Early Action Activities Requirements and Process

Purpose of Doing While Planning & Early Action Activities
Neighborhood planning is an important first step in rebuilding community confidence and establishing a shared vision for the future. Over time, the planning process may start to lose momentum and the community, especially communities that have seen plans come and go in the past, may wonder when all this planning is going to turn into results. For this reason, even modest physical improvements and investment actions help communities build momentum for change and transition from planning to implementation of that plan. These early actions improve neighborhood confidence, sustain the community’s energy, attract further engagement, and help convince skeptical stakeholders that positive change is possible.

Early Action Activities Funding
All Planning Grantees are expected to implement Doing While Planning activities during the planning process (the first 24 months). These projects can be funded through leveraged commitments or Choice Neighborhoods Early Action Activities funds. Specifically, Planning Grantees can use up to $50,000 of their $350,000 Planning Grant funds to implement Early Action Activities.

How Early Action Activities Funds Can Be Used
You must use Early Action Activities funds for physical neighborhood improvements, specifically community development or economic development projects that enhance and accelerate the transformation of the neighborhood. Early Action Activities must support the planning process through engaging the community, building capacity, fostering social cohesion, or otherwise reinforcing the planning process. Early Action Activities must also be responsive to the neighborhoods’ needs and should be used for innovative solutions that address neighborhood challenges.

You cannot use Early Action Activities funds for:
- non-physical uses, such as supportive services, administrative costs (e.g., staffing, meeting space), and marketing;
- basic infrastructure or as a substitute for basic municipal services; or
- redevelopment of the public or HUD-assisted housing targeted in this application, including acquisition, relocation, demolition and remediation, rehabilitation, or construction of the targeted housing.

Types of Early Action Activities
You can only use Early Action Activities funds for the following activity types:
- Reclaiming and recycling vacant property* into community gardens, pocket parks, farmers markets, or land banking (with maintenance);
- Beautification, placemaking, and community arts projects, such as creative signage to enhance neighborhood branding, murals and sculptures, specialty streetscaping, or garden tool loan programs;
- Homeowner** and business façade improvement programs;
- Neighborhood broadband/Wi-Fi infrastructure and installation (internet service must be paid for by non-Choice Neighborhoods funds);
• Fresh food initiatives, such as farmers markets and mobile fresh food vendors; and
• Gap financing for economic development projects that are ready for implementation and have secured all the necessary financing except a modest "gap".

*If vacant or other land is acquired with Action Activities funding and that land is eventually re-purposed for housing, the property must carry a 20-year affordability restriction of up to 120% of Area Median Income (AMI).

**Homeowner façade improvement programs may only address the exterior (or façade) of homes. Any interior improvements carry a 20-year affordability restriction of up to 120% of Area Median Income (AMI).

**Early Action Activities Proposal & Approval Process**
Planning Grantees must secure HUD approval and complete their Early Action Activities within the first 24 months of their grant. Planning Grantees may request Early Action Activities funds by submitting the Choice Neighborhoods Budget (Form HUD-53236) to HUD, and including each Early Action Activity as a budget item. The submission can be done as part of the initial budget submitted to HUD or as a budget revision.

Before you submit the budget, please discuss the proposed Early Action Activities with your HUD Team Coordinator. Depending on the activity, the HUD Team Coordinator may ask for more detailed information, such as:
• A description and justification of the Early Action Activity;
• Administration details, including who is responsible for administering the plan. Please note, administrative costs cannot be covered by Choice Neighborhoods Early Action Activity funds;
• A project budget that details the sources and uses for the Early Action Activity, including any leveraged commitments;
• Evidence of firm commitments for leverage sources;
• A project’s operational budget, if the project will continue to be operated after construction (e.g., for a farmer’s market);
• A project schedule;
• A description of how program income will be used, in accordance with Grant Agreement requirements, if there is a possibility any program income might be generated from the project; and/or
• Program/Policy guidelines.

When selecting and proposing Early Action Activities you are encouraged to consider the questions listed on the Early Action Activities Planning Tool.

**Release of Funds**
Funds for specific Early Action Activities will be authorized for expenditure in LOCCS once:
• HUD approves a Choice Neighborhoods Budget (Form HUD-53236) that includes the specific Early Action Activities.
• The Planning Grantee has completed the Environmental Review process for all Early Action Activities, pursuant to 24 CFR Part 58. Release of funding will be contingent on Early Action Activities receiving Environmental Review approval. Please send evidence of approval to your Team Coordinator in the form of:
1) The Request of Release of Funds/Environmental Certification (RROF/C) Form (HUD-7015.15) signed by the Responsible Entity and the Authority to Use Grant Funds (AUGF) Form (HUD-7015.16) signed by HUD; OR

2) Documentation that the activity is: Exempt; Categorically Excluded Not Subject To the laws and authorities at 58.5 (CENST); or Categorically Excluded Subject To the laws and authorities at 58.5 (CEST) and converted to exempt because there are no circumstances which require compliance with 58.5. Documentation is provided through a letter by the Responsible Entity or the HUD Environmental Review Officer certifying that the Environmental Review has been completed pursuant to 24 CFR Part 58 and the activity has been determined to be Exempt, CENST, or CEST converted to exempt; OR

3) In the rare circumstance where the NOFA exception detailed under the “Environmental Requirements” section is met and the Environmental Review is being completed under 24 CFR Part 50 (HUD as the Responsible Entity), release of funding will be contingent on completion of the review in HEROS and a copy of the electronic certification of the 7015.16 HEROS screen by HUD.

Other Considerations

- HUD encourages the use of Early Action Activities funds for grants, instead of loans. However, if you are considering Early Action Activities that involve providing loans, please consult your HUD Team Coordinator as soon as possible to determine whether this can be accomplished within the required timeframe and what additional documentation and restrictions are required.

- Because Early Action Activities are meant to have a lasting impact, HUD typically does not approve Early Action Activities that use land on an interim basis, unless it is for the purposes of reclaiming and recycling vacant land.

- If there is a possibility that the project or site involves historic preservation, you should contact your State Historic Preservation Officer (SHPO) as early as possible.

- Environmental Reviews can take as many as 6 months or longer. HUD encourages you to work closely with your local Environmental Officer.