulations; and (2) an acute need for housing affordable to households with incomes below 100 percent of the area median income. For more about how HUD will rate and rank applications, please see the rating factors in Section V of the FY24 PRO Housing NOFO.

33. Do I need to be a CDBG recipient in order to apply for these funds?

MPOs and multijurisdictional entities are eligible to apply, and according to the FY24 PRO Housing NOFO, the term “local government” includes entitlement CDBG grantees and non-entitlement communities. Please review the eligible applicants in Section III and the definitions in Section I to determine your eligibility.

34. Is there a limit on the number of applications from a given area? For example, could an MPO and a city within that MPO’s boundary apply separately?

The FY24 PRO Housing NOFO does not prescribe a geographical limitation on the number of applications from a given area, except that each eligible applicant may only submit one application. However, prospective eligible applicants with overlapping geographies (e.g., a county government and a city government located within that county) are encouraged to partner on a single application, rather than submitting two competing applications.

35. I’m a nonprofit. Am I eligible? Who can I partner with?

Nonprofits are not eligible to apply for PRO Housing funds on their own. However, they may partner with eligible applicants. A non-profit would not be eligible to be a party to a multijurisdictional entity, because it is not a local government or public agency.



36. I'm a state agency, and States are eligible applicants for PRO Housing. What is the process for me to apply on behalf of my state? Do I need to secure official approval or designation?

Please note the NOFO definition of State, found at section 102(a)(2) of the HCD Act (42 U.S.C. 5302): The term "State" means any State of the United States, or any instrumentality thereof, approved by the Governor; and the Commonwealth of Puerto Rico.

Public state agencies are considered instrumentalities of the state. They do not need to obtain a special designation in order to apply to PRO Housing.

If HUD receives multiple versions of an application, HUD will review the last version of the application that meets the timely receipt requirements. This means that, if multiple state agencies from the same state submit an application on behalf of the state, HUD will only review the latest submitted one. State agencies are encouraged to coordinate amongst themselves to ensure that multiple agencies from the same state are not submitting competing applications.

37. I'm a county government. Can I implement my program anywhere in the county?

Counties may implement their PRO Housing proposal anywhere within their county geography.

However, please note that to receive the eight points for Rating Factor a.ii, the application must primarily serve a priority geography. Applications primarily serving an identified geography will be scored based on the priority status of that geography.

38. Would a public housing authority need to form a multijurisdictional entity along with an eligible applicant in order to be considered eligible?

A PHA is not an eligible applicant on its own. In some states, a PHA may be a subdivision of the municipal or county government (such as serving both as a city's housing department and as the PHA) and be able to apply as a local government. Alternatively, the PHA could be one member of the larger partnership of local governments and public agencies that comprises a multijurisdictional entity. See above for the eligible applicants and the definition of multijurisdictional entity.

39. Are quasi-public entities eligible to apply on behalf of a state?

No. Eligible applicants are local and State governments, metropolitan planning organizations (MPOs), and multijurisdictional entities. A quasi-public entity does not meet the definition of any of the eligible applicants under the FY24 PRO Housing NOFO.

## **Application and Submission Information**

40. Where can I find application materials?

All application materials, including the Application Instructions and Application Package, are available through Grants.gov. The required PRO Housing Certifications can be found at Appendix B of the FY24 PRO Housing NOFO in Grants.gov, or on the PRO Housing webpage.

41. What forms will I need to submit?

The following forms are required for a complete application:

- Application for Federal Assistance (SF-424)
- Applicant and Recipient Assurances and Certifications (HUD 424-B)
- Applicant/Recipient Update/Disclosure Report (HUD 2880)
- Disclosure of Lobbying Activities (SF-LLL)
- Certification Regarding Lobbying (Lobbying Form)
- Grant Application Detailed Budget Worksheet (424-CBW)
- PRO Housing Certifications

See Section IV.B.1 of the FY24 PRO Housing NOFO for more information.

42. Is there a standard format for the application?

Yes. Applications have a maximum of 40 pages. These pages must be 12-point (minimum) Times New Roman font on letter sized paper (8 1/2 x 11 inches) with at least 1-inch margins on all sides. HUD will not review application materials exceeding the 40-page limit. For more information about format and form, see Section IV.B.2 of the FY24 PRO Housing NOFO.

43. Are there exceptions to the page limit?

The documents listed below are not counted in the page limit:

- Table of Contents
- Tabs/title pages that are blank or display a title/header/'n/a' indication
- Eligible Applicants documentation
- Evidence of partnership letters
- Leverage documentation
- Application Certifications and Standard forms
- Summary of comments received on published Application and list of commenters by name/organization (Attachment A)
- Certification of compliance with NOFO public participation requirements (Attachment B)
- Advancing Racial Equity narrative (Attachment C)
- Affirmative Marketing and Outreach narrative (Attachment D)
- Experience Promoting Racial Equity narrative (Attachment E)

44. Are there any required attachments?

Yes. Applicants must include the following required attachments:

- **Attachment A Summary of comments received on published Application and list of commenters by name/organization.**
- **Attachment B Certification of compliance with NOFO public participation requirements.** Provide evidence of the reasonable notice of your public hearing and the publication of the application for public comment, consistent with Section VI.E of the NOFO.
- **Attachment C Advancing Racial Equity Narrative** per Section III.F of the NOFO
- **Attachment D Affirmative Marketing and Outreach Narrative** per Section III.F of the NOFO
- **Attachment E Experience Promoting Racial Equity Narrative** per Section III.F of the NOFO

These attachments do not count towards the page limit.

45. When should I submit my application?

HUD strongly recommends that applicants submit their applications at least 48 hours before the deadline and during regular business hours to allow enough time to correct errors or overcome other problems. The application deadline is 11:59 p.m. ET (or 8:59 p.m. PT) on October 15, 2024.

46. My application was rejected with errors before the deadline. Is there a grace period?

If your application is received by Grants.gov before the deadline, but is rejected with errors, you have a grace period of 24 hours after the application deadline to submit a corrected, received, and validated application through Grants.gov. The date and time stamp on the Grants.gov system determines the application receipt time. Any application submitted during the grace period but not received and validated by Grants.gov will not be considered for funding. There is no grace period for paper applications.

47. Will HUD consider late applications?

No. An application received after the deadline that does not meet the Grace Period requirements will be marked late and will not be reviewed by HUD for funding consideration. Improper or expired registration and password issues are not sufficient causes to allow HUD to accept applications after the deadline date.

48. What if the application has technical deficiencies?

HUD will not consider information from applicants after the application deadline except for curable deficiencies. HUD will uniformly notify applicants of each curable deficiency. Corrections of technical deficiencies must be submitted within three business days of the date of the notification from HUD or within the HUD specified timeframe. For more information, see Sections IV.D.7. and V.B.3. of the FY24 PRO Housing NOFO.

49. What is a curable deficiency?

A curable deficiency is missing or incomplete application information that may be corrected by the applicant with timely action. To be curable, the deficiency must:

- Not be a threshold requirement, except for documentation of applicant eligibility;
- Not influence how an applicant is ranked or scored versus other applicants; and
- Be remedied within the time frame specified in the notice of deficiency.

Examples of curable (correctable) deficiencies include inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

50. What are the environmental requirements?

Grantees must comply with environmental justice requirements as set forth in HUD's regulations at 24 CFR parts 50 and 58, which implement the policies of the National Environmental Policy Act (NEPA) and other environmental requirements.

Grantees who are States or units of general local government (UGLGs) are considered the Responsible Entity under 24 CFR part 58.2(a)(7) and are responsible for completing their own environmental review. The Responsible Entity must conduct a HUD environmental review to determine whether each activity funded under this NOFO is exempt or categorically excluded from NEPA and other environmental review requirements or requires further environmental review.

For grantees who are not States or units of general local government (UGLGs) or are not recipients of funding under Title I of the Housing and Community Development Act of 1974 and HUD's regulations at 24 CFR 58.2(a)(5), HUD will perform the environmental review in accordance with 24 CFR part 50.

For more about environmental requirements, see Sections IV.G.3. and VI.E of the FY24 PRO Housing NOFO.

## **Application Review Information**

51. What are the rating factors for the PRO Housing competition?

HUD will score applicants based on their response to five rating factors: Need (35 points), Soundness of Approach (35 points), Capacity (10 points), Leverage (10 points), and Long-term Effect (10 points). You can review the prompts at Section V.A.1 of the FY24 PRO Housing NOFO.

## 52. What is a priority geography?

Under the Need rating factor, applicants will be awarded eight (8) points if their application primarily serves a ‘priority geography’. Priority geography means a geography that has an affordable housing need greater than a threshold calculation for one of three measures. The threshold calculation is determined by the need of the 90th-percentile jurisdiction (top 10%) for each factor as computed comparing only jurisdictions with greater than 50,000 population. Threshold calculations are done at the county and place level and applied respectively to county and place applicants. An application can also qualify as a priority geography if it serves a geography that scores in the top 5% of its State for the same three measures. The measures are as follows:

- Affordable housing not keeping pace, measured as (change in population 2019-2009 divided by 2009 population) – (change in number of units affordable and available to households at 80% HUD Area Median Family Income (HAMFI) 2019-2009 divided by units affordable and available at 80% HAMFI 2009).
- Insufficient affordable housing, measured as number of households at 80% HAMFI divided by number of affordable and available units for households at 80% HAMFI.
- Widespread housing cost burden or substandard housing, measured as number of households with housing problems at 100% HAMFI divided by number of households at 100% HAMFI. Housing problems is defined as: cost burden of at least 50%, overcrowding, or substandard housing.

## 53. How do I know what places are priority geographies?

HUD has provided a spreadsheet listing priority geographies on its website. Please visit [https://www.hud.gov/program\\_offices/comm\\_planning/pro\\_housing](https://www.hud.gov/program_offices/comm_planning/pro_housing) to view the spreadsheet.

## 54. What if I’m not a priority geography?

Applicants who are not primarily serving priority geographies are still invited to apply.

The Need rating factor offers an additional two (2) points for providing compelling information about your affordable housing needs. This information should demonstrate acute demand for affordable housing in your jurisdiction(s) to households with incomes below 100 percent of the area median income. In your narrative, you are encouraged to provide local knowledge that is not already captured by the above measures. Topics that may indicate acute demand for affordable housing include displacement pressures, housing stock condition, age of housing stock, homelessness, ratio of median home price to area median income, and more.

55. I'm applying as an MPO or multijurisdictional entity. How do priority geographies work for me?

MPOs and multijurisdictional entities may receive the eight (8) points under Rating Factor a.ii if the proposed activities primarily serve a priority geography. The geographic scope of the activity should be clearly identified in the application.

56. My geography shows up twice in the spreadsheet: once as a place, and once as a county. We're a priority geography under one, but not the other. Are we eligible for the ten points under the Need rating factor?

Yes. If your geography shows a yes for priority geography with either county or place data, it is a priority geography.

57. What does affirmatively furthering fair housing mean?

Affirmatively furthering fair housing means taking meaningful actions, in addition to combating discrimination, to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunities, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

Under the Soundness of Approach rating factor, applicants are asked to describe how their proposal aligns with requirements to affirmatively further fair housing.

58. How is leveraged funding scored?

Applicants are encouraged to leverage additional funding from outside sources. Under the Leverage rating factor, applicants are awarded points for leveraged funding as a percentage of the amount of PRO Housing funding requested. Points are awarded as follows:

Leverage commitments as percent of grant funds requested	Points awarded
50 percent and above	10
Between 40.00 and 49.99 percent	8
Between 30.00 and 39.99 percent	6
Between 20.00 and 29.99 percent	4
Between 10.00 and 19.99 percent	2
Below 10.00 percent	0

59. How do I document my leveraged funding?

Applicants who are leveraging outside funding must adhere to the following requirements:

- Resources must be firmly committed as of the application deadline date. “Firmly committed” means that the amount of the resource and its dedication to PRO Housing Grant activities is explicit. Endorsements or general letters of support alone will not count as resources and should not be included in the application.
- Leverage documents must represent valid and accurate commitments of future support. They must detail the dollar amount and any terms of the commitment. They must also indicate that the funding is available to you for the specific activities proposed in your PRO Housing application.
- Resource commitments must be written and signed by a person authorized to make the commitment and dated.
- Commitment letters must be on letterhead or they will not be accepted.
- If the commitment document is not included in the application and submitted before the NOFO deadline, it will not be considered.
- Staff time of the Applicant and/or Partner(s) (if any) will be an eligible leverage resource if they are firmly committed and quantified.

60. Does leverage documentation count against my page count?

No.

61. Does PRO Housing offer preference points?

No.

62. Will HUD conduct a threshold review?

Yes. HUD will screen applications to determine if the threshold criteria from Section III.D of the FY24 PRO Housing NOFO are met. If they are not met, the application will be deemed ineligible and will not receive further review. If they are met, HUD will screen the application to determine if it meets the other threshold criteria listed in Section III.D (including screening for technical deficiencies).

63. How will HUD review applications after the threshold review?

Reviewers will rate each eligible application based solely on the rating factors described in Section V.A of the FY24 PRO Housing NOFO and assign a preliminary score for each rating factor and total score. HUD will then rank applications in score order. From there, a final review panel will:

- Review the Preliminary Rating and Ranking documentation to ensure any inconsistencies between preliminary reviewers are identified and rectified and to ensure the Preliminary Rating and Ranking documentation accurately reflects the contents of the application.
- Assign a final score to each application and rank them in score order; and
- Recommend for selection the most highly rated applications, subject to the amount of available funding.

64. What if there's a tie score?

If two or more applications have the same score and there are insufficient funds to select all of them, HUD will select the application(s) with the highest score for the overall Need Rating Factors. If a tie remains, HUD will select the application(s) with the highest score for the overall Soundness of Approach Rating Factors, then overall Capacity Rating Factors.

65. How should I demonstrate low- and moderate-income benefit? Can I use ACS/Census data at the census block level?

HUD provides data at the ACS/Census block group level and at larger aggregations, such as places and tracts, not at the block level. The FY24 PRO Housing NOFO does not prescribe any particular method of demonstrating LMI benefit but does note that the statutes and regulations governing the CDBG program, including Title I of the Housing and Community Development Act of 1974 and 24 CFR part 570, apply to PRO Housing funds, except as waived or modified in the FY24 PRO Housing NOFO.

66. Am I limited to addressing the barriers I identified in my Consolidated Plan?

No.

## **Award Administration Information**

67. If I'm awarded PRO Housing funds, am I guaranteed to receive the amount I applied for?

No. To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, HUD reserves the right to fund less than the amount requested in an application.



68. What are the reporting requirements?

Grantees will be required to submit a progress report on a quarterly basis throughout the grant term through HUD-provided templates and HUD's Disaster Recovery Grant Reporting (DRGR) System. Please note that this is different from FY23 PRO Housing's requirement for annual reporting through DRGR. Recipients will also report on any leveraged funds received and used in association with the application. Please refer to sections VI.C and VI.E.5.a.ii for more information.

69. Can I request a debriefing?

Yes. For a period of at least 120 calendar days, beginning 30 calendar days after the public announcement of awards under this NOFO, HUD will provide a debriefing related to their application to requesting applicants. A request for debriefing must be made in writing or by email by the AOR whose signature appears on the SF-424 or by his or her successor in office and be submitted to the POC in Section VII Agency Contact(s) of this NOFO. Information provided during a debriefing may include the final score the applicant received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

70. How does PRO Housing treat program income?

HUD is waiving applicable program income rules to the extent necessary to provide additional flexibility as described under this NOFO. The guidance can be found at Section VI.E.5.a.xvi of the FY24 PRO Housing NOFO.

71. Do I need to maintain a webpage for my PRO Housing award?

Yes. A grantee shall maintain a public website which provides information accounting for how all grant funds are used and managed/administered, including details of all contracts and ongoing procurement policies. To meet this requirement, each grantee must make the PRO Housing Action Plan (including all amendments) and each APR (as created using the DRGR system) available on its website(s).

72. Can I use PRO Housing funds as a match for another program?

Yes. PRO Housing funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible PRO Housing activity.

73. Does the environmental review need to be completed prior to the application submission?

No. The environmental review requirements for PRO Housing refer to 24 CFR Parts 50 and 58, neither of which requires environmental review to be completed prior to submitting an application.

However, HUD will not release grant funds if the recipient or any other party takes choice limiting actions or commits grant funds (i.e., incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its Request for Release of Funds (RROF), where such submission is required.

For more information about environmental review requirements, please see Sections IV.G.3 and VI.E.5.a of the FY24 PRO Housing NOFO.

74. Does PRO Housing use the CDBG 20% admin and planning cap?

No. Since HUD expects many grantees intend to use PRO Housing funding entirely for planning activities that identify and remove barriers to affordable housing production and preservation, HUD is waiving caps for general administration, planning, and technical assistance that apply to CDBG grantees. For more, please see Section VI.E.5.a.viii of the FY24 PRO Housing NOFO.

75. Are only States allowed to use 10% for general administration?

Any PRO Housing grantee may use up to ten percent of the award for general administrative costs and technical assistance. Please review Section VI.E.5.a.viii of the FY24 PRO Housing NOFO.

76. Does the FY24 PRO Housing NOFO include language stating that by submitting the application, we are obligated to accept the award?

No.

77. What types of funding can I use as leverage?

Grantees may use either non-Federal sources or other Federal sources as financial leverage only if a program's authorizing statute permits such use.

78. Does the 10% limit on "general administrative costs and technical assistance" apply to all proposed Technical Assistance activities?

No. Under Section III.F.2, the FY24 PRO Housing NOFO provides TA as an eligible activity under certain circumstances. This activity-related TA is not the same as general TA. Activity-related TA is not subject to the 10% cap.

## **Other Information**

79. Can the PRO Housing deadline be extended?

Yes. The FY24 PRO Housing NOFO states that HUD may extend the application deadline for any program if Grants.gov is offline or not available to applicants for at least 24 hours immediately prior to the deadline date.

80. Does HUD have other resources related to removing barriers to affordable housing?

Yes. HUD has a webpage dedicated to barriers to affordable housing. It features HUD's recent technical assistance webinars on this topic and links to additional resources, such as HUD's Regulatory Barriers Clearinghouse. Please visit the webpage at this link:

[https://www.hud.gov/program\\_offices/comm\\_planning/affordable\\_housing\\_barriers](https://www.hud.gov/program_offices/comm_planning/affordable_housing_barriers)

81. How does HUD plan to measure, evaluate, and track performance of the grants?

As noted above, applicants will submit quarterly reports through the Disaster Recovery Grant Reporting (DRGR) system.

In addition, Rating Factor e. (Long-term Effect) asks applicants to propose metrics (the quantifiable topic area you will measure) and target outcomes (a quantified goal for each metric which you will strive to achieve).

The impact of many PRO Housing activities is expected to continue beyond the six-year period of performance.

## **Questions added 08.29.2024**

82. Is HUD anticipating a PRO Housing Round 3 next year?

Congress appropriated \$85 million for PRO Housing in FY 2023 and \$100 million in FY 2024. Congress determines whether there will be future rounds of funding.

83. Are villages, townships, and other non- "city" local governments eligible to apply?

The FY24 NOFO lists eligible applicants in Section III.A and defines 'local government' in Section I.A.4. Local government has the same meaning as "unit of general local government" in section 102(a)(1) of the Housing and Community Development Act of 1974, which includes any city, county, town, township, parish, village, or other general purpose political subdivision of a State or insular area. Please consult the FY24 NOFO to determine eligibility.

84. What does it mean for funds to be put towards ‘new construction’?

Section III.F.2 of the FY24 PRO Housing NOFO waives CDBG’s prohibition on the new construction of housing. Prospective applicants considering construction activities are encouraged to read CPD Notice 23-10 for examples of construction. For certain new construction of housing activities, no less than 20 percent of the units must directly benefit LMI individuals.

85. Is there a template or prescribed format for Attachment B, Certification of Compliance with NOFO Public Participation Requirements?

No.

86. When do I need to hold my public hearing? Can it happen during the 15-day public comment window?

The FY24 NOFO requires at least one public hearing and requires providing a reasonable notice of the hearing. The applicant must publish the application for public comment for 15 days. Otherwise, the FY24 NOFO does not specify when the public hearing should be held. For more, please consult Section VI.E.5.a.iii of the FY24 NOFO.

87. The FY24 NOFO mentions a 10% de minimis indirect cost rate in Section IV.F. How is this affected by the new uniform requirements taking effect on October 1, 2024?

Under the new indirect cost rules taking effect on Oct. 1, 2024, the de minimis indirect cost rate will be 15%. For more about indirect costs, please consult Section IV.F of the FY24 NOFO.

## **Questions added 09.13.2024**

88. I am not an eligible applicant, but I plan to partner with an eligible applicant. Who should be the lead applicant?

The lead applicant must be an eligible applicant. For example, if a local government (eligible) partners with a non-profit (ineligible to apply on their own), the local government must be the one to submit the application in Grants.gov using their own name, signatures, and valid UEI. If an ineligible applicant submits an application via Grants.gov, HUD will not review the application, even if the application lists an eligible applicant as a partner.

89. Is reimbursement for funds already spent or encumbered allowable?

Generally, no. Applicants that receive an award of the grant may use grants to reimburse PRO Housing eligible costs of grant application preparation, including planning and public outreach activities. Any other activity carried out on or before the date of the letter announcing the award of the grant is ineligible.

90. Do public participation requirements for a multijurisdictional entity require every agency that is party to the multijurisdictional entity to hold a meeting?

No. The FY24 NOFO requires one public hearing at the applicant's level of government. There are not different public participation requirements for different applicant types.

91. When I publish the application for public comment, do I need to include attachments?

The applicant must publish, at a minimum, the table of contents, all narrative exhibits, and any optional attachments. However, the forms and required Attachments, such as the Grant Application Detailed Budget Worksheet 424-CBW, do not need to be published for public comment before submission.

92. Are public services subject to CDBG's 15% public service cap?

Yes. The 15% public services cap at 42 U.S.C. 5305(a)(8) applies to PRO Housing funds.

### **Questions added 09.18.2024**

93. Is the required public comment period 15 calendar days, or 15 business days?

The applicant must publish the application for public comment for 15 calendar days.

### **Questions added 10.03.2024**

94. An applicant is allowed to partner with a non-profit. In these cases, does PRO Housing require a competitive procurement process?

The FY24 PRO Housing NOFO does not include specific requirements for how an applicant must select a proposed partner(s), or for demonstrating evidence of partnership, except that multijurisdictional entities must demonstrate partnership among all parties. PRO Housing grantees may issue a subaward to subrecipients to carry out the proposed PRO Housing activities, but the FY24 PRO Housing NOFO does not prescribe a specific method for how this shall occur.

Grantees must comply with 2 CFR part 200, and prospective applicants may consult 2 CFR 200.331 to assist in determining whether a partner may be a subrecipient or contractor. A partner may or may not be a contractor that requires procurement.

95. What is the difference between a partner and a subgrantee?

The FY24 PRO Housing NOFO does not define the terms partner or subgrantee. However, a subgrantee is another term for a subrecipient, which the NOFO defines as an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

(Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.)

Under the Capacity rating factor, an applicant will describe a partner's capacities and credentials, as applicable, related to its role in implementing the project. A partner is, for purposes of the Capacity rating factor, any entity that the applicant is proposing to assist in or contribute to carrying out the award such that HUD needs to consider its capacity for purposes of scoring this rating factor. This includes, but is not limited to, a proposed subrecipient. The grantee must maintain adequate capacity of its administering agency(ies) or entity(ies), and the capacity of any local government or other organization or partner expected to carry out PRO Housing projects or activities.

96. Can we edit the application after the close of the public comment period?

After the close of the public comment period, applicants may incorporate public input into the application before submitting to HUD. However, substantial edits or edits that do not incorporate public input would be inconsistent with the public participation requirements and are not permitted.