



Self-Help Homeownership Opportunity Program

FY 2023 Notice of Funding Opportunity Informational Guide



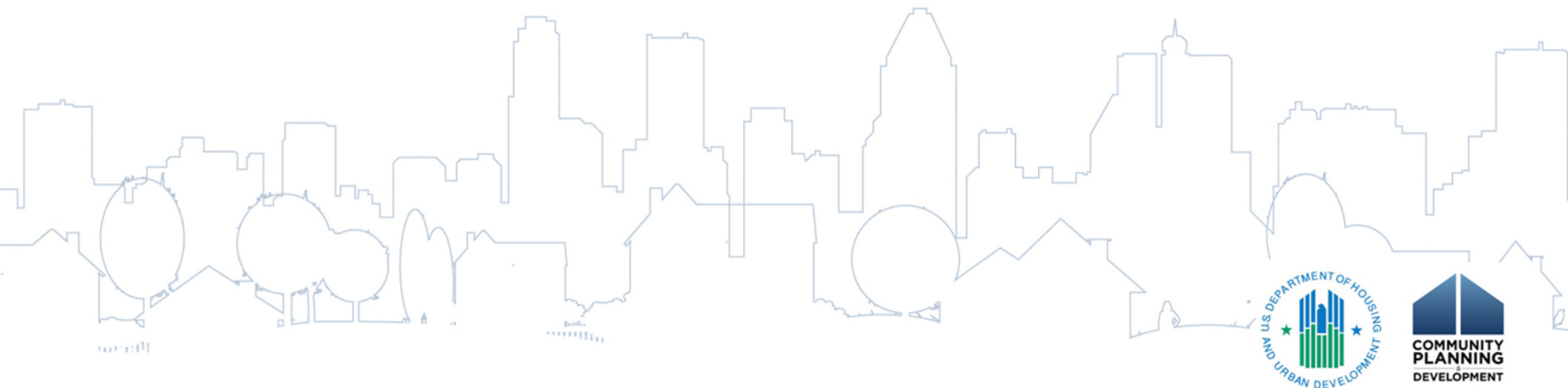
Purpose

- SHOP is authorized by the Housing Opportunity Program Extension Act of 1996, Section 11, and is subject to other federal crosscutting requirements. No separate program regulations exist. All program requirements are listed in the applicable SHOP Notice of Funding Opportunity (NOFO).
- The Self-Help Homeownership Opportunity Program (SHOP) awards grant funds to eligible national and regional non-profit organizations and consortia to purchase home sites and develop or improve the infrastructure needed to set the stage for sweat equity and volunteer-based homeownership programs for low-income persons and families.



Funding

- HUD is making \$13,500,000 of FY 2023 Self-Help Homeownership Opportunity Program (SHOP) grant funds available to national and regional non-profit organizations and consortia.



Eligible Applicants

- Applicants eligible for the SHOP program are nonprofit organizations having a 501(c)(3) or 501(c)(4) status with the IRS, other than institutions of higher education.
- Eligible applicants also include public or private non-profit organizations, or a consortium of public or private non-profit organizations that have the capacity and experience to provide or facilitate self-help homeownership opportunities on a national or regional basis.
- National and regional nonprofit organizations or consortia with experience in using homebuyer and volunteer labor to build housing may apply for SHOP grants.



Eligible Activities

- SHOP grant funds can only be used for land acquisition, infrastructure improvements, and administrative costs.
- Total land acquisition and infrastructure improvement costs cannot exceed an average of \$25,000 in SHOP assistance per unit.
- Administrative costs cannot exceed 20 percent of the SHOP grant amount. SHOP grantees must leverage other funds for the new construction or rehabilitation of their SHOP units.
- SHOP funds must be used for eligible expenses to develop decent, safe and sanitary non-luxury housing for low-income persons and families who otherwise would not be able to afford to become homeowners.



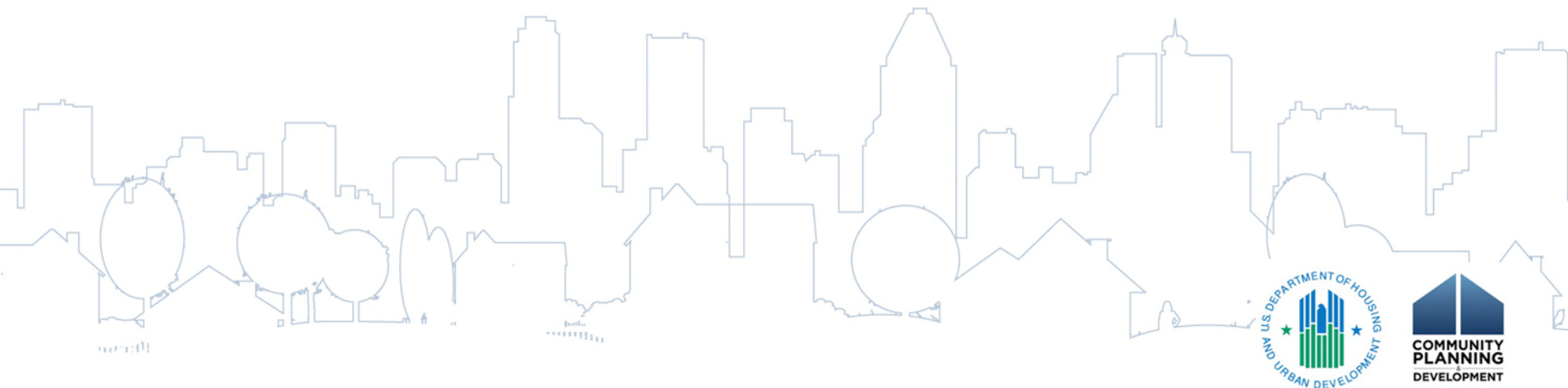
Beneficiaries

- The SHOP statute requires that funds benefit “low-income families and individuals who otherwise would be unable to afford to purchase a dwelling.”
- Eligible homebuyer households are low-income individuals and families whose annual incomes do not exceed 80 percent of the median income for the area, as established by HUD with adjustments for household size.



Funding

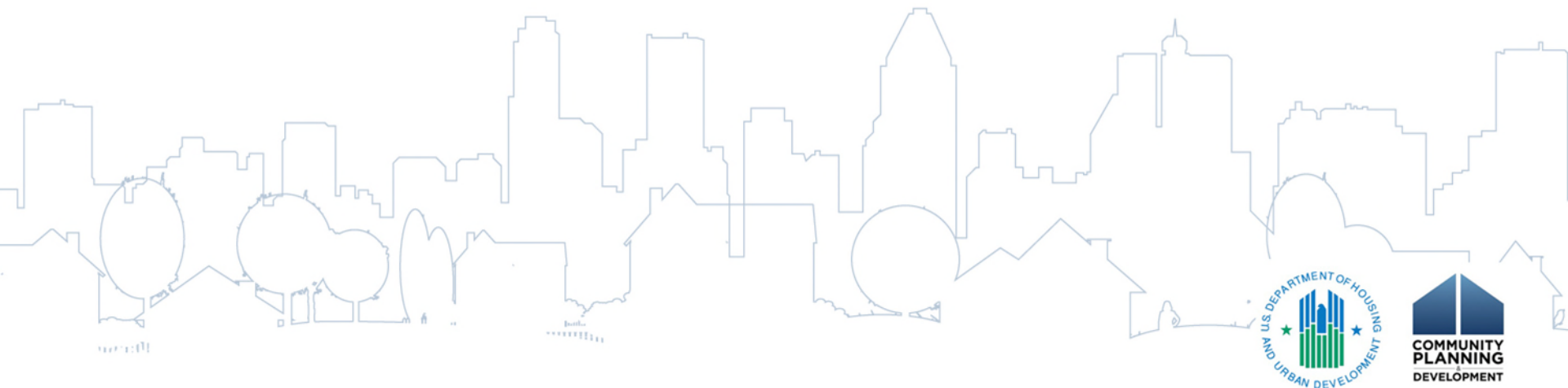
- Up to \$ 13.5 million awarded competitively;
- Approximately 4-5 awards;
- Minimum Award amounts = \$1,145,000;
- 36-month award period.



SHOP Service Areas

The SHOP scope of service include:

- National
- Regional or
- Consortia



Eligible Applicant

- Nonprofits having a 501(c)(3) or 501(c)(4) status with the IRS, other than institutions of higher education.
- Eligible applicants include public or private non-profit organizations.
- Consortium of public or private non-profit organizations, that have the capacity and experience to provide or facilitate self-help homeownership opportunities on a national or regional basis.



Content and Form of Application

- You must verify that boxes 11, 12, and 13 on the SF-424 match the NOFO for which you are applying. If they do not match, you have downloaded the wrong Application Instruction and Application Package.
- You must submit your SHOP application in an 8.5 by 11-inch page size format, using a standard 12-point font. Text in tables must not be less than a 9-point font.
- HUD will not consider material shown in a smaller font size. Pages for each application section must be numbered sequentially starting with “1.” For sections with page limits, HUD will not consider information on pages that exceed the page limit (See Section V.A.1. Application Information Criteria of this NOFO).



Changes from Previous NOFO

- HUD is making \$13,500,000 of FY 2023 SHOP grant funds available to national and regional non-profit organizations and consortia through this NOFO.
- Funding categories have been removed from this NOFO.
- Section III.F contains two new requirements for all applicants to submit narratives which describe how they are Advancing Racial Equity and Affirmatively Marketing their programs and services under this NOFO.
- Section IV.G. Affirmatively Furthering Fair Housing (AFFH). This was previously required under Threshold Requirements and in the FY-2023 NOFO, the requirement moved to Section IV.G. Applicants must describe how their proposed NOFO activities are aligned with AFFH requirements.

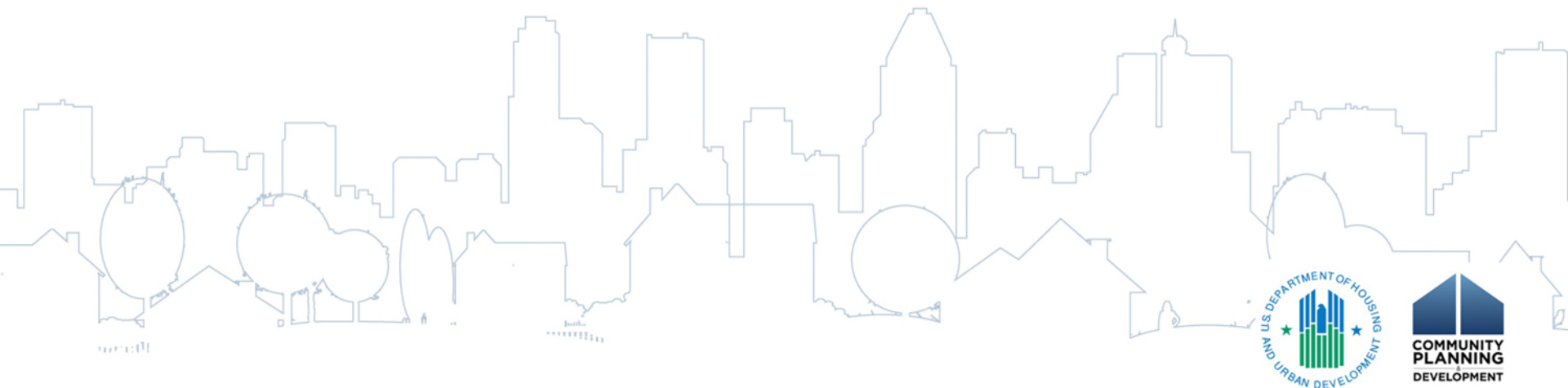


Rating Factor 1: Relevant Organizational Experience

20 Points Maximum for this factor.

Applicant will be evaluated on:

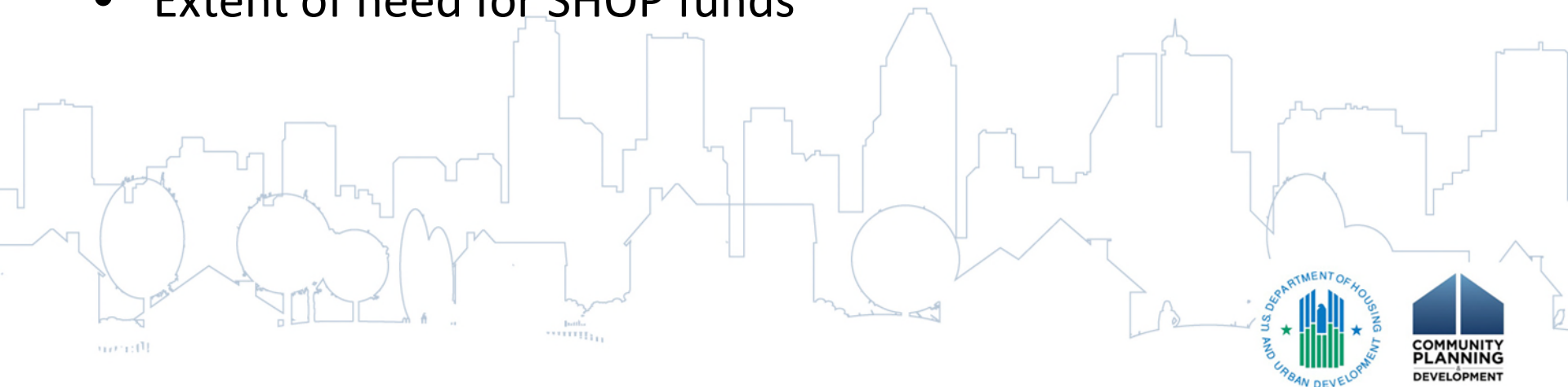
- Past Performance
- Program Management Capacity
- Financial Management Capacity



Rating Factor 2: Need and Extent of the Problem

4 Points Maximum.

- Demonstrated need for self-help homeownership housing in proposed service areas.
- National or Regional applicants must use state or national-level data to demonstrate the need for affordable homeownership housing
- Extent of need for SHOP funds



Rating Factor 3: Soundness of Approach

40 Points Maximum.

Applicant will be evaluated on:

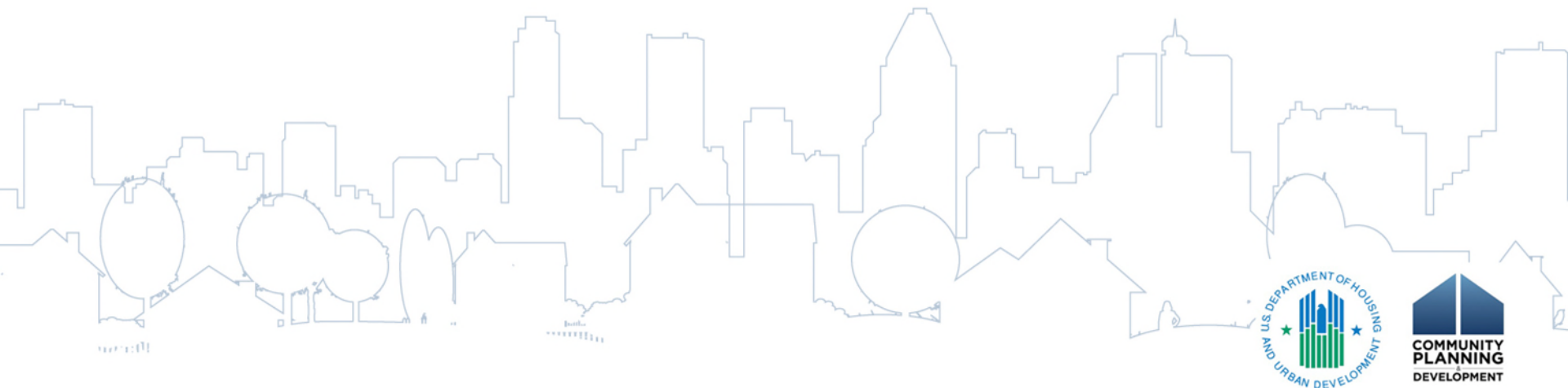
- Project Feasibility,
- Affordable and Sustainable Homeownership,
- Sweat Equity Contribution and Valuation,
- SHOP Grant Schedule,
- SHOP Budget,
- Training and Technical Assistance
- Section 3 Compliance



Rating Factor 4: Leveraging Resources

20 Points Maximum

- Previous Success in leveraging funds for self-help homeownership housing program funds during the most recent five-year period
- Leveraged Resources Strategy

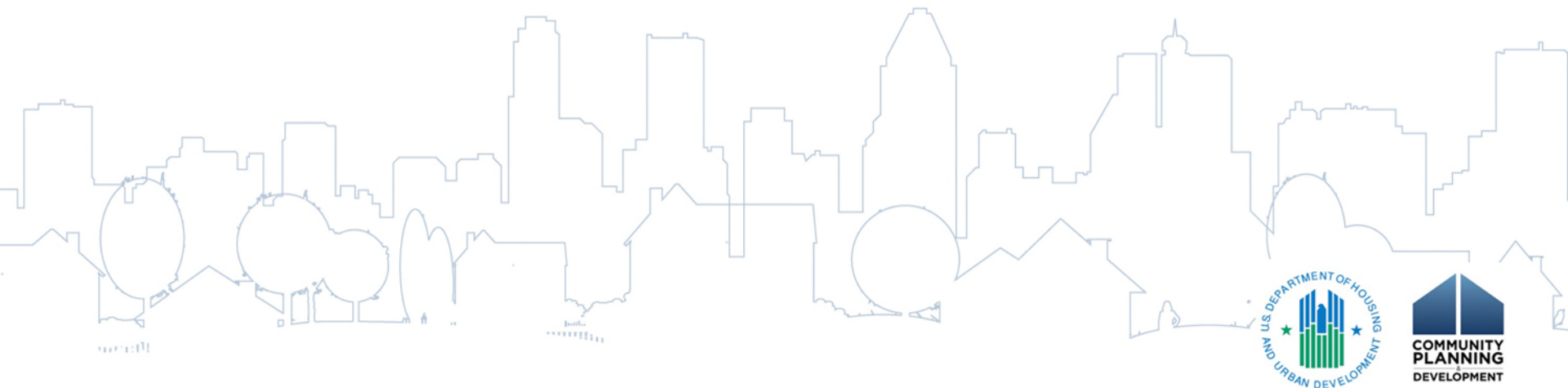


Rating Factor 5:

Achieving Results and Program Evaluation

16 Points Maximum

- Ongoing and Distance Monitoring
- On-site Monitoring
- Evaluation Plan



Preference Points

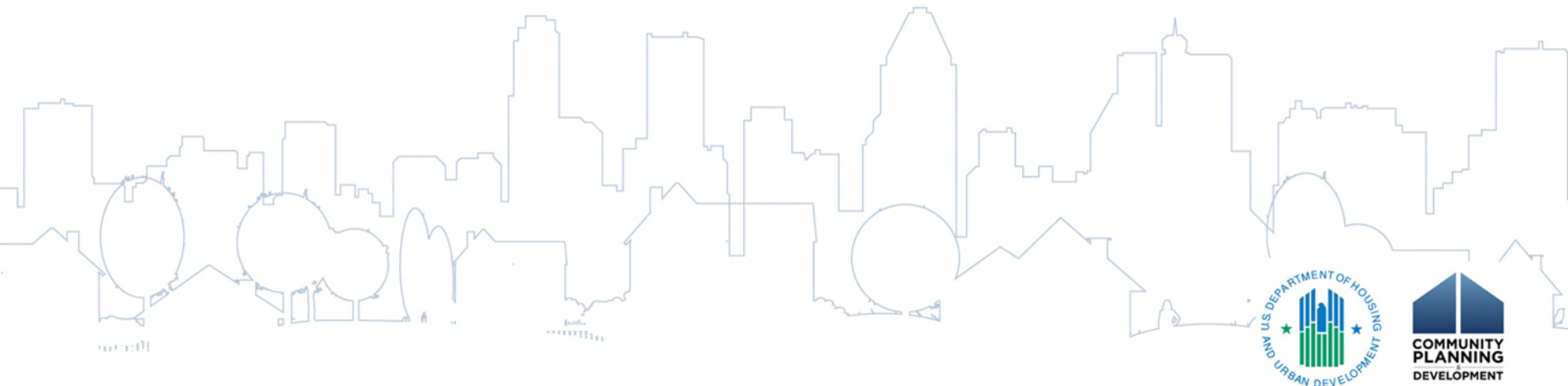
4 Points Maximum

- HUD encourages activities in support of interdepartmental initiatives. HUD may award no more than four (4) preference points for Promise Zones (PZ), Historically Black Colleges and Universities (HBCU), Climate Change or Environmental Justice.
- Each preference is worth two points. For example, points may be awarded for Climate and Environmental Justice or for Promise Zones and HBCUs.



Application and Submission

- Download application and instructions from grants.gov
- Verify download of correct application package
- support@grants.gov or 1-800-518-4726



Application Submission Dates & Time

- Application deadline is 11:59:59 pm Eastern Time – December 4, 2023.
- Changes can be made before deadline.
- Application must be validated by grants.gov
- Submit application at least 48 hours before the deadline.
- support@grants.gov or 1-800-518-4726



Writing a Grant Proposal: 10 Tips to Follow

1. Read and reread the instructions
2. Develop a strategy
3. Follow instructions
4. Write from funders perspective
5. Build your case
6. Support your claims
7. Develop a detailed budget
8. Have proof read
9. Make it look good
10. Make a final copy



Tip 1: Read and Reread the Proposal

Look for and Highlight

- Deadlines
- Proposal Sections
- Budget Information
- Requirements (“Must contain”, “Is required”, “Will be rejected if”, etc.)
- Rating Factors
- Special Conditions
- Attachments



Tip 2: Develop a Strategy

- Organize your application into “bite size” sections
- Develop a Table of Contents
- Develop checklist:
 - ✓ Tasks to be done
 - ✓ Requirements to complete
 - ✓ Whose responsible for application section
 - ✓ When you will complete the application
 - ✓ When the application is due



Tip 2: Develop a Strategy

(Continued)

- Identify your team with responsibilities:
 - Accountant
 - Program Director
 - Executive Director
 - Writer and Editor
 - Consultant
- Pay close attention to the Rating Factors for Award and the value of each



Tip 3: Follow Instructions

*This is the **NUMBER 1** problem of a denied application*

❖ First thing checked by evaluators

- Use the prescribed forms (download copies)
- Follow all requirements, Notice of Funding Opportunity orders, number of copies, application submission dates and layout
- The key is to make the application easy for reviewers to read



Tip 4: Write from Funders Perspective

- Give the funder/HUD its language back to them.
- Evaluators and reviewers are looking for key words and phrases
- Be aware and relate to funders goals and motivations
- Keep your grant language **PLAIN**



Tip 5: Build Your Case

Your application should be ***clear, concise and understandable*** to the uninformed.

This means:

- ✓ ***Clear statement of need*** with documentation
- ✓ Strong, defensible ***collaborative method or approach*** to addressing the problem
- ✓ Capable qualified team
- ✓ Likelihood of ***funding from various sources***
- ✓ ***Reasonable*** plan to sustain the effort after requested funding is done
- ✓ **Stick to the page limit**: Reviewers are not required to read pages over the limit



Tip 5: Build Your Case

(Continued)

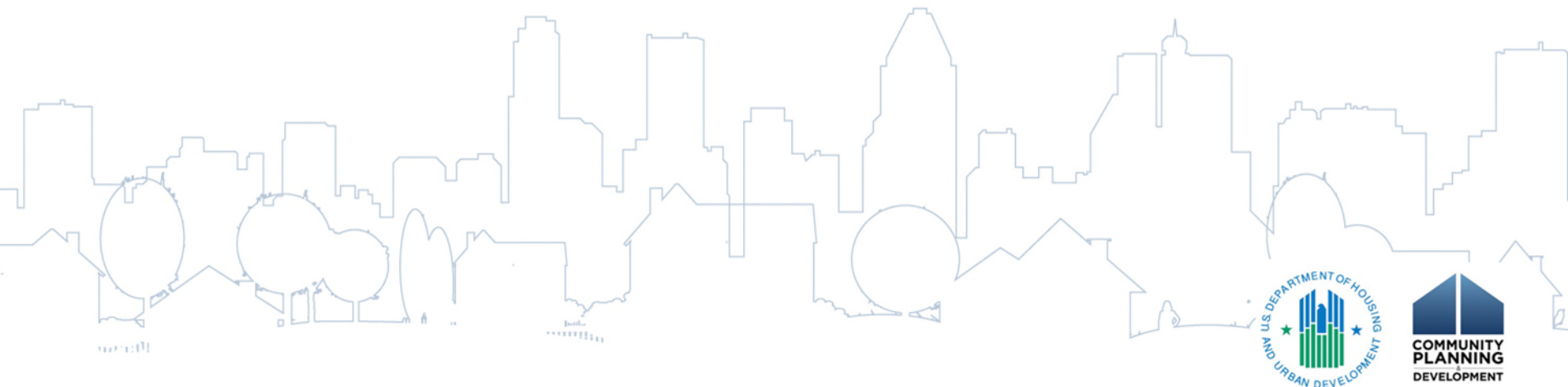
- ✓ Project should contain a ***detailed timeline of activities***
- ✓ Outcomes need to be **measurable** but don't overstate outcomes
- ✓ Have a ***Means of Evaluation***
- ✓ Staff resumes should be tailored to fit program activities
- ✓ Executive Summary/Abstract are ***concise***, to the ***point*** and written last.



Tip 6: Support Your Claims

Need for Service or Product Evidence

- Research
- Surveys
- Letters from expert or related organizations
- Reports
- Census data



Tip 7: Develop a Detailed Budget

The ***Grant Application Budget*** is financial snapshot of program

Be sure to:

- Be specific
- Have checked and verified by your financial and program staff
- Do not over- or understate your budget and budget needs



Tip 8: Have Proof Read

- ✓ Read instructions again before proofreading
- ✓ Double-check your application for mistakes
- ✓ Have one or two persons **not** familiar with the program or who **have not seen** the application read it
- ✓ Read out loud for clarity and flow
- ✓ Let sit for 24 hours and read again
- ✓ Recheck numbers, signatures and names as well as page numbers

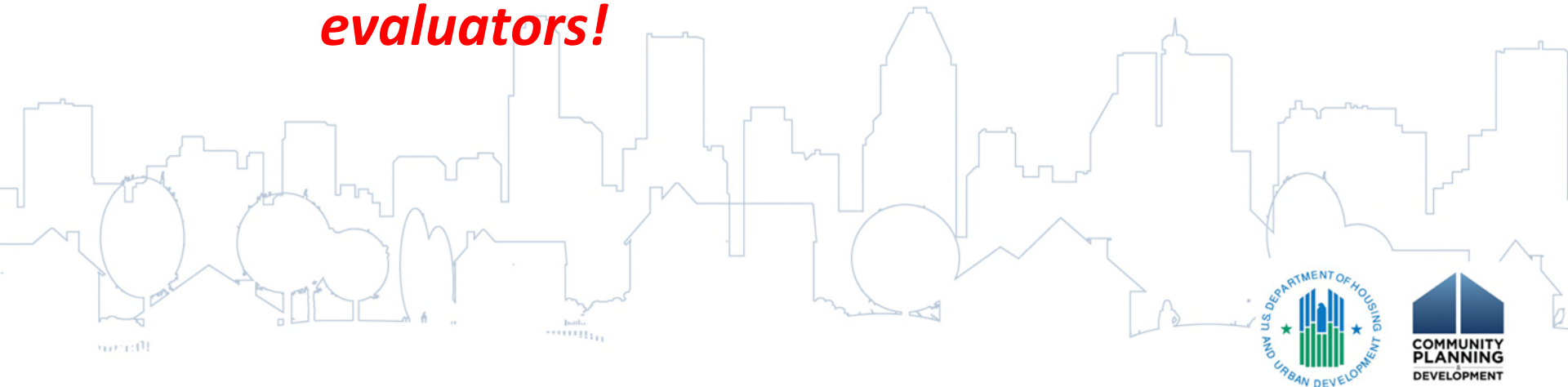


Tip 9: Make It Look Good

Appearance does matter:

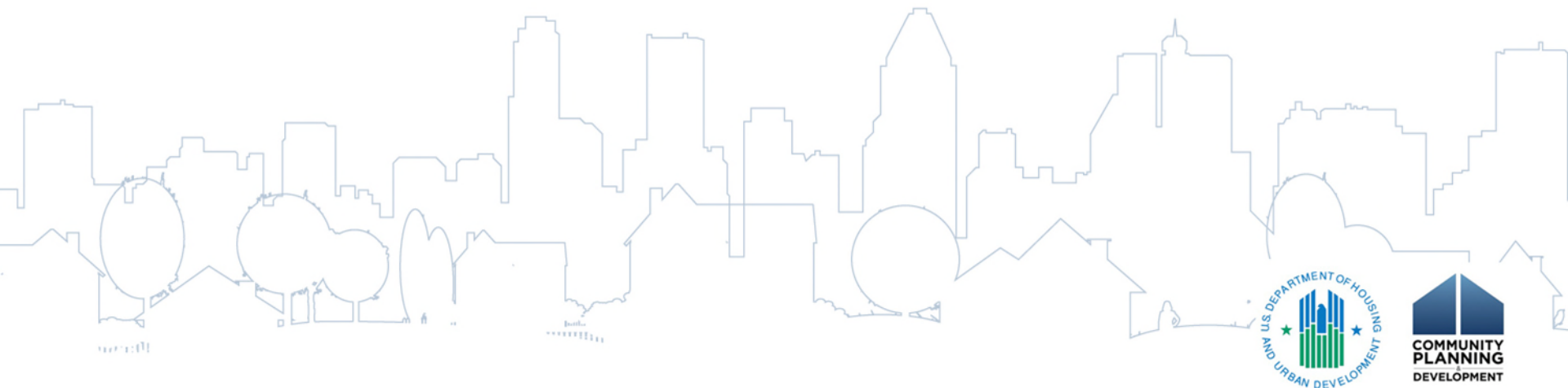
- Shows care, thoughtfulness and capacity
- Also makes the application easier for reviewers to read

➤ ***Yours might be number 20 read by evaluators!***



Tip 10: Save a Final Copy

- Keep a copy for your records
- Useful when responding to questions of clarification
- Some omissions and technical deficiencies are correctable



Ten Tips for Writing the Proposal:

1. Read and reread the instructions
2. Develop a strategy
3. Follow instructions
4. Write from funders perspective
5. Build your case
6. Support your claims
7. Develop a detailed budget
8. Proofread
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