



U.S. Department of Housing and Urban Development

Community Planning and Development

Rural Capacity Building for Community Development and Affordable Housing Grants (RCB)

FR-6200-N-08

Application Due Date: 06/11/2019

Rural Capacity Building for Community Development and Affordable Housing Grants (RCB)

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U.S. Department of Housing and Urban Development

Program Office:	Community Planning and Development
Funding Opportunity Title:	Rural Capacity Building for Community Development and Affordable Housing Grants (RCB)
Announcement Type:	Initial
Funding Opportunity Number:	FR-6200-N-08
Primary CFDA Number:	14.265
Due Date for Applications:	06/11/2019

Overview

Prospective applicants should carefully read all instructions in all sections to avoid sending an incomplete or ineligible application. HUD funding is highly competitive. Failure to respond accurately to any submission requirement could result in an incomplete or noncompetitive proposal.

For Further Information Regarding this NOFA: Please direct questions regarding the specific program requirements of this Program Notice of Funding Availability (NOFA) to the office contact identified in Section VII.

OMB Approval Number(s): 2506-0195

I. Funding Opportunity Description.

A. Program Description.

1. Purpose

Purpose: The Rural Capacity Building program enhances the capacity and ability of rural housing development organizations, Community Development Corporations (CDCs), Community Housing Development Organizations (CHDOs), local governments, and Indian tribes (eligible beneficiaries) to carry out affordable housing and community development activities in rural areas for the benefit of low- and moderate-income families and persons. The Rural Capacity Building program achieves this by funding National Organizations with expertise in rural housing and rural community development who work directly to build the capacity of eligible beneficiaries.

2. Changes from Previous NOFA.

The Fiscal Year (FY) 2018 Rural Capacity Building (RCB) program NOFA contains minimal changes compared to the previous FY 2017 NOFA. Most changes are characterized by the increase in clear language and a clearer explanation of specific expectations in the five rating factors. There are no programmatic changes in the FY 2018 RCB NOFA. Specific changes

include:

- *Threshold Review:* The threshold review in the FY 2018 RCB NOFA is mostly unchanged, but the directions have been clarified and made more explicit. Applicants must also show the amount of funding in their examples of national experience, provide proof of their IRS tax exempt status, and provide the webpage address for the organization.
- *Rating Factors:*
 - *Factor 1, Capacity of Applicant and Relevant Organizational Experience* – The Capacity factor has been modified to be clearer and more precise in stating the information that is needed and how it will be evaluated to meet the requirements for the narrative. In particular, the requirements for demonstrating financial capacity were made more precise. The threshold score for Factor 1 was increased to 21 points from 17 points.
 - *Factor 2, Need/Extent of the Problem* – Reference to specific disadvantaged communities was removed.
 - *Factor 3, Soundness of Approach* – Applicants are now required to provide their budget within the written narrative, which will make their project design clearer and more accurate to the structure of the RCB program as a 4-year grant (the Form SF-424-CB budget attachment is no longer required or requested.) Additional changes to improve conceptual consistency include moving the “proposed eligible beneficiaries” and the process for selection of geographic rural areas to the Implementation Process sub-section. Reference to specific disadvantaged communities was removed.
 - *Factor 4. Leveraging Resources* – The requirements for Letters of Firm Commitment were clarified, and more precise language was added for the description of the application and effects of proposed leverage resources.
 - *Factor 5, Achieving Results and Program Evaluation* – The directions for performance plans are more clearly delineated. The distinction between the two different types of evaluation as internal administration of the grant award versus an evaluation of the effectiveness of grant award activities on the communities the applicant serve was emphasized. For currently funded applicants, additional distinctions were made between the programmatic outputs and outcomes achieved with past RCB awards apart from past performance with grant management.
- *Rural Definition:* The definition of Rural Area is unchanged but it has been updated to reflect current resources and tools.
- *Local Government:* The definition was added.
- *Narrative Format:* Narratives must use 1-inch margins.
- *Page Limit:* The page limit for the narrative was increased from 38 pages to 40 pages, to allow for the provision of the budget table in the narrative.
- *Attachments:* Applicants are reminded that they must attach evidence of IRS 501(c)(3) status and Indirect Cost Rate documentation.
- *Opportunity Zone Preference Points:* These were added to the NOFA, increasing the total number of possible points to 104 points from 102 points.
- *Eligible Activities:* Additional relevant examples have been added.

- *Eligible Beneficiaries*: While the type of beneficiaries that are eligible in the RCB program remains unchanged from FY 2017, clarifying language was added to distinguish between eligible beneficiaries and eligible applicants. Furthermore, definitions for “eligible beneficiaries” and “eligible applicants” were added to the definition section of this NOFA for the sake of consistency.
- *Rights to Intangible Property*: References to the rules regarding the creation of intangible property, including, but not limited to, curriculum, trainings, data or research findings cited at 2 CFR 200.315 were added.

To improve your chances of success, please be sure to read this announcement fully and carefully, and respond to all the elements in each factor.

3. Definitions.

a. Standard Definitions

Authorized Organization Representative (AOR) is the person authorized to submit applications on behalf of the organization via Grants.gov. The AOR is authorized by the E-Biz point of contact in the System for Award Management. The AOR is listed in item 21 on the SF-424. Award, as used in this NOFA means a federal, grant, cooperative agreement, loan, or loan guarantee.

Catalog of Federal Domestic Assistance (CFDA) is a directory of the various Federal listings, projects, services and activities offering financial and non-financial assistance and benefits to the American public. CFDA Number is the unique number assigned to each program, project, service or activity listed in the Catalog of Federal Domestic Assistance (CFDA).

Consolidated Plan is a document developed by states and local jurisdictions. This plan is completed by engaging in a participatory process to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions with funding from formula grant programs. (See 24 CFR part 91 for more information about the Consolidated Plan and related Annual Action Plan).

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this NOFA does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (See 2 CFR 200.22.)

Contractor means an entity receiving a contract.

Deficiency is information missing or omitted within a submitted application. Deficiencies typically involve missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box, etc.). Depending on specific criteria, deficiencies may be either curable or non-curable.

- Curable Deficiency – Applicants may correct a curable deficiency 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 able to be remedied within the time frame specified in the notice of deficiency.

- **Non-Curable Deficiency** – An applicant cannot correct a non-curable deficiency after the submission deadline.

Non-curable deficiencies are deficiencies if corrected would change an applicant's score or rank versus other applicants.

Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination.

DUNS Number is the nine-digit identification number assigned to a business or organization by Dun & Bradstreet and provides a means of identifying business entities on a location-specific basis. Requests for a DUNS number can be made by visiting the Online DUNS Request Portal. Eligibility requirements are mandatory requirements for an application to be eligible for funding. Deficiencies in meeting an eligibility requirement may be categorized as either curable or non-curable.

Federal Awardee Performance and Integrity Information System (FAPIIS) is a database that has been established to track contractor misconduct and performance.

Grants.gov is the website serving as the Federal government's central portal for searching and applying for federal financial assistance throughout the Federal government. Registration in Grants.gov is required for submission of applications to prospective agencies.

NOTE: Passwords expire every 60 days. Accounts inactive for 1 year or more result in removal of all account roles. For more account management information, review the [Applicant FAQs](#) contained on the grants.gov web page.

Non-Federal Entity means a state, local government, Indian tribe, institution of higher education (IHE), or non-profit organization carrying out a Federal award as a recipient or subrecipient.

Point of Contact (POC) is the person who may be contacted with questions about the application submitted by the AOR. The point of contact is listed in item 8F on the SF424.

Promise Zones are federally-designated, high-poverty urban, rural and tribal communities where the Federal government will partner with and invest in communities to accomplish these goals: create jobs, leverage private investment, increase economic activity, expand educational opportunities, and reduce violent crime.

Promotores/Promotoras are Spanish-speaking Community Health Workers who work in their communities to reduce barriers to health services and make health care systems more responsive.

Recipient means a non-Federal entity receiving an award directly from HUD to carry out an activity under a HUD program.

Section 3 Business Concern means a business concern (1) 51 percent or more owned by Section 3 residents; or (2) of which at least 30 percent of permanent, full-time employees are currently Section 3 residents, or were Section 3 residents within three years of the date of first employment with the business concern; or (3) provides evidence of a commitment to subcontract over 25 percent of the dollar award of all subcontracts to be awarded to business concerns meeting the qualifications in this definition.

Section 3 Residents means: 1) Public housing residents; or 2) Low and very-low income persons, as defined in 24 CFR 135.5, who live in the metropolitan area or non-metropolitan county where Section 3 covered assistance is expended.

Standard Form 424 (SF424) Application for Federal Assistance Programs, required by

discretionary grant programs.

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

Subrecipient means a non-Federal entity receiving a subaward from a recipient to carry out part of a HUD program; but does not include an individual's beneficiary of such program.

A subrecipient may also receive other Federal awards directly from a Federal awarding agency (including HUD).

System for Award Management (SAM), is an official website of the U.S. government. You can access the website at Sam.gov. There is no cost to use SAM. SAM is the official U.S.

Government system that consolidated the capabilities of Central Contractor Registry (CCR), Excluded Parties List System (EPLS) and the Online Representations and Certifications Application (ORCA). Registration with Sam.gov is required for submission of applications via Grants.gov.

Threshold Requirement – Threshold requirements are a type of eligibility requirement.

Threshold requirements must be met for an application to be reviewed. Threshold requirements are not curable, except for documentation of applicant eligibility. Threshold requirements are listed in Section III.C. of this NOFA.

Applicants must ensure their application package addresses threshold requirements. Please check your application carefully!

4. Program Definitions

Eligible Applicant: The National Organization (according to the definition in this RCB NOFA) applying for funding under this funding announcement. There are two types of applicants:

1. *New Applicants:* National Organizations that have not been awarded RCB program funds in the past five years, from FY 2013-FY 2017.
2. *Currently Funded Applicants:* National Organizations that have been awarded one or more RCB program grants, in grant years FY 2013-FY 2017.

Eligible Beneficiary: A local organization, serving a rural area(s), of one of the following types: rural housing development organization, Community Development Corporation (CDC), Community Housing Development Organization (CHDO), Local government, and/or Indian tribe.

Community Development Corporation (CDC):

1. A CDC is a nonprofit organization that undertakes eligible RCB Program activities, as defined in this NOFA, and that meets these qualifications:

- a. Is organized under Federal, State, or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation;
- b. Is governed by a board of directors composed of community residents, business leaders and civic leaders;

- c. Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low income;
- d. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization;
- e. Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1);
- f. Has standards of financial accountability that conform to 2 CFR 200.302, "Financial Management" and 2 CFR 200.303, "Internal Controls"; and
- g. Is not an agency or instrumentality of a State or local government.

2. An organization that does not qualify under paragraph 1(a) through (g) may qualify as an eligible entity if:

- a. It is a Small Business Administration (SBA) approved Section 501 State Development Company, or an SBA Certified Section 503 Company under the Small Business Investment Act of 1958, as amended (P.L. 85-699), or
- b. The recipient demonstrates to the satisfaction of HUD, through the provision of information regarding the organization's charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those entities qualifying under paragraphs 1(a) through (g) of this definition, or
- c. It is a State or locally chartered organization; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of the State or local government entity chartering the organization. Board members appointed by the State or local government may not appoint the remaining two-thirds of the board members.

Community Housing Development Organization (CHDO): A CHDO is defined in the HOME Investment Partnerships Program regulation (HOME Program) at 24 CFR 92.2. The HOME Program is authorized by the HOME Investment Partnerships Act at title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, 42 U.S.C. 12701 et seq.

Family: Family refers to the definition of "family" in 24 CFR 5.403. Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- 1. A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
- 2. A group of persons residing together, and such group includes, but is not limited to:
 - a. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - b. An elderly family;
 - c. A near-elderly family;

- d. A disabled family;
- e. A displaced family; and
- f. The remaining member of a tenant family.

Household: Household means all the persons occupying a housing unit. The occupants may be a family as defined in 24 CFR 5.403; two or more families living together, or any other group of related or unrelated persons who share living arrangements, regardless of actual or perceived sexual orientation, gender identity, or marital status.

Local government: Local government means any unit of government within a state, including a county, borough, municipality, city, town, township, parish or special district.

Low- and moderate-income household: Low- and moderate-income household means a household having an income equal to or less than the Section 8 low-income limit established by HUD, which means a household whose income does not exceed 80 percent of the Area Median Income (AMI).

Low- and moderate-income person: Low- and moderate-income person means a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD, which means an individual whose income does not exceed 80 percent of the AMI. Unrelated individuals will be considered as one-person families for this purpose.

Low-income household: Low-income household means a household having an income equal to or less than the Section 8 very low-income limit established by HUD, which means a household whose income does not exceed 50 percent of the AMI.

Low-income person: Low-income person means a member of a family that has an income equal to or less than the Section 8 very low-income limit established by HUD, which means an individual whose income does not exceed 50 percent of the AMI. Unrelated individuals shall be considered as one-person families for this purpose.

National Organization: For the purpose of the RCB program, a National Organization must be a single organization that has experience conducting RCB eligible activities with RCB eligible beneficiaries within the last ten years in at least seven Federal HUD regions. Having relevant experience working in one state in a HUD region is sufficient for counting that region towards the seven-region minimum. Federal regions are described on HUD's website at: <http://portal.hud.gov/hudportal/HUD?src=/localoffices/regions>. A National Organization must be a 501(c)(3) non-profit, other than an institution of higher education.

Opportunity Zone: According to the IRS, and Opportunity Zone is an “economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment.” Opportunity Zones are further defined in 26 U.S.C. 1400Z.

Rural Area: A rural area is a statistical geographic entity delineated by the Census Bureau that does not meet the definition of an urbanized area. An urbanized area is a statistical geographic entity delineated by the US Census Bureau, consisting of densely settled census tracts and blocks and adjacent densely settled territory that together contain at least 50,000 people. As of the 2010 decennial census, the United States contained 486 urbanized areas with an additional 11 in Puerto Rico. For more information about urbanized areas, including maps, FAQs, and reference manuals, please refer to this Census Bureau website - <https://www.census.gov/geo>

</reference/webatlas/uas.html>.

To demonstrate that a beneficiary complies with the rural area requirement, grantees will be expected to implement a review process to confirm that the proposed rural beneficiary is physically located within an eligible rural area or, as a result of RCB assistance, will be commencing or expanding service in an eligible rural area. HUD has created a mapping tool for grantees to utilize in assessing a beneficiary's compliance with the rural area definition. The mapping tool is posted on HUD's RCB grant program webpage - <https://www.hudexchange.info/programs/rural-capacity-building/>.

5. Web Resources

The resources indicated provide details for the application process

- [Affirmatively Furthering Fair Housing](#)
- [Code of Conduct list](#)
- [Do Not Pay](#)
- [Dun & Bradstreet](#)
- [Request a DUNS Number](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [Federal Subaward Reporting System\) FSRS](#)
- [Grants.gov](#)
- [Grants.gov support](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD Funds available](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [NOFA webcasts](#)
- [Procurement of recovered materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Real Property Acquisition and Relocation](#)
- [USASpending](#)

B. Authority.

The FY 2018 Rural Capacity Building program funds made available through this NOFA are authorized by the Consolidated Appropriations Act, 2018 (Public Law 115-141, approved on

March 23, 2018).

II. Award Information.

A. Available Funds

Funding of up to **\$5,000,000** is available through this NOFA.

Additional funds may become available for award under this NOFA as a result of HUD's efforts to recapture unused funds, use carryover funds, or because of the availability of additional appropriated funds. Use of these funds is subject to statutory constraints. All awards are subject to the applicable funding restrictions contained in this NOFA.

B. Number of Awards.

HUD expects to make approximately 4 awards from the funds available under this NOFA.

C. Minimum/Maximum Award Information

Estimated Total Funding:	\$5,000,000
Minimum Award Amount:	\$1,000,000 Per Project Period
Maximum Award Amount:	\$2,500,000 Per Project Period

D. Period of Performance

Estimated Project Start Date:	09/18/2019
Estimated Project End Date:	09/17/2023
Length of Project Periods:	Other
Length of Project Periods Explanation of Other:	48 month period of performance for project and budget.

E. Type of Funding Instrument.

Funding Instrument Type:	Grant
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HUD will enter into a grant agreement with selected applicants for the period of performance.

F. Supplementation.

III. Eligibility Information.

A. Eligible Applicants.

Others (see text field entitled "Additional Information on Eligibility" for clarification)

Additional Information on Eligibility:

Only National Organizations that are 501(c)(3) nonprofits, other than institutions of higher education, can apply for RCB funding.

For the purpose of the RCB program, a National Organization must be a single organization that has experience conducting RCB eligible activities with RCB eligible beneficiaries within the last ten years in at least seven Federal HUD regions. Having relevant experience working in one state in a HUD region is sufficient for counting that region towards the seven-region minimum.

Federal regions are described on HUD's website at:

<http://portal.hud.gov/hudportal/HUD?src=/localoffices/regions>

B. Cost Sharing

This Program does not require cost sharing, matching or leveraging.

There is no match requirement under the Rural Capacity Building program. However, applicants are encouraged to secure leverage from public, private, and/or nonprofit sector resources (such as financing, supplies, or services). Applicants who submit evidence of leveraging dollars through Letters of Firm Commitment that meet the requirements outlined in Rating Factor 4 of this NOFA, will receive credit.

The RCB Program does not allow Federal sources to be used as leverage. All leverage funds, including in-kind contributions, must conform to the requirements of 2 CFR Part 200.29, 2 CFR 200.306 and 2 CFR Part 200.96. Leverage sources may come from public (non-Federal), private, and nonprofit sources, including, but not limited to;

- State and local housing finance agencies;
- Local Governments;
- Foundations;
- Government Sponsored Enterprises such as the Federal Home Loan Banks, Fannie Mae, and Freddie Mac;
- Colleges and universities;
- Financial institutions or banks; and
- Other private funders.

Once awarded, grantees will be required to show evidence that committed leverage resources were actually received and used for their intended purposes through semi-annual reports and the final closeout report to HUD. Subject to HUD approval, sources of leverage funds may be substituted with other eligible leverage sources after grant award, as long as the total dollar commitment is met.

C. Threshold Requirements.

Applicants who fail to meet any of the following threshold eligibility requirements will be deemed ineligible. Applications from ineligible applicants will not be evaluated.

1. Timely Submission of Applications – Applications submitted after the deadline stated within this NOFA that do not meet the requirements of the grace period policy will be marked late. Late applications are ineligible and will not be considered for funding. See also Section IV Application and Submission Information, part D. Application Submission Dates and Times

As stated in Section III.A of this NOFA, to be eligible for funding for the RCB program, the applicant must qualify as an eligible national organization based on the definition provided in this NOFA. To accomplish this, the applicant must provide evidence of:

- **Non-Profit Status:** The applicant must be a non-profit entity with active 501(c)(3) status, and not an institution of higher education. Applicants must provide proof of their non-profit tax exempt status by attaching a copy of the organization's IRS determination letter showing its status as a 501(c)(3) tax-exempt entity. HUD may also verify the organization's non-profit status using the IRS's Exempt Organizations select check tool found at <https://apps.irs.gov/app/eos/>.
- **National Organization Status:** The applicant must be a National Organization according to the definition provided in Section III.A of this NOFA. To meet the National Organization threshold requirement, the applicant must provide evidence of the national scope of its relevant work conducting eligible activities with eligible beneficiaries in at least seven HUD regions. To do this, applicants must present the following evidence to establish eligibility as a National Organization:
 - **Threshold Summary:** A Threshold Summary must be included at the beginning of the narrative portion of the application and it will count against the narrative page limit.
 - **Organization Website:** As further evidence of the applicant's standing as a National Organization, applicants must provide the web address for their organization's webpage.

HUD reserves the right to review publicly-available information (e.g., organizational website, IRS website <https://apps.irs.gov/app/eos/>) to verify that application materials are consistent with such information.

To accurately determine the applicant's eligibility, the Threshold Summary must clearly identify the:

1. HUD Region where the activity was conducted;
2. State(s) within the HUD Region where the activity was conducted;
3. Type of eligible activity (**e.g. loans, grants, trainings**);
4. Mode of eligible activity delivery (**e.g. onsite, online**);
5. Type of eligible beneficiary of the activity;
6. Year(s) the activity was conducted; and
7. Amount of funding expended on this activity.

The excerpted table below is an example of how applicants can present their Threshold Summary:

HUD Region represented	State(s) served within the HUD Region	Type of Eligible Activity	Mode of Eligible Activity Delivery	Name and Type of Eligible Beneficiary(ies) served (no more than 5 examples for each)	Year(s) Conducted	Amount of funding for this activity
8	MT	Grant	Direct provision of funds following an RFP process	My Town CDC, CDC	2016	\$15,000
5	WI, MN	Grant	Direct provision of funds following an RFP process	Your Town, Inc., CHDO, Happy Meadow, Inc., CDC Town of Smallville, local government	2015 2016 2014	\$50,000
7	MO	Training	Onsite	Homes for Our Town, Rural Housing Development Organization Building our Community, CDC	2016	\$17,000

If a single activity or type of activity was conducted in multiple HUD regions, or if the beneficiaries crossed HUD regions, please list the activity separately such that only one HUD Region is represented per row. To establish national scope, applicants need only present one example of relevant work that meets the criteria for a National Organization for each of the minimum seven regions that they have worked in. In addition, it is expected that the work presented in this Threshold Summary will be consistent with the applicant's narrative in Factor 1 for experience. The Threshold Summary will not affect the applicant's overall score on the application; it will only be used to determine the organization's eligibility to apply for RCB program funding.

As a reminder, the Threshold Summary should be included at the beginning of the applicant's program narrative prior to the response to the Five Factors.

D. Statutory and Regulatory Requirements Affecting Eligibility

Eligibility Requirements for Applicants of HUD's Grants Programs

The following requirements affect applicant eligibility. Detailed information on each requirement is posted on HUD's Funding Opportunities Page ([click here](#)).

Resolution of Civil Rights Matters

Outstanding Delinquent Federal Debts

Debarments and/or Suspensions

Pre-selection Review of Performance

Sufficiency of Financial Management System

False Statements

Mandatory Disclosure Requirement

Prohibition Against Lobbying Activities

Equal Participation of Faith-Based Organizations in HUD Programs and Activities

E. Program Specific Requirements.

Purpose: The Rural Capacity Building program enhances the capacity and ability of rural housing development organizations, Community Development Corporations (CDCs), Community Housing Development Organizations (CHDOs), local governments, and Indian tribes (eligible beneficiaries) to carry out affordable housing and community development activities in rural areas for the benefit of low- and moderate-income families and persons. The Rural Capacity Building program achieves this by funding National Organizations with expertise in rural housing and rural community development who work directly to build the capacity of eligible beneficiaries.

Eligible Program Activities. RCB program funds are limited to activities that strengthen the organizational infrastructure, management, and governance capabilities of eligible beneficiaries serving rural areas. Through these activities, eligible beneficiaries increase their capacity to carry out community development and affordable housing activities that benefit low-income or low- and moderate-income families and persons in rural areas.

1. ***Training, education, support, and advice*** to to eligible beneficiaries to increase their capacity to carry out community development and affordable housing activities that benefit low-income or low- and moderate-income families and persons in rural areas. This may include, but is not limited to, building the capacity of eligible beneficiaries to:
 - Conduct an organizational assessment;
 - Engage in strategic planning and Board development;
 - Access and implement technological improvements;
 - Engage with rural community stakeholders;
 - Evaluate performance of current and planned rural community efforts;
 - Plan for the use of available rural resources in a comprehensive and holistic manner;

- Participate in HUD planning efforts to ensure rural participation and the assessment of rural area needs; and
 - Foster regional planning efforts by connecting local, rural community plans with neighboring communities.
2. ***Loans, pass-through grants or other financial assistance*** to eligible beneficiaries to increase their capacity to carry out community development and affordable housing activities that benefit low-income or low- and moderate-income families and persons in rural areas.
 3. ***Such other activities as may be determined by the grantees in consultation with the Secretary or his or her designee.***

At this time, eligible program activities allowed under the third listed eligible activity only include HUD-reviewed and approved reasonable administrative tasks directly related to the grantee's management of the RCB program. Some examples of reasonable administrative activities specific to the management of the RCB program include the preparation of RCB action plans, preparation of RCB program reports, and management of the implementation of the first and second eligible activities. To qualify under the third listed eligible activity, the activity must first be proposed in an action plan, and then reviewed and approved by HUD through the action plan process after a grant award is made; thus, it should not be proposed through this application.

Any activities proposed in this application that do not fall under the first and second eligible activity, or the single accepted administrative task under the third eligible activity, will be considered ineligible activities for the review of this application and will not be reviewed in the assessment in Factor 3, Soundness of Approach and Factor 5, Achieving Results and Program Evaluation. Any inclusion of ineligible activities will cause the reduction of points in Factors 3 and 5.

In addition, any RCB-funded activity that results in the creation of intangible property, including but not limited to the creation of curriculum, trainings, data or research findings will be held to the rules at 2 CFR 200.315 whereby the Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

Program Priorities. Activities undertaken as part of, or as a result of, capacity building efforts described in this section should support the implementation of other HUD programs in rural areas, including, but not limited to, the Community Development Block Grant Program (CDBG), Indian Housing Block Grant, Indian Community Development Block Grant, HOME Investment Partnerships, Housing Opportunities for Persons With AIDS (HOPWA), Public Housing programs, Choice Neighborhoods, Emergency Solutions Grant Program (ESG), and the Continuum of Care program, in addition to issues related to sustainability and comprehensive neighborhood revitalization activities. Through the eligible activities of this NOFA, grantees are encouraged to build the capacity of entities in rural areas that lack designated rural housing development organizations, CDCs, or CHDOs, and to ensure that those entities gain new access or expand existing access to federal funding. Through RCB program activities, grantees are encouraged to align with and support projects that create opportunities for investments focused on job growth, economic recovery, and neighborhood revitalization. Additionally, grantees are encouraged to consider how eligible beneficiaries may align investments with regional planning

for sustainable economic development, if such efforts are underway in a jurisdiction.

F. Criteria for Beneficiaries.

This program has eligibility criteria for beneficiaries.

Eligible Beneficiaries in the RCB program are not Eligible Applicants for the RCB program. By definition, RCB Eligible Beneficiaries are not eligible to apply to this RCB NOFA; National Organizations are the only organizations that can be deemed to be Eligible Applicants by successfully meeting the requirements of a National Organization established in Section I.A.4 and Section III.C of this FY 2018 RCB NOFA. Only Eligible Applicants can apply to HUD directly for RCB program funds through this NOFA.

Successfully funded RCB program National Organizations are required to work with Eligible Beneficiaries with their RCB program grant award.

RCB program Eligible Beneficiaries are limited to a local organization serving rural areas that are one of the following types of organizations:

- Rural housing development organization,
- Community Development Corporation (CDC),
- Community Housing Development Organization (CHDO),
- Local government, and/or
- Indian tribe.

RCB program Eligible Beneficiaries must serve rural areas. To demonstrate that a beneficiary complies with the rural area requirement, grantees will be expected to implement a review process to confirm that the proposed rural beneficiary is physically located within an eligible rural area or, as a result of RCB assistance, will be commencing or expanding service in an eligible rural area. HUD has created a mapping tool for grantees to utilize in assessing a beneficiary's compliance with the rural area definition. The mapping tool is posted on HUD's RCB grant program webpage - <https://www.hudexchange.info/programs/rural-capacity-building/>.

For-profit organizations are not eligible as RCB beneficiaries.

State agencies and State-wide organizations are not eligible as beneficiaries of RCB program capacity building activities. Post-award, on a case-by-case basis, grantees may present HUD with a request with justifications for an exception.

IV. Application and Submission Information.

A. Obtaining an Application Package.

Instructions for Applicants.

You must download both the Application Instruction and the Application Package from Grants.gov. To ensure you are using the correct Application Package and Application Instructions, you must verify the CFDA Number and CFDA Description on the first page of the Application Package, and the Opportunity Title and the Funding Opportunity Number match the Program and NOFA to which you are applying.

The Application Package contains the Adobe forms created by Grants.gov. The Instruction Download contains official copies of the NOFA, and forms necessary for a complete application. The Instruction Download may include Microsoft Word, Microsoft Excel and additional documents.

An applicant demonstrating good cause may request a waiver from the requirement for electronic submission. For example, a lack of available Internet access in the geographic area in which your business offices are located. Lack of SAM registration or valid DUNS is not deemed good cause. If you cannot submit your application electronically, you must ask in writing for a waiver of the electronic grant submission requirements. HUD will not grant a waiver if HUD does not receive your written request at least 15 days before the application deadline or if you do not demonstrate good cause. An email request sent 15 days before the application will also be considered. If HUD waives the requirement, HUD must receive your paper application or email request before the deadline of this NOFA. To request a waiver and receive a paper copy of the application materials, you must contact:

Diane Schmutzler

Email: CapacityBuilding@hud.gov

B. Content and Form of Application Submission.

You must verify boxes 11, 12, and 13 on the SF424 match the NOFA for which you are applying. If they do not match, you have downloaded the wrong Application Instruction and Application Package.

Submission of an application that is otherwise sufficient, under the wrong CFDA and Funding Opportunity Number is a curable deficiency.

1. Content.

Forms for your package include the forms outlined below:

Forms / Assurances / Certifications	Submission Requirement	Notes / Description
Application for Federal Assistance (SF-424)	This form is required	
Faith-Based Ensuring Equal Opportunity Survey (SF-424)	This form is optional.	

Supplement)		
HUD Applicant Recipient Disclosure Report (HUD) 2880 Applicant/Recipient Disclosure/Update Report	HUD will provide instructions to grantees on how the form is to be submitted.	HUD instructions to grantees are provided by webcast, To view the webcast, click here .
Disclosure of Lobbying Activities (SF-LLL) (if applicable)	Refer to the instructions on the form to determine if the organization meets the requirements for submission.	
Grants.gov Lobbying Form certification	Submit via Grants.gov as part of the application package.	The Lobbying Form certification must be submitted by applicants who are requesting more than \$100,000 in this NOFA, so all applicants to this NOFA must submit the Lobbying Form.
IRS determination letter showing 501(c)(3) tax-exempt non-profit status.	This evidence is required.	Applicants must provide proof that the Internal Revenue Service currently recognizes the applicant as an organization to which contributions are tax deductible under section 501(c)(3) of the Internal Revenue Code.
Letters of Firm Commitment for Leverage Documentation	These Letter(s) of Firm Commitment must be included as evidence if the applicant seeks to be considered for Leverage points in Factor 4.	See Rating Factor 4 for the requirements of Letters of Firm Commitment.
Indirect cost rate documentation	Applicants are required to provide documentation identifying the federally negotiated indirect cost rate from the cognizant	Refer to Section IV.F Funding Restrictions, Indirect Cost Rate, for full details on this requirement.

	agency that shows the approved rate, or provide an attachment that states that the de minimis rate of 10% Modified Total Direct Costs (MTDC) will be used.	
Certification of Consistency with Promise Zone Goals and Implementation (HUD 50153)	Required for consideration for the Promise Zones Preference Point.	To receive Promise Zones Preference Points, this form must be signed and dated (the date must fall within the NOFA application period) by the Promise Zone Official authorized to certify that the proposed RCB project meets the criteria to receive Preference Points. For the RCB program, applicants can only receive the Preference Points if they commit to working with a Rural and Tribal PZ Designee(s), found at https://www.hudexchange.info/programs/promise-zones/designee-contact-information/#rural-andtribal-designees-contact-information .
Applicant Assurances and Certification (HUD-424-B)	This form is required.	
Acknowledgment of Application Receipt (HUD2993), if applicable	This form is applicable only to applications submitted on paper, following receipt of a waiver of electronic submission.	This form is not required but is available for applicants who want confirmation that their hard-copy application was received by HUD. The form must be submitted with the application, in accordance with the application submission instructions included in the waiver of electronic submission.

Additionally, your complete application must include the following narratives and non-form attachments.

1. Applicants must provide a Threshold Summary at the beginning of the narrative to ensure accuracy in determining applicant eligibility. See Section III(C)(1)(a) of this NOFA for mandatory elements.
2. A complete written narrative that addresses all elements in Factors 1 through 5 (Five

Factors) in Section V.A. of this NOFA must be submitted. The narrative for the Five Factors will be reviewed as a whole. Applicants are advised to address the specific requirements of each Rating Factor in the narrative section corresponding to each Rating Factor.

2. Format and Form.

Narratives and other attachments to your application must follow the following format guidelines.

1. **Page Limitation and Font Size.** Narratives addressing Factors 1 through 5, the Opportunity Zone Preference Points, and Threshold Summary are limited to 40 typed pages of single-spaced text on 8.5 by 11-inch paper, with no less than 1-inch margins, using a Times New Roman standard 12-point font. All applicants should enter the applicant name, DUNS number, and page numbers on each of the narrative pages of the application. HUD will not review more than 40 pages of narrative for the Five Factors, discussion of the Opportunity Zones Preference Points, and Threshold Summary combined. The page limit does not include form HUD-50153 in support of the Promise Zones Preference Points, Letters of Firm Commitments for leverage documentation, Indirect Cost rate documentation, Non-Profit Status, or any of the other required Forms that are provided as attachments.
2. **Prohibition on Materials Not Required.** Materials other than what is requested in this NOFA are prohibited. Reviewers will not consider résumés, charts, letters, or any other documents attached to the application that are not specified in this NOFA.
3. **Checklist for Application Submission.** The following checklist is provided as a guide to help ensure that applicants submit all the required elements. All applicants should enter the applicant name, DUNS number, and page numbers on each of the narrative pages of the application. All forms required for application submission can be found in the application and instruction downloads on [Grants.gov](https://www.grants.gov). The paper submission must be in the order provided below:
 - Application for Federal Assistance (SF-424);
 - Faith-Based EEO Survey (SF-424 Supplement, Survey for Ensuring Equal Opportunity for Applicants) (optional);
 - Applicant/Recipient Disclosure/Update Report (Form HUD2880);
 - Disclosure of Lobbying Activities (SF-LLL) (if applicable);
 - Grants.gov Lobbying Form certification;
 - IRS determination letter showing 501(c)(3) tax-exempt non-profit Status;
 - Narrative addressing Factors 1 through 5 and Threshold Summary;
 - Leverage Documentation, Letter(s) of Firm Commitment (if applicable);
 - Indirect Cost Rate Documentation;
 - Certification of Consistency with Promise Zone Goals and Implementation (Form HUD 50153) (required for Preference Points);
 - Applicant Assurances and Certification (HUD-424-B); and
 - Acknowledgment of Application Receipt (form HUD2993) (if applicable)

4. Additional Information on the RCB Program, Frequently Asked Questions and

possible Webcast. Please check the "Rural Capacity Building Program" webpage on the HUD Exchange at <https://www.hudexchange.info/programs/rural-capacity-building/> for any related RCB program updates, including Frequently Asked Questions.

C. System for Award Management (SAM) and Dun and Bradstreet Universal Numbering System (DUNS) Number.

1. SAM Registration Requirement

Applicants must be registered with SAM before submitting their application. In addition, applicants must maintain an active SAM registration with current information while they have an active Federal award or an application or plan under consideration by HUD.

2. DUNS Number Requirement.

Applicants must provide a valid DUNS number, registered and active at SAM, in the application. DUNS numbers may be obtained for free from [Dun & Bradstreet](#).

3. Requirement to Register with Grants.gov.

Anyone planning to submit applications on behalf of an organization must register at Grants.gov and be approved by the EBiz Point of Contact in SAM to submit applications for the organization.

Registration for SAM and Grants.gov is a multi-step process and can take four (4) weeks or longer to complete if data issues arise. Applicants without a valid registration cannot submit an application through Grants.gov. Complete registration instructions and guidance are provided at Grants.gov. See also Section IV.B for necessary form and content information.

D. Application Submission Dates and Times.

The application deadline is 11:59:59 p.m. Eastern time on **06/11/2019**. Applications must be received no later than the deadline.

Submit your application to Grants.gov unless a waiver has been issued allowing you to submit your application in paper form. Instructions for submitting your paper application will be contained in the waiver of electronic submission.

“Received by Grants.gov” means the applicant received a confirmation of receipt and an application tracking number from Grants.gov. Then Grants.gov assigns an application tracking number and **date-and time-stamps** each application upon successful receipt by the Grants.gov system. A submission attempt not resulting in confirmation of receipt and an application tracking number is not considered received by Grants.gov.

Applications received by Grants.gov must be validated by Grants.gov to be received by HUD.

“Validated by Grants.gov” means the application has been accepted and was not rejected with errors. You can track the status of your application by logging into Grants.gov, selecting “Applicants” from the top navigation, and selecting “Track my application” from the dropdown list. If the application status is “rejected with errors,” you must correct the error(s) and resubmit the application before the 24-hour grace period ends. Applications in “rejected with errors” status after the 24-hour grace period expires will not be received by HUD.

Visit Grants.gov for a complete description of processing steps after submitting an application.

HUD strongly recommends applications be submitted at least **48 hours before the deadline** and during regular business hours to allow enough time to correct errors or overcome other problems.

You can verify the contents of your submitted application to confirm Grants.gov received everything you intended to submit. To verify the contents of your submitted application:

- Log in to Grants.gov.
- Click the Check Application Status link, which appears under the Grant Applications heading in the Applicant Center page. This will take you to the Check Application Status page.
- Enter search criteria and a date range to narrow your search results.
- Click the Search button. To review your search results in Microsoft Excel, click the Export Data button.
- Review the Status column.
- To view more detailed submission information, click the Details link in the Actions column.
- To download the submitted application, click the Download link in the Actions column.

Please make note of the Grants.gov tracking number as it will be needed by the Grants.gov Help Desk if you seek their assistance.

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, or the system is down for 24 hours or longer and impacts the ability of applicants to cure a submission deficiency within the grace period.

HUD may also extend the application deadline upon request if there is a presidentially-declared disaster in the applicant's area.

If these events occur, HUD will post a notice on its website establishing the new, extended deadline for the affected applicants. HUD will also include the fact of the extension in the program's Notice of Funding Awards required to be published in the [Federal Register](#).

In determining whether to grant a request for an extension based on a presidentially-declared disaster, HUD will consider the totality of the circumstances including the date of an applicant's extension request (how closely it followed the basis for the extension), whether other applicants in the geographic area are similarly affected by the disaster, and how quickly power or services are restored to enable the applicant to submit its application.

PLEASE NOTE: Busy servers, slow processing, or large file sizes, improper registration or password issues are not valid circumstances to extend the deadline dates or the grace period.

1. Amending or Resubmitting an Application.

Before the submission deadline, you may amend a validated application through Grants.gov by resubmitting a revised application containing the new or changed material. The resubmitted application must be received and validated by Grants.gov by the applicable deadline.

If HUD receives an original and a revised application for a single proposal, HUD will evaluate only the last submission received by Grants.gov before the deadline.

2. Grace Period for Grants.gov Submissions.

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 not received and validated by Grants.gov will not be considered for funding. There is no grace period for paper applications.

3. Late Applications.

An application received after the NOFA deadline date that does not meet the Grace Period requirements will be marked late and will not be received by HUD for funding consideration. Improper or expired registration and password issues are not causes that allow HUD to accept applications after the deadline.

4. Corrections to Deficient Applications.

HUD will not consider information from applicants after the application deadline. HUD may contact the applicant to clarify other items in its application. HUD will uniformly notify applicants of each curable deficiency. A curable deficiency is an error or oversight that if **corrected** it would not alter, in a positive or negative fashion, the review and rating of the application. See curable deficiency in definitions section. Examples of curable (correctable) deficiencies include inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

When HUD identifies a curable deficiency, HUD will notify the authorized representative. The email is the official notification of a curable deficiency. Each applicant must provide accurate email addresses for receipt of these notifications and must monitor their email accounts to determine whether a deficiency notification has been received. The applicant must carefully review the request for cure of deficiency and must provide the response in accordance with the instructions contained in the deficiency notification.

Applicants must email corrections of curable deficiencies to applicationsupport@hud.gov within the time limits specified in the notification. The time allowed to correct deficiencies will not exceed 14 calendar days or be less than 48 hours from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open.

The subject line of the email sent to applicationsupport@hud.gov must state: **Technical Cure** and include the Grants.gov application tracking number (e.g., Subject: Technical Cure - GRANT123456). If this information is not included, HUD cannot match the response with the application under review and the application may be rejected due to the deficiency. This only applies to certain programs and responses should be sent to the NOFA specific program.

Corrections to a paper application must be sent in accordance with and to the address indicated in the notification of deficiency. HUD will treat a paper application submitted in accordance with a waiver of electronic application containing the wrong DUNS number as having a curable deficiency. Failure to correct the deficiency and meet the requirement to have a DUNS number and active registration in SAM will render the application ineligible for funding.

5. Authoritative Versions of HUD NOFAs. The version of these NOFAs as posted on Grants.gov are the official documents HUD uses to solicit applications.

E. Intergovernmental Review.

This program is not subject to Executive Order 12372, Intergovernmental Review of Federal Programs.

F. Funding Restrictions.

Prohibition on Fees or Profit: No fee or profit may be paid to any recipient or subrecipient of an award under this RCB program NOFA.

High Rate Contractors and Consultants: Additionally, RCB program funds may not be used, directly or indirectly, to pay or provide reimbursement for payment of the salary of a consultant or a contractor at more than the hourly equivalent of the rate paid for the OPM General Schedule Grade 15, Step 10 without prior written approval from HUD. For more information on OPM's General Schedule, please see the Office of Personnel Management (OPM) website at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2018/general-schedule/>.

If the grantee believes there is sufficient need or cause for hiring a consultant or contractor at a high rate, it may submit a request to HUD and a written justification for review and consideration. In all cases, the grantee must receive approval from HUD before commencing any RCB program work with a high rate consultant or contractor.

Indirect Cost Rate.

Normal indirect cost rules apply. If you intend to charge indirect costs to your award, your application must clearly state the rate and distribution base you intend to use. If you have a Federally negotiated indirect cost rate, your application must also include a letter or other documentation from the cognizant agency showing the approved rate.

Nongovernmental organizations and Indian tribal governments. If you have a Federally negotiated indirect cost rate, your application must clearly state the approved rate and

distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate. If you have never received a Federally negotiated indirect cost rate and elect to use the de minimis rate, your application must clearly state you intend to use the de minimis rate of 10% of Modified Total Direct Costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Once an organization elects to use the de minimis rate, the organization must apply this methodology consistently for all Federal awards until the organization chooses to negotiate for a rate, which the organization may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

State and local governments. If your department or agency unit has a Federally negotiated indirect cost rate, your application must include that rate, the applicable distribution base, and a letter or other documentation from the cognizant agency showing the negotiated rate. If your department or agency unit receives more than \$35 million in federal funding, you may not claim indirect costs until you receive a negotiated rate from your cognizant agency for indirect costs as provided in Appendix VII to 2 CFR part 200.

If your department or agency unit receives no more than \$35 million in federal funding and your department or agency unit has prepared and maintains documentation supporting an indirect rate proposal in accordance with 2 CFR part 200, appendix VII, you may use the rate and distribution base specified in your indirect cost rate proposal. Alternatively, if your department or agency unit receives no more than \$35 million in federal funding and has never received a Federally negotiated indirect cost rate, you may elect to use the de minimis rate of 10% of MTDC. As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Once elected, the de minimis rate must be applied consistently for all Federal awards until you choose to negotiate for a rate, which you may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

G. Other Submission Requirements.

1. Application Certifications and Assurances

By signing the SF424 either through electronic submission or in paper copy submission (for those granted a waiver), applicant affirms certifications and assurances associated with the application are material representations of the facts upon which HUD will rely when making an award to the applicant. If it is later determined the signatory to the application submission knowingly made a false certification or assurance or did not have the authority to make a legally binding commitment for the applicant, the applicant may be subject to criminal prosecution, and HUD may terminate the award to the applicant organization or pursue other available remedies. Each applicant is responsible for including the correct certifications and assurances with its application submission, including those applicable to all applicants, those applicable only to federally-recognized Indian tribes, and those applicable to applicants other than federally-recognized Indian tribes. All program-specific certifications and assurances are included in the program Instructions Download on Grants.gov.

2. Lead Based Paint Requirements

When providing housing assistance funding for purchase, lease, support services, operation, or

work that may disturb painted surfaces, of pre-1978 housing, you must comply with the lead-based paint evaluation and hazard reduction requirements of HUD's lead-based paint rules (Lead Disclosure; and Lead Safe Housing (24 CFR part 35)), and EPA's lead-based paint rules (e.g., Repair, Renovation and Painting; Pre-Renovation Education; and Lead Training and Certification (40 CFR part 745)).

V. Application Review Information.

A. Review Criteria.

1. Rating Factors.

There will be two types of reviews on all applications for the RCB program:

1. **Threshold Review** to determine applicant's eligibility using the applicant's provided Threshold Summary at the beginning of the narrative, and
2. **Rating Factor Review** of the eligible applicant's narrative application.

The maximum number of points to be awarded for an RCB Program application is 104, which includes 100 points for Rating Factors 1 through 5 and four Preference Points. To be considered for funding, the application must receive a minimum score of 75 points, including a minimum score of 21 points under Rating Factor 1. Applicants are only eligible to receive Preference Points if they received a rating score of 75 or more for Factors 1 through 5, including the 21 minimum points under Rating Factor 1. Two Preference Points will be awarded for working with communities that have met Promise Zones criteria, as described in Section V.A.2 of this NOFA; and two Preference Points will be awarded for certifying that the applicant will work in rural areas located in Opportunity Zones as described in Section V.A.1 of this NOFA.

Points are assigned based on an applicant's narrative response to the Five Factors. The narrative must cover the activities that will be carried out with RCB funds during the four-year term of the FY 2018 grant agreement. Submissions must provide recent (within the last five years) and relevant (relative to the proposed activities to be carried out with the funds from this award) examples to support the proposal, where appropriate. Submissions must also be as specific as possible when describing the communities, populations, and organizations they propose to serve and the specific outcomes to be achieved.

Factor 1: Capacity of Applicant and Relevant Organizational Experience	Maximum Points: 30
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Applicants must describe the capacity of the organization to manage federal grants, and its organizational experience relevant to implementing RCB program eligible activities with rural organizations that could be considered eligible beneficiaries. To be considered for a grant award, the applicant must meet a minimum threshold score of 21 points for Rating Factor 1.

Applicants must have the capacity to manage a federal grant award and execute the proposed RCB program. Successful RCB program applicants are expected to possess the management and organizational capacity to immediately execute the RCB program upon receipt of a grant award. Furthermore, RCB awards are limited to funding eligible activities and beneficiaries

and must not be used to build the capacity of the applicant or grantee.

Applicants are expected to have experience and readiness with the following competencies when awards are made:

1. Project management;
2. Rapid program design and launch;
3. Financial management;
4. Contract and subrecipient management (as applicable);
5. Determining, tracking and evaluating project or program outcomes; and
6. Accountability, Quality Control, Monitoring and Internal Audit requirements described in 2 CFR 200.

Organizational Capacity (23 points) - To assess this factor, HUD will consider the extent to which the applicant demonstrates that it has sufficient management, financial and programmatic capacity. Applicants must describe their:

1. *Management Capacity* -

- Describe their organization's structure as it will pertain to managing the RCB grant award;
- Provide an RCB-specific organizational chart and list brief summaries of the roles of key staff that will manage the Rural Capacity Building program grant award and funds;
- Demonstrate that the applicant has knowledgeable and experienced staff with organizational and management skills adequate for managing federal grants and thus able to successfully manage the RCB program grant upon receipt of the grant award; and
- Explain or provide evidence of how it has the capacity to concurrently manage multiple projects, possibly with multiple partners, in more than one geographic location.

If any of the management of the RCB grant program will be handled by contractors or consultants, then the applicant must describe the selection process used, or that will be used, for procuring qualified individuals or organizations to manage any aspect of the RCB program, and explain the applicant organization's official relationship to the contractors or consultants (e.g. MOUs, contracts). In addition, the applicant must explain the reasons for choosing to use contractors or consultants to manage aspects of its FY 2018 RCB program, as applicable.

Other than names and position titles, please do not use any Personally Identifiable Information (PII) and do not include résumés. (See 2 CFR 200.79 and 200.82 for more on PII.)

Responses to this Factor should focus on the key staff that will manage the RCB program and who will be responsible for the delivery of eligible activities. To the extent any gaps, vacancies, or positions are contingent upon award, applicants must identify how and when the position or capacity gap will be

filled.

2. *Financial Capacity* ? All applicants will be assessed on their capacity to manage and effectively expend federal funding in a timely manner and in accordance with grant requirements. The following criteria will be applied to the narrative as relevant to the applicant's standing as a new or currently-funded applicant:

- *New Applicants*, which are those that have received no RCB program grant awards in the past five years of FY 2013-FY 2017, must demonstrate that they have a financial management system in place that is suitable for managing and producing financial data relevant to federal grants. The applicant must describe the components of its financial management system, list the financial reports that it can produce to be regularly monitored and reviewed by senior management and HUD, list the financial reports it will use for implementation of the RCB program, and explain how its financial management system has allowed it to successfully implement and execute in a timely manner, similar funding-sized and/or types of grants comparable to what it proposes with the FY 2018 RCB program.
- *Currently-Funded Applicants*, which are those that currently manage one or more RCB program grants from FY 2013-FY 2017, must:
 - **Financial Management System:** Demonstrate that it has a financial management system in place that is suitable for managing and producing financial data relevant to federal grants, including its current RCB grants. The applicant must describe the components of its financial management system, list the financial reports that it can produce to be regularly monitored and reviewed by senior management and HUD, list the financial reports it will use for implementation of the RCB program, and explain how its financial management system has allowed it to successfully implement and timely execute similar funding-sized and/or types of grants, including past RCB grant awards, comparable to what it proposes with the FY 2018 RCB program.
 - **Timely Expenditure and Disbursement of RCB Grant Funds:** Describe the timeliness of expenditure and disbursement of their applicable RCB program funds for the FY 2013 through FY 2017 grant awards, using financial information collected from HUD's Line of Credit Control System (LOCCs) *no later than 30 days before the published due date of this FY 2018 RCB NOFA*. The description must include the following information for each of the RCB program grants awarded for the Fiscal Years 2013-2017 awards:
 - The date the information was pulled from LOCCs;
 - The amount of the applicant's RCB program grant award amount(s) from HUD for each grant year awarded;
 - The RCB program fund amount and percentage committed to eligible activities as evidenced by a HUD-approved activity plan, for each grant award;

- The amount and percentage of RCB program funds disbursed, as indicated in LOCCs *no later than 30 days before the published due date of this FY 2018 RCB NOFA*, for each applicable grant funding year; and
- The balance of funds remaining undisbursed for each of the applicant's RCB grant awards.

In rating this sub-element, HUD will evaluate the extent to which the applicant demonstrates successful past performance in the timely commitment and disbursement of RCB program grant funds using the benchmark expectations in the table below. This includes the completion of the FY 2013 grant award, the return of any unspent FY 2013 funds, or the extension of a FY 2013 grant award, as applicable. To determine the drawdown rate, HUD will calculate and confirm the ratio of the amount of RCB program grant funds disbursed as of the LOCCs collection date for each applicable grant year award to the amount of RCB program funds awarded for each applicable grant award. Applicants will be assessed proportionally based on the number of RCB awards received in the past five years, such that applicants will not be rated on the number of previous RCB awards received, but on the ability to drawdown funds in a timely manner on the actual RCB awards received.

Points will be assigned based on the following expectations:

<i>Grant Year</i>	<i>Percent of funds expected to be drawdown from LOCCs</i>
<i>FY 2013</i>	99-100%
<i>FY 2014</i>	Greater than 75%
<i>FY 2015</i>	Greater than 50%
<i>FY 2016</i>	Greater than 25%
<i>FY 2017</i>	Greater than 0%

3. *Capacity to Deliver Eligible Activities* - The applicant must demonstrate that there are skilled and experienced key personnel that will be responsible for the delivery of the proposed eligible capacity building activities in rural areas, and that it has the capacity to deliver each of their proposed eligible activities, or that it has a plan to recruit/procure individuals to fill specific roles, with the expert knowledge of capacity building for rural housing and community development providers.

If the applicant proposes to use contractors or consultants to supplement the delivery of any of the RCB eligible activities, then the narrative must describe the selection process used/that will be used for recruiting or procuring qualified individuals or organizations to delivery eligible capacity building activities to eligible beneficiaries, and the

applicant organization's management relationship to the contractors or consultants. In addition, the applicant must explain the reasons for choosing to use contractors or consultants to deliver eligible activities in its proposed FY 2018 RCB programs. This description must be consistent with the description of the applicant's approach in Factor 3.

Eligible Activity Experience in Rural Areas (7 points) - To assess this element, the applicant must describe the organization's recent, relevant and specific experience in:

- Building the capacity of rural organizations, in particular those that would meet the definition of the RCB program eligible beneficiaries, to develop rural affordable housing and conduct rural community development;
- Undertaking eligible RCB program activities listed in Section III.E of this NOFA in rural areas to increase the capacity of rural organizations to build affordable housing and conduct community development work in rural areas; and
- Increasing the participation of RCB eligible beneficiaries to participate in and utilize other HUD programs in rural jurisdictions, which may include the organization's own experience working with other HUD programs in rural areas.

In addition, applicants must describe the extent to which the organization assesses and researches national rural conditions, and participates in communities of practice with researchers and other national rural housing organizations.

For these purposes, "recent" means within the past five years; "relevant" means that activities are RCB eligible activities conducted with RCB eligible beneficiaries; and "specific" requires that applicants describe in detail the type and scale of activities performed and the type and geographic reach of rural organizations served.

Factor 2: Need/Extent of the Problem	Maximum Points: 12
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Applicants must describe their understanding of the overall capacity building needs of eligible beneficiaries in rural areas, with particular focus on eligible beneficiaries in rural areas where they propose to utilize FY 2018 RCB program funds, if known. The narrative must explain the nature and extent of the needs in relation to the eligible activities and priorities identified in Section III.E of this NOFA, and must support the description of the needs with credible, reliable, and quantitative information.

Need for Capacity Building in Rural Areas (10 points) - Specifically, this factor will be assessed on the applicant's identification and explanation of:

- ***The Affordable Housing and Community Development Needs of Rural Communities.***
 - Describe the general socioeconomic (which may include housing, economic, health, accessibility, education, infrastructure, etc.) needs of rural communities, families, and individuals. If the applicant knows the rural areas where it intends to work, then it should also address the specific needs of those rural areas.
- ***The Capacity Building Needs of Eligible Beneficiaries Serving Rural Areas to***

Improve Their Ability to Engage in Community Development and Affordable Housing.

1. *Beneficiary Needs*: Drawing on the stated general socioeconomic needs of rural communities and their residents, explain the specific capacity building needs of eligible beneficiaries that provide affordable housing and community development services in the rural geographies to address the identified socioeconomic needs.
2. *Capacity Building Needs of Up-and-Coming Eligible Beneficiaries*: Identify the capacity building needs of organizations seeking to build their capacity to conduct community development or affordable housing activities and become designated as rural housing development organizations, CDCs, or CHDOs in rural areas that lack such designated organizations.
3. *Obtaining and administering HUD programs*: Identify the capacity needs of eligible beneficiaries serving rural areas in relation to increasing and/or improving their ability to obtain and manage HUD programs, such as the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships Program (HOME), Choice Neighborhoods, Public Housing programs, Housing Opportunities for Persons With AIDS Program (HOPWA), and HUD's homeless programs (ESG and CoC).

Data Quality (2 points) The applicant's explanation of community needs and eligible beneficiary needs required above must be supported by objective information and/or data. Some examples of quality sources include, but are not limited to, the most recently published Census, American Housing Surveys, local or state Consolidated Plans, HUD program reports available through the HUD Exchanges or HUD User websites, or other demonstrably relevant, recent (within five years) and reliable data sources. For the purpose of demonstrating the specific needs of eligible beneficiaries, applicants may use data collected through the organization's own valid, recent, reliable and replicable means of collection. If an applicant uses its own collected data source, it must provide a brief explanation of the research methods used in data collection and analysis.

Factor 3: Soundness of Approach

Maximum Points: 40

Applicants will be evaluated on the overall quality of the proposed approach to build the capacity of eligible beneficiaries based on the capacity building needs identified in Factor 2. HUD will consider the connection among the specific identified capacity building needs, the priorities and eligible activities of this program, and the applicant's proposed activities, as well as the cost-effectiveness of proposed activities. Applicants must present their proposed plan for building the capacity of eligible beneficiaries based on the capacity building needs identified in Factor 2.

Specifically, the applicant's narrative must include the following elements:

1. Description of Activities (15 points): HUD will evaluate the extent to which the application clearly describes:

- *Proposed Eligible Activities* - Applicants must explain the overall strategic vision of its proposed RCB program and its approach to capacity building by describing the eligible activities (according to Section III.E of this NOFA) they propose to conduct to address

the capacity building needs of eligible beneficiaries as identified under Rating Factor 2. The applicant must explain how the proposed activities are feasible and practical to meeting the capacity building needs of eligible beneficiaries. Be sure to identify the method of execution of the proposed activities, as applicable; for example, if the applicant proposes to conduct a series of trainings, indicate if the training will be done live on-site, virtually and/or if they will be recorded for later distribution.

If the applicant plans to utilize other organizations or individuals, such as contractors, subcontractors, or consultants, to directly implement any of the proposed work activities, then it must explain:

1. The extent to which the applicant will utilize such other organization(s)/individual(s);
2. How the organization(s)/individual(s) were selected; and
3. The level of agreement (e.g., memorandum of understanding, or letters of participation) that will be required for work with the organization(s)/individual(s) that will be selected; and
4. The level of agreement (e.g., memorandum of agreement, or letters of participation) in place with organization(s)/individual(s) already selected or with established roles with the applicant. Applicants do not need to attach evidence of the level of agreement, but HUD expects that they will state the status and type of agreement in the narrative.

Keep in mind that no activities can be proposed under the third eligible activity cited in Section III.E of this NOFA, other than RCB-related Administration work, as activities under the third eligible activity can only be approved through the post-award action plan activity process, and should not be proposed in this application. Proposing ineligible activities in this application will result in the loss of one point under this element. Furthermore, if any ineligible activities are proposed to be conducted with the RCB funds in this application, then any narrative pertaining to the proposed ineligible activities will not be reviewed in the assessment of the Five Factors, and such activities will be removed from the applicant's proposed budget, if awarded.

- *Rationale and Effectiveness of Approach* ? The applicant must describe how it determined that the proposed activities will be cost-effective and how the activities, including the method of delivery, will enable the eligible beneficiaries to carry out specific housing and community development activities. To receive full credit, the applicant must convincingly explain:
 - Why the proposed activities, including the method of delivery, were selected for the proposed FY 2018 RCB program;
 - Why the proposed activities and method of approach represent the best, most cost-effective approach to meet the identified needs of eligible beneficiaries; and
 - How the capacity building activities will result in the ability of eligible beneficiaries to commence work on specific housing, community, and/or economic development activities by the end of the grant's term.

Applicants are expected to briefly state the evidence and research basis for selecting certain types of activities as support for the integration of selected activities into their proposed RCB program

2. Implementation Process and Plan to Conduct Activities (24 points) Applicants must describe a plan for how they will design, organize, implement and manage the proposed capacity building activities, including how they will operate under the requirements of the RCB program. For example, if the applicant proposes to run an internal Request for Proposals (RFP) process to select eligible beneficiaries, then a summary of that plan and how it is connected to the proposed time frame should be provided.

HUD will evaluate the extent to which the application presents and supports a detailed and well-planned approach for conducting eligible program activities, which address the capacity building needs of rural housing development organizations, CDCs, CHDOs, local governments and Indian tribes, that it identified in Rating Factor 2 of this application.

To receive full credit, applicants must present how the applicant will implement and manage the proposed activities with a FY 2018 grant award by describing:

- *The Method and Process for Activity Delivery:* What is the method and process that will be used to implement and manage the proposed activities, including an explanation for how the applicant determines where to direct FY 2018 RCB grant funds (for example, an RFP process)?
- *The Proposed Eligible Beneficiaries:* How will eligible beneficiaries be identified and selected? If the applicant already knows the eligible beneficiaries it will serve, it should identify them specifically and explain how they were selected.
- *Support for HUD Programs and Planning Processes:* Explain how the proposed rural capacity building activities will support and magnify the effects of other HUD programs in the rural communities where RCB program beneficiaries are assisted and any local Consolidated Plan(s). Specifically, applicants should discuss activities in connection to the needs related to accessing HUD programs as identified in the narrative for Factor 2.
- *Geographic Rural Area Determination:* Explain how the applicant determined or will determine which geographic rural areas will be served using RCB program funds; this should include a description of the process and factors used for selection of rural geographic areas. At a minimum, geographic rural areas should be based on the needs identified in the narrative for Factor 2. It is not expected that the applicant identify precise locations at this time, but applicants may provide geographies as broad as HUD regions. If an applicant knows that it will focus on certain regions, it should indicate them in the narrative.
- *Budget ?* Provide a four-year budget in the application narrative that shows the individual costs of managing and delivering the proposed FY 2018 RCB grant program. This should be presented in a table format that, at a minimum, includes the following information broken out as line items by activity for each year of the program:
 - ***Applicant Organization Grant Management Administration Costs:*** Applicants must list applicable grant management administration costs related to Personnel (Direct Labor); Fringe Benefits; Travel (again, just for grant management administration); Equipment (only items > \$5,000 depreciated value); Supplies (only items < \$5,000 depreciated value); and Contractual and Consultants.

- ***Eligible Activities to Eligible Beneficiaries:*** Applicants must list applicable activity delivery costs related to the provision of the first and second eligible activities in Section III.E of this NOFA (Training, Financial Assistance, etc.). Applicants must provide a breakdown of the costs expected to be associated with the eligible activity, including the cost of the activity provision, Travel (for each activity delivery); Contractual and Consultants (for each activity delivery); Equipment (only items > \$5,000 depreciated value for each activity delivery); and Supplies (only items < \$5,000 depreciated value for each activity delivery)
- ***Indirect Cost Rate Applied.***
- ***Grand Totals:*** The HUD funding total must equal the requested amount.

HUD prefers that the applicant provide this information in a table format and suggests the following format:

Budget Category	Year 1	Year 2	Year 3	Year 4	HUD Funding Total	Leverage	Other Funding Sources	Grand Total by Activity
Applicant Organization Grant Management Administration Costs								
Personnel (Direct Labor)								
Fringe Benefits								
Travel (related to grant management only)								
Equipment (only items > \$5,000 depreciated value)								
Supplies (only items < \$5,000 depreciated value)								
Contractual/Consultants(related to grant management only)								
Eligible Activities to Eligible Beneficiaries								
Grants Overall								

Direct Grants								
Travel (related to grants)								
Contractual (related to grants)								
Equipment (only items > \$5,000 depreciated value, as related to Grants)								
Supplies (only items < \$5,000 depreciated value, as related to Grants)								
<i>Training Overall</i>								
Direct, onsite Training								
Remote Training								
Travel (related to Training)								
Contractual (related to Training)								
Equipment (only items > \$5,000 depreciated value, as related to Training)								
Supplies (only items < \$5,000 depreciated value, as related to Training)								
Totals								
Subtotal of Direct Costs								

Indirect Cost (% Approved Indirect Cost Rate: ____%)								
Grand Total:								

In addition to the proposed amount of HUD funding spread across the four years of the program, applicants should also include columns for Leverage and Other Funding Sources, as applicable. Applicants must be sure that any Leverage included in the application for consideration under Factor 4, Leveraging Resources, is represented in the budget and that it is clearly consistent with any Letters of Firm Commitment submitted with this application. Applicants that do not have Letters of Firm Commitment for leverage may still include funding they intend to pursue, or other federal funds (which may not be used as Leverage) in their budget as "Other Funding Sources."

- *Written Budget Narrative.* The budget narrative must go beyond the detailed budget to explain the assumptions used to develop each budget line item and clearly connect the budget line items to the proposed program design and the individual activity costs. To the extent applicable, projected cost estimates from Other Funding Sources should be included in the budget and narrative.
- *Options for Scaling Proposed Activities.* Given the possibility that successful applicants will not be funded for their full requested amount, they must identify options for scaling back the proposed activities within the Budget Narrative. This step allows for HUD to consider the applicant's preferences and assess project feasibility to determine the grant award. This can be accomplished by ranking the proposed activities in order of importance or by providing a narrative describing their RCB program priorities.
- *Schedule* Provide a schedule and description that shows how the plan and the proposed activities are expected to be completed each year of the four-year grant period. The distribution of work explained in this schedule must be consistent with the year-to-year budget provided in this application and be consistent with the proposed activities.

3. Compliance with Section 3 (1 point) While the RCB program is a capacity building program that builds the capacity of eligible beneficiaries to serve rural areas, applicants must describe how they will comply, to the greatest extent feasible, with Section 3 of the Housing and Urban Development Act and HUD's implementing rules at 24 CFR Part 135, and the FY 2018 General Administrative Requirements and Terms for HUD Financial Assistance Awards, to provide employment and training opportunities for low- and very low-income persons, as well as contracting and other economic opportunities for businesses that provide economic opportunities to low- and very low-income persons, if the applicant's proposed activities will directly result in construction or rehabilitation of housing or other public construction.

Applicants should also describe how they will build the capacity of the RCB eligible beneficiaries to comply with Section 3 requirements when and if they work on Section 3 projects. Additional information regarding all Section 3 requirements can be found at Section

I.A.5 of this NOFA, "Web Resources".

Factor 4: Leveraging Resources

Maximum Points: 6

Leverage serves as an indicator of community support and commitment for the proposed RCB program activities. In this factor, HUD will evaluate the applicant's ability to secure leverage from public, private and/or nonprofit sector resources (such as financing, supplies, or services) other than RCB grant funds or other Federal funds, to enhance and sustain the applicant's proposed RCB program and to perform eligible activities during the period of performance of the grant award.

Resources include cash or in-kind contributions of services, equipment, or supplies that are firmly committed for use in the proposed RCB program. "Firmly committed" means that the source, type and amount of the resource and its dedication for application to RCB program activities are explicit. To be considered in the calculation of firmly committed leverage, the applicant must document each contribution source with a Letter of Firm Commitment from the contributing organization with the submission of this application. To be accepted as a Letter of Firm Commitment, it must meet all of the following requirements:

1. Be printed on the company letterhead of the organization providing the leverage resource;
2. Include the name of the organization committing the leverage resource;
3. Clearly state the RCB Applicant's name as the recipient of the proposed leverage resource(s);
4. Describe the type of commitment (e.g., cash or in-kind), any restrictions on the commitment (e.g., geographic reach), and the proposed dollar value of the leverage commitment;
5. Confirm that the leveraging funds are not tied to a Federal funding source;
6. State the specific period of time that the funds are available, or if they have an unrestricted time frame;
7. Explain how the leverage commitment specifically enhances and contributes to the applicant's proposed RCB program activities in this application; and
8. Be signed and dated by an official of the organization committing the leverage resource who is legally able to make commitments on behalf of the organization. The date of the signature must occur after the date of publication of this RCB NOFA.

Endorsements or general letters of support from organizations or vendors alone will not count as leverage and should not be included in the application. Only Letters of Firm Commitment, that meet the eight requirements listed above and are submitted with the NOFA, will count toward the calculation of leverage ratio.

Applicant organizations may choose to submit a portion of their own assets toward the leverage ratio, but such commitments must still be stated in a Letter of Firm Commitment that meets the eight requirements above, and it must meet the leverage requirements set forth in Section III.B of this NOFA. In addition, applicants may use leverage resources that were previously committed to the applicant by an organization, but such resources can only be accepted for the FY 2018 RCB program as leverage if the organization that committed the leverage resource to the applicant re-commits them (or a portion of them) during the FY 2018 RCB NOFA time frame, clearly identifies how the funds will be applied to and support the applicant's proposed

FY 2018 RCB program, and if the applicant submits a Letter of Firm Commitment from the organization that meets all of the eight requirements listed above. Distinct leverage commitments previously accepted for any current RCB grant awards (FY 2014-FY 2017) or other Federal awards will not be accepted for the FY 2018 RCB program.

To rate this factor, the following elements will be assessed:

- **Leverage Ratio (2 points)** - HUD will evaluate the amount of leverage committed as a percentage of the requested grant amount. Applicants that demonstrate a leverage ratio calculated from Letters of Firm Commitment included with the application of 20 percent or greater of the requested grant amount will be awarded two points. Applicants demonstrating a lesser ratio will be awarded the points proportionate to their documented leverage. If an application is funded for less than the requested amount, the calculated percentage of leverage in the application will be multiplied by the awarded amount to establish the reduced amount of leverage that the grantee will have to provide.
- **Application of Leverage Funds (4 points)** - In the narrative, the applicant must explain how it will use the committed leverage funding to support the proposed RCB program activities to build the capacity of eligible program beneficiaries. Furthermore, the applicant must describe how the acquisition of leverage will enhance its proposed FY 2018 RCB program. The narrative discussion must be consistent with the information presented in any Letters of Firm Commitment, and it must be consistent with the leverage amounts and information presented in the budget in Factor 3.

Once awarded, grantees will be required to show evidence that committed leverage resources were actually received and used for their intended purposes through semi-annual reports and the final closeout report to HUD. Subject to HUD approval, sources of leverage funds may be substituted with other eligible leverage sources after grant award, if the total dollar commitment is met.

Factor 5: Achieving Results and Program Evaluation	Maximum Points: 12
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Overall, this factor addresses how the applicant proposes to achieve results and conduct program evaluation, and it reflects HUD's goal to embrace high standards of ethics, management, and accountability. The applicant shall provide an effective performance plan to evaluate and quantifiably measure the performance of its proposed RCB program activities through the identification of specific outputs and outcomes that demonstrate improved capacity of the eligible beneficiaries, and of their evaluation of the management of the program. Current applicants also will be evaluated on their past performance using RCB program funds.

1. Performance Plan with Expected Performance Outputs and Outcomes (4 points)

The applicant must provide a description of the applicant's performance plan. To receive full credit the performance plan must incorporate:

- a. The overarching RCB program performance goals;
- b. Specific planned outputs (see list below) and outcomes, including numeric goals;

and

c. A timeline for the achievement of performance outputs and outcomes.

Planned outputs may be taken from the list of examples below, or applicants may propose other quantifiable output or outcome measures that apply to the activities proposed in Factor 3. All proposed outcome and output measures must clearly demonstrate how eligible beneficiaries? improved skills, technical capabilities, and ability to undertake community development and affordable housing activities will be identified and measured.

General Outputs

- Number of individuals served
- Number of organizations served
 - Number of CDCs/CHDOs, RHDOs, Tribes, and local governments served
- Number of states served
- Number of HUD Regions served

Policy Priorities

- Number of new CDCs, CHDOs or RHDOs created
- Number of organizations newly accessing or expanding Federal funding
 - Dollar amount of new or expanded Federal funding received

Training and Education

- Number of engagements/trainings offered
 - Number of web-based engagements/trainings offered
 - Number of in-person engagements/trainings
- Number of attendees at each engagement/training offered
- Number of individuals receiving financial assistance to attend training
 - Dollar amount of financial assistance provided to individuals to attend training
- Number of participants earning or renewing a licensure or certification
- Number of peer-to-peer learning events
 - Number of attendees at each peer-to-peer learning event

Other Capacity Building Efforts

- Number of community development projects supported
 - Dollar amount invested into community development projects
- Number of community programs supported
 - Dollar amount invested into community programs
- Number of new community partnerships developed

- Number of data portals/web resources created
- Number of data portal and web visits
- Number of publications/newsletters created

Direct Financial Assistance

- Number of grants awarded
 - Dollar amount of grants awarded
- Number of loans approved
 - Dollar amount of loans approved
- Number of other financial assistance events
 - Dollar amount invested in other financial events

Housing and Economic Development

- Jobs
 - Number of jobs created
 - Number of jobs retained
- Housing
 - Number of housing units in the development process
 - Number of new housing units created
 - Number of housing units preserved, repaired, or rehabilitated
- Business
 - Number of businesses assisted
 - Number of businesses created

2. Performance Evaluation Plans (8 points) - This element of the performance plan will be assessed on the extent to which the application clearly describes detailed plans for evaluating the effectiveness of the organization's RCB program. The plan must include two types of evaluation:

- *Internal Organizational Evaluation of the Applicant's Management of the RCB Program Operation:* Describe how the applicant will assess and evaluate its internal operations and processes for managing and administering the RCB program grant award during the Period of Performance of the RCB grant award.
- *Evaluation of RCB Program Effectiveness and Delivery:* Describe the process for how the applicant will evaluate the effectiveness of the RCB program and activities proposed in Factor 3, including how it will evaluate its performance plan within the Period of Performance of the RCB grant award. The narrative will be rated on the extent to which the evaluation plan includes outcomes that are specific, measurable, and appropriate in relation to the activities proposed. The measures should quantifiably demonstrate the expected improved

organizational development of eligible beneficiaries.

- **Past Performance (for Currently RCB Funded Applicants Only):** To receive full credit, applicants that have received an RCB grant award in the last five years (FY 2013-FY 2017) will also be assessed on their past performance in administering the HUD RCB program, including meeting leverage commitments, and they must describe:

1. Program Outcomes and Outputs Achieved. Current applicants must provide a narrative demonstrating RCB program delivery performance within the last five years. HUD will evaluate the description of RCB performance to determine if it was timely, cost-effective, and resulted in positive outcomes in the delivery of capacity building activities for eligible beneficiaries in improving their ability to provide affordable housing and community development. Specifically, applicants should use information from previous or current RCB program grant awards to describe how RCB program activities contributed to, or resulted in, the achievement of program goals and outcomes using the list of quantifiable measures listed under element 1 of Factor 5 of this NOFA, or other relevant measures. Currently funded applicants should include, as applicable, examples of increases and improvements in affordable housing and community development program accomplishments as a result of building the capacity of eligible beneficiaries.

2. Past Administrative Performance with RCB Grant and Organizational Management: HUD will evaluate the extent to which the currently funded applicant has demonstrated effective, sound and responsible grant management of previous RCB grant awards. HUD will consider the past performance of current RCB grantees that includes, but is not limited to, financial, monitoring, and other information in HUD's files, and the applicant's past performance in meeting leverage commitments. HUD will use Section V.B.1 and 2 of this NOFA as a basis for expectations of past performance for this element.

Preference Points: Opportunity Zones (OZ)

Maximum Points: 2

HUD encourages activities in Opportunity Zones (OZ) communities. HUD will award two (2) points for qualified activities within a designated zone or area, and/or direct resources to a designated zone or area, accordingly. Applicants must specify the impact that they intend to have in an OZ (for example: "Training will be provided to beneficiary organizations that do affordable housing and community development work in a rural Opportunity Zone"). To view the list of designated OZs, please see the following link on the U.S. Department of the Treasury website: <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>.

To receive the Opportunity Zones Preference Points, the applicant must submit a statement certifying that it will conduct capacity building eligible activities with a RCB program eligible beneficiary that will work in a rural areas located in an Opportunity Zone. This Opportunity Zones certifying statement is included in the RCB narrative page limit of 40 pages. In no case will HUD award more than two preference points for these activities.

2. Preference Points.

HUD encourages activities in Promise Zones (PZ) communities. HUD will award two (2) points for qualified activities within a designated zone or area.

To receive Promise Zones Preference Points, applicants must submit form HUD 50153, Certification of Consistency with Promise Zone Goals and Implementation, signed by the Promise Zone Official authorized to certify the project meets the criteria to receive preference points. To view the list of designated Promise Zones and persons authorized to certify, please see the Promise Zone pages on [HUD's website](#).

B. Review and Selection Process.

1. Past Performance

In evaluating applications for funding, HUD will take into account an applicant's past performance in managing funds. Items HUD may consider include, but are not limited to:

- a. The ability to account for funds appropriately;
- b. Timely use of funds received from HUD;
- c. Timely submission and quality of reports submitted to HUD;
- d. Meeting program requirements;
- e. Meeting performance targets as established in the grant agreement;
- f. The applicant's organizational capacity, including staffing structures and capabilities;
- g. Time-lines for completion of activities and receipt of promised matching or leveraged funds; and
- h. The number of persons to be served or targeted for assistance.

HUD may reduce scores as specified under V.A. Review Criteria. Each NOFA will specify how past performance will be rated or otherwise used in the determination of award amounts.

Whenever possible, HUD will obtain past performance information from staff with the greatest knowledge and understanding of each applicant's performance. If this evaluation results in an adverse finding related to integrity or performance, HUD reserves the right to take any of the remedies provided in Section III.D 1. Pre-selection Review of Performance, above.

2. Assessing Applicant Risk

HUD may impose special conditions on an award as provided under 2 CFR 200.207:

1. Based on HUD's review of the applicant's risk under 2 CFR 200.205;
2. When the applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal Award;
3. When the applicant or recipient fails to meet expected performance goals; and
4. When the applicant or recipient is not otherwise responsible.

HUD evaluates the integrity of the applicant as reflected in government-wide websites, information in HUD's files, the federal Do Not Pay portal, public information and information received during HUD's Name Check Review process, and incorporates the risk assessment criteria laid out in 2 CFR 200.205. If this integrity evaluation results in an adverse finding, HUD reserves the right to take any of the remedies provided in 2 CFR 200.205 and HUD reserves the right to impose specific grant conditions in accordance with 2 CFR 200.207.

1. **Review Types.** Two types of reviews will be conducted. First, HUD will review each application to determine whether it meets threshold eligibility requirements. If an application does not meet threshold eligibility requirements, HUD will not assess the application with respect to the Rating Factors for award. Second, HUD will review and assign scores to eligible applications using the Rating Factors for Award noted under Criteria, Section V.A.
2. **Threshold Eligibility Requirements.** All applicants must comply with the threshold requirements found in this NOFA and the eligibility requirements listed in Section III of this NOFA in order to be reviewed, scored, and ranked. Applications that do not meet these requirements and applications that were received after the deadline (see Section IV.D of this NOFA) will be ineligible for funding.
3. **Rating.** HUD will rate all eligible applications that meet the Threshold Requirements against the criteria in Rating Factors 1 through 5 and assign a rating score. The maximum total rating score for the five Rating Factors is 100 points. An applicant can receive Preference Points if it scores a minimum of 75 points for the five Rating Factors. HUD will award two Preference Points to applicants that meet the Promise Zones criteria, and two Preference Points to applicants that meet the Opportunity Zone criteria. An applicant can receive a possible total of 104 points, which includes Rating Factors 1 through 5 and Preference Points.
4. **Minimum Rating Score.** Applicants must receive a total rating score of 75 points or more for Rating Factors 1 through 5 (without the addition of the Preference Points) to be eligible for funding. In addition, applicants must earn at least 21 points for Factor 1, *Capacity*, to be eligible for funding. HUD will reject any application that does not meet the minimum rating score requirements.
5. **Ranked Order.** After adding any Preference Points, HUD will place eligible applications that meet the minimum rating score requirements in ranked order. Applicants within the fundable range of 75 or more points, and that received 21 or more points in Factor 1, *Capacity*, will be considered for funding in ranked order up to the amount requested, or in a lesser amount, if sufficient funds are not available. Meeting the minimum score of 75 points does not guarantee a funding award will be made. HUD reserves the right to adjust funding to meet urgent policy priorities.
6. **Grant Award Adjustments.** Successful applicants selected to receive a grant award that is less than they applied for are required to participate in the negotiation process to create an updated program budget and plan reflecting the actual award offer, and to include the exclusion of any proposed ineligible activities, if applicable. In cases where HUD cannot successfully conclude negotiations on an updated program budget and plan, or if the selected applicant fails to provide HUD with requested information as part of the negotiation process, an award will not be made to that applicant. In such an instance, HUD may offer an award to and negotiate with another applicant.

C. Anticipated Announcement and Award Dates.

Anticipated announcement date: 8/30/2019

Anticipated award date: 9/30/2019

VI. Award Administration Information.

A. Award Notices.

Following the evaluation process, HUD will notify successful applicants of their selection for funding. HUD will also notify other applicants, whose applications were received by the deadline, but have not been chosen for award. Notifications will be sent by email to the person listed as the AOR in item 21 of the SF-424.

HUD will send written notifications to both successful and unsuccessful applicants. A notification sent to a successful applicant is not an authorization to begin performance or to incur costs. Successful applicants will receive notification of the preliminary award decision and must submit a revised budget and plan for any amount offered that is less than original request, and they must engage in negotiations with HUD to receive final approval. Once negotiations are complete and an updated budget and plan is approved, HUD will send the successful applicant a signed grant agreement package to be signed and returned.

Once the grant agreement is signed, the grantee must submit to HUD an action plan with specific activities and budgets for each initiative it proposes to implement, based on its final approved budget and plan. *RCB work and program activities cannot commence unless it has been approved as an activity in an action plan.* The action plan and activities will show when and how the federal funds and leverage funds will be used. The action plan and activities must be sufficiently detailed for monitoring purposes and must identify the performance goals and objectives to be achieved. HUD will approve the action plan and activities or notify the grantee of matters that must be addressed prior to approval. Multiple action plan activities may be submitted for each grant; as such, action plan activities may be developed for less than the full dollar amount and term of the award, but *no HUD-funded costs may be incurred for any activity until the action plan activity is approved by HUD.* All activities are also subject to the environmental requirements in Section VI.B. of this NOFA.

Consistent with the web resources provided in Section I.A.5 of this NOFA and the requirements at 2 CFR 200.112 and 200.318, after selection, but prior to award, applicants selected for funding must provide HUD with an up-to-date copy of their written Code of Conduct. An applicant who previously submitted an application and included a copy of its Code of Conduct will not be required to submit another copy if the applicant is listed in the Code of Conduct e-library for HUD Grant Programs located at https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants, unless the information has been revised.

B. Administrative, National and Department Policy Requirements for HUD recipients

For this NOFA, the following General Administrative Requirements and Terms for HUD Financial Assistance Awards apply. Please [[click here](#)] to read the detailed description of each applicable requirement.

1. Compliance with Non-discrimination and Other Requirements.

Unless otherwise specified, these non-discrimination and equal opportunity authorities and

other requirements apply to all NOFAs. Please read the following requirements carefully as the requirements are different among HUD's programs.

- Compliance with Fair Housing and Civil Rights Laws.
 - Affirmatively Furthering Fair Housing.
 - Economic Opportunities for Low-and Very Low-income Persons (Section 3).
 - Improving Access to Services for Persons with Limited English Proficiency (LEP).
 - Accessible Technology.
2. Equal Access to Housing Regardless of Sexual Orientation or Gender Identity.
 3. Ensuring the Participation of Small Disadvantaged Business, and Women-Owned Business.
 4. Equal Participation of Faith-Based Organizations in HUD Programs and Activities.
 5. Real Property Acquisition and Relocation.
 6. Participation in HUD-Sponsored Program Evaluation.
 7. OMB Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
 8. Drug-Free Workplace.
 9. Safeguarding Resident/Client Files.
 10. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended.
 11. Eminent Domain.
 12. Accessibility for persons with Disabilities.
 13. Violence Against Women Act.
 14. Conducting Business in accordance with Ethical Standards/Code of Conduct.
 15. Environmental Requirements.

Compliance with 24 CFR Part 50 or 58 procedures is explained below:

Individual project sites to be funded by awards under this NOFA may not be known when the individual grant agreements are awarded and also may not be known when some of the individual sub-grants are made. Selection for funding does not constitute approval of individual project sites. After selection for funding, HUD will perform an environmental review of individual sites in accordance with 24 CFR Part 50, as applicable, when the sites are identified. Therefore, in accordance with 24 CFR 50.3(h), the application must contain assurances to HUD that the applicant agrees to assist HUD in complying with 24 CFR Part 50, and will: 1) supply HUD with all available, 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 alternate eligible property; and 3) not acquire, rehabilitate, convert, lease, repair, demolish or construct property, nor commit or expend HUD or local funds for these program activities regarding any eligible property, until HUD approval of the property is received.

C. Reporting.

HUD requires recipients to submit performance and financial reports under OMB guidance and program instructions.

1. Reporting Requirements and Frequency of Reporting. Applicants should be aware that if

the total Federal share of your Federal award includes more than \$ 500,000 over the period of performance, you may be subject to post award reporting requirements reflected in Appendix XII to Part 200-Award Term and Condition for Recipient Integrity and Performance Matters.

2. Race, Ethnicity and Other Data Reporting. HUD requires recipients that provide HUD-funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987. NOFAs may specify the data collection and reporting requirements. Many programs use the Race and Ethnic Data U.S. Department of Housing OMB Approval No. 2535-0113 Reporting Form HUD-27061.

The RCB program grantees are required to submit semi-annual performance reports throughout the course of the grant award. Please direct questions regarding specific reporting requirements to the point of contact listed in Section VII. Agency Contact(s).

3. Performance Reporting. All HUD funded programs, including this program, require recipients to submit, not less than annually, a report documenting achievement of outcomes under the purpose of the program and the work plan in the award agreement.

D. Debriefing.

For a period of at least 120 days, beginning 30 days after the public announcement of awards under this NOFA, 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 authorized official whose signature appears on the SF424 or by his or her successor in office, and be submitted to the point of contact in Section VII Agency Contact(s), below. 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.

VII. Agency Contacts.

HUD staff will be available to provide clarification on the content of this NOFA. Questions regarding specific program requirements for this NOFA should be directed to the point of contact listed below.

Diane Schmutzler

CapacityBuilding@hud.gov

Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Relay Service at 800-877-8339. Please note that HUD staff cannot assist applicants in preparing their applications.

VIII. Other Information.

1. National Environmental Policy Act.

A Finding of No Significant Impact (FONSI) with respect to the environment has been made for this NOFA in accordance with HUD regulations at 24 CFR Part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for inspection at HUD's Funds Available web page at http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail.