



**U.S. Department of Housing and Urban Development**

Public and Indian Housing

HOPE VI Main Street Grant Program

FR-6400-N-03

01/19/2021

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**Program Office:**

Public and Indian Housing

**Funding Opportunity Title:**

HOPE VI Main Street Grant Program

**Funding Opportunity Number:**

FR-6400-N-03

**Primary CFDA Number:**

14.878

**Due Date for Applications:**

01/19/2021

**Overview**

The U.S. Department of Housing and Urban Development (HUD) issues this Notice of Funding Availability (NOFA) to invite applications from eligible applicants for the program and purpose described within this NOFA. 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.

During the selection process HUD is prohibited from disclosing 1) information regarding any applicant's relative standing, 2) the amount of assistance requested by an applicant, and 3) any information contained in the application. Prior to the application deadline, HUD may not disclose the identity of any applicant or the number of applicants that have applied for assistance.

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

**OMB Approval Number(s):**

2577-0208

**I. FUNDING OPPORTUNITY DESCRIPTION.****A. Program Description.****1. Purpose**

- a. The HOPE VI Main Street Program provides grants to small communities to assist in the renovation of an historic or traditional central business district or "Main Street" area by replacing unused, obsolete, commercial space in buildings with affordable housing units. The obsolete building space property may be publicly or privately owned. Note, however, that the local government whose jurisdiction includes the Main Street area is the only entity that is eligible to receive an award. Applications submitted by other entities, e.g., the private property owner, are not eligible for award.
- b. The objectives of the program are to:
  - i. Redevelop central business districts (Main Street areas);

- ii. Preserve historic or traditional Main Street area properties by replacing unused commercial space in buildings with affordable housing units;
- iii. Enhance economic development efforts in Main Street areas; and
- iv. Provide affordable housing in Main Street areas.

## **2. Changes from Previous NOFA.**

- a. Thresholds: Clarified that all applicants must be eligible applicants.
- b. Funding Restrictions: Eligible Grant Activities. Community and Supportive Services, subject to a cap of fifteen percent (15%) of the requested grant amount.
- c. Rating Factor for Site Control, Zoning Approval and Relocation Readiness: Seven points will be awarded for Site Control and Zoning Approval. One point for Relocation Readiness will be separately awarded.

## **3. Definitions.**

### **a. Standard Definitions**

**Affirmatively Furthering Fair Housing (AFFH).** The obligation to affirmatively further the purposes and policies of the Fair Housing Act.

**Assistance Listings (formerly 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. An Assistance Listing (CFDA) Number is the unique number assigned to each program, project, service or activity listed in the Catalog of Federal Domestic Assistance (CFDA).

**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 OR cooperative agreement as specified in Section II.E (Type of Funding Instrument).

**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 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. Examples of deficiencies include missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box.). 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 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 that, 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.

**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 on Grants.gov is required for submission of applications to prospective agencies unless otherwise specified in this NOFA.

**Non-Federal Entity** is a state, local government, Indian tribe, institution of higher education (IHE), or non-profit organization carrying out a Federal award as a recipient or sub recipient. If eligible applicants under the NOFA include for profit entities, this definition of non-federal entity includes for profit entities.

**Opportunity Zone (OZs)** are defined in 26 U.S.C. 1400Z-1. In general, OZs are census tracts located in low-income communities where new investments, under certain conditions, may be eligible for preferential tax treatment.

**Point of Contact (POC)** is the person who may be contacted with questions about the application submitted by the AOR. The POC is listed in item 8F on the SF-424.

**Promise Zones (PZs)** are high poverty communities where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, reduce violent crime, enhance public health and address other priorities identified by the community.

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

**Subaward** means an award provided by a pass-through entity to a subrecipient for the

subrecipient to carry out part of a Federal award received by the recipient. It does not include payments to a contractor or payments to an individual beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. The legal agreement must contain the subrecipient's assurance of compliance with program requirements, including but not limited to nondiscrimination and equal opportunity requirements.

**Subrecipient** is a non-Federal entity receiving a subaward from a pass-through entity to carry out part of a HUD program; but does not include an individual 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 a 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 is required for submission of applications via Grants.gov. You can access the website at <https://www.sam.gov/SAM/>. There is no cost to use SAM.

**Threshold Requirements** are an eligibility requirement that must be met for an application to be reviewed. Threshold requirements are not curable, except for documentation of applicant eligibility and are listed in Section III.D Threshold Eligibility Requirements. Similarly, there are eligibility requirements under Section III.E, Statutory and Regulatory Requirements Affecting Eligibility.

**Unique Entity Identifier** is a number used to identify a specific commercial, nonprofit, or government entity. SAM states that currently Dun & Bradstreet (D&B) is the designated entity to establish and maintain the DUNS Number as the unique entity identifier required for registration in SAM and further used throughout federal procurement, financial assistance, and financial management systems. Beginning December 2020, the DUNS number will no longer be the official identifier for entities doing business with the government.

#### **4. Program Definitions**

For purposes of the HOPE VI Main Street program, the following definitions of key terms apply. As needed, other definitions relevant to specific thresholds and rating factors will be provided in those sections of the NOFA.

**a. Affordable Housing.** Affordable Housing means rental or homeownership dwelling units funded under this NOFA that must be rented or sold to low-income families, with a subset of units made available to very low-income families. Low-income families are defined as families whose adjusted gross income is at or below 80% of the Area Median Income, as published by HUD. Income includes any income from all members of the resident family. Very low-income families are defined as families whose adjusted gross income is at or below 50% of the Area Median Income. The rental or sale of each unit must comply with the Main Street Use Restrictions. See "Initial Occupancy Period Requirements (Use Restrictions) Affecting Eligibility" at Section III.F.6 of this NOFA.

**b. Applicant Team.** Applicant Team means the group of entities that will develop the Main Street affordable housing project (Project). The team includes the unit of local government that submits the application and where applicable, the Developer, property manager, architects, construction contractors, attorneys, investment partners that are part of an owner entity and other parties that may be involved in the development and management of the Project. To be considered as part of an Applicant Team, the entity must be included in the application to this NOFA.

**c. Community and Supportive Services (CSS).** HUD encourages the provision of CSS to residents of HUD-assisted housing. The purpose of these services is to help low-income families improve the quality of their lives and move toward self-sufficiency. CSS may include, but are not limited to

- i. Educational life skills, job readiness and retention, employment training, and other activities as described on HUD's HOPE VI website at [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/hope6/css](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6/css).
- ii. Per Section III.E.8. of this NOFA, homeownership counseling is required if the Main Street units are Homeownership Units. These services must be scheduled to begin promptly after grant award so that to the maximum extent possible, qualified residents will be ready to purchase new homeownership units when they are completed; and,
- iii. Coordination with fair housing groups to educate the Project's target population on their fair housing rights.

**d. Developer.**

- i. Completion of a Main Street grant may include development of documents to obtain financing, complete an environmental review, create architectural plans for the Project, hire a construction contractor, monitor the construction contractor, complete bookkeeping for grant income and expenses, submit all expense receipts to HUD in order to draw down grant funds, furnish Community and Supportive Services, and perform dozens of other activities. Normally, a Main Street applicant will not have the in-house capacity to complete all of these tasks. For this reason, it is likely that the applicant/grantee has procured, or will procure after grant award, a Developer or other development manager to complete them.
- ii. Procurement of such entities for Federal grants must be performed in accordance with the Code of Federal Regulations (CFR) at 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." Procurement requirements can be found at 2 CFR 200.318 through 200.326. The CFR can be found online at <http://www.ecfr.gov> Once procured, subcontracting procurement by a Developer or other development manager is not subject to the procurement requirements in part 200. Requirements may be less complex and more expeditious than direct procurement of services by the local government grantee. This is another reason why a Main Street grantee may wish to



procure a Developer or other development manager.

iii. When tax credits or other complex financing is required for the Project, the presence of a Developer will probably be required. The Developer is the legal entity that has been procured, usually through a Request for Proposals (RFP) or a Request for Quotes (RFQ). After procurement, the Developer and local government applicant or grantee will fully execute a Developer Agreement that describes the rights and responsibilities of both parties. The Developer's role consists of seeking financing for reconfiguration, rehabilitation and/or construction of housing units, the provision of Community Services (if included in the Project) and project management up to and including rental of the Affordable Housing units. Funds awarded through this NOFA must not be used to pay the developer fee. Funds other than those awarded through this NOFA may be used to pay the Developer's fee. If other federal funds are used, the federal statute or regulations governing such funds must permit their use for this purpose.

iv. For development with less complicated financing (e.g., no Tax Credit syndication or bond financing), the applicant may choose to procure the services of an "other development manager" services, e.g., project manager, private property owner (if the owner is going to retain ownership of the Project), managing architect, construction manager, and design/build construction contractors in place of a Developer. The agreement that the applicant made, or grantee will make, with any of these other development managers will determine their roles and whether the grantee will directly procure other entities or whether the development manager will procure subcontractors. Funds awarded through this NOFA may be used to reimburse fees for these services that are incurred following grant award. In this NOFA, such services are referred to as "other development manager" services.

**5. Development Proposal.** Prior to beginning construction or acquisition of Main Street Affordable Housing, the grantee must submit a final development proposal to HUD, which will allow HUD to assess the viability and financial feasibility of the proposed development. The development proposal must include the following information. Note that additional detail regarding the development proposal contents is included in the Grant Agreement, which will be distributed to all grantees upon award.

- a. Project description.
- b. Site information.
- c. Participating parties.
- d. Development project schedule.
- e. Project costs and financing.
- f. Operating pro-forma/Operating Fund methodology.

g. Environmental requirements. HUD must approve the environmental review under 24 CFR Part 50 prior to approving the development proposal.

The Development proposal is intended to allow HUD to assess the viability and financial feasibility of the proposed Main Street Affordable Housing Project.

**6. "Firmly Committed" Commitment Letters.** Commitment Letters document resources designated for Match or Leverage purposes in your Main Street application. To be counted toward Match or Leverage, sources of funds must be **firmly** committed to either the Affordable Housing Project or the Main Street Area rejuvenation effort in general. Further discussion of Match and Leverage can be found in the definitions of Match and Leverage, below. To be counted as a firm commitment letter, the letter must meet the following requirements:

- a. Be on the letterhead of the entity providing the funding commitment.
- b. Contain the name, telephone number and email address of a contact for the entity that is providing the resource and that is familiar with the contribution toward the Main Street application.
- c. Identify if the commitment is for Match or Leverage.
- d. Identify if the commitment is a cash or in-kind contribution.
- e. Contain the specific amount of the commitment. If an in-kind contribution, provide the market value in dollars of the commitment. If the match is a cash contribution, provide the dollar amount of the commitment.
- f. The letter must be signed by a person authorized to make the commitment.

**7. Homeownership Unit.** Homeownership unit means a housing unit that a local government makes available under this NOFA for purchase by a low-income family to use as its principal residence.

**8. Initial Occupancy Period.** Initial Occupancy Period is the period of time that a rental unit is occupied by the initial low-income resident, or the period of time that a homeownership unit is owned by the initial third-party low-income purchaser. There is no set requirement for the length of this occupancy period. During this period, rental must be in accordance with Section III(F)(6) of this NOFA. In general, the initial occupant has the same rent responsibilities and rights as a public housing resident in a HOPE VI development which are found at 24 C.F.R. 960 and 24 C.F.R. 966.

**9. Jurisdiction.** Jurisdiction means the physical area under the supervision of the local government applicant.

**10. Leverage: Allowable and Non-Allowable.** Leverage means non-HOPE VI and non-Choice Neighborhoods Initiative funded donations of cash or in-kind services that are in excess of, and not included in, the five percent (5%) Match requirement of this NOFA. Leverage must be **FIRMLY** committed to the Project or the Main Street area redevelopment effort in general. In order to ensure that all of the applicant's sources are identified by the application reviewers, in

addition to the Firm Commitment Letter requirements, a list of Leverage resources should be included in Form HUD-52861, HOPE VI Main Street Application Data Sheet, which should be an attachment to your application.

The following types of resources may be counted:

- a. Private mortgage-secured loans;
- b. Other debt;
- c. Housing trust funds;
- d. Homeownership sales proceeds;
- e. Proceeds from other projects;
- f. Proceeds from existing tax increment financing (TIF) districts;
- g. Tax Credit equity;
- h. Non-HOPE VI and non-Choice Neighborhoods Federal, State or local public funds (applicant is responsible to confirm that use of funds as Leverage is allowed by the Federal or State program);
- i. Private funds; and
- j. In-kind services such as Homeownership Counseling (required if Homeownership units are developed), or other materials, and the value of the real property that will be rehabilitated, provided that the ownership of such property is non-profit or Government owned.

**11. Local Government or Unit of Local Government.** Local government means any city, town, township, village, county, parish, or other general-purpose political subdivision of a state, Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the District of Columbia and other United States Territories. It does not include Native American governments or Public Housing Agencies.

**12. Low-Income Limits.** Housing Choice Voucher (Section 8) Low-Income limits prescribed by HUD are on the Internet at <https://www.huduser.gov/portal/datasets/il.html>. Low-Income family means a family (resident) with an income equal to or less than 80 percent of HUD's Median Family Income for the local area, adjusted for family size, in accordance with section 3(b)(2) of the United States Housing Act of 1937, as amended (Section 8 eligibility). HUD may establish a level higher or lower than 80 percent because of the prevailing construction costs or unusually high or low family incomes in the area. "Local Area" is defined as the primary metropolitan statistical area/metropolitan statistical area (PMSA/MSA) or non-metropolitan county/parish as prescribed by HUD, in which the low-income family resides.

**13. Main Street Affordable Housing Project (Project).**

The collection of affordable housing units that are developed in the Main Street Area using funds obtained through this NOFA and which meet the Program Requirements in Section III.A through III.E of the NOFA. The Main Street Affordable Housing Project cannot rehabilitate, replace,

demolish, or otherwise dispose of public housing units.

#### **14. Main Street Area.**

Main Street Area is a geographic area determined by the applicant, and designated on the map attachment to the application, that fulfills the Program Specific Requirements Affecting Eligibility Section III F.2. of this NOFA, and:

- a. Is within the jurisdiction of the Local Government applicant;
- b. Has specific boundaries that are determined by the applicant; and
- c. Is or was:
  - i. Traditionally the central business district and center for socio-economic interaction;
  - ii. Characterized by a cohesive core of historic and/or older commercial and mixed-use buildings often interspersed with civic, religious, and residential buildings which represent the community's architectural heritage; and
  - iii. The location of a downtown or "Main Street" existing rejuvenation effort that:
    - (1) Has as its purpose the revitalization or redevelopment of the historic or traditional commercial area;
    - (2) Involves investment or other participation by the applicant and private parties in the community in which the Project is located; and
    - (3) Involves the development of affordable housing that is in the Main Street area.

#### **15. Operating Pro Forma ("pro forma")**

The Five-Year Operating Pro Forma is a projection that shows the income and expenses for the first five operating years of a rental project. The purpose of the pro forma is to show that the project will be financially viable over the long-term. The pro forma includes year-by-year estimates of Project income and expenses, accounting for Use Restriction changes and economic adjustments. The pro forma must show the affordable rents for this five-year period, assuming a five-year period of initial occupancy. Form HUD- 52861, Main Street Data Sheet, includes a tab to enter income and expense assumptions and a separate tab that includes the pro forma. Applicants must enter information into both tabs.

#### **16. Owner Entity.**

The legal entity that holds the title to the real property that contains any affordable housing units developed through this NOFA.

#### **17. Site Control.**

Site Control means that the Local Government applicant, its Developer or other development partner has the legal authority to commit the owner of the property to the rehabilitation to be performed with grant funds from this NOFA. Examples of site control are:

- a. The Local Government applicant owns the property outright;
- b. The private owner entity of the property will be the Developer and has a signed agreement with the applicant providing site control;
- c. The applicant or private owner entity has signed an agreement with a third-party Developer and the agreement gives the developer site control;
- d. The applicant, Developer or other development partner has an option to purchase the property from a private owner entity that covers a time period sufficient to obtain grant funds for purchase and environmental review approval (at least 180 days after the estimated award date), and is contingent only upon receipt of a grant from this NOFA and satisfactory compliance with this NOFA's environmental review requirements;
- e. A member of the applicant team's for-profit subsidiary, the private owner entity or the Developer with site control has formed a limited partnership for Tax Credit purposes.

## **18. Total Development Cost (TDC)**

Annually, HUD publishes a list of reasonable development costs for each size and type of public housing unit to be developed. Costs are included for Cities or Counties/Parishes where HUD performs public housing development.

TDCs are used for two purposes in this NOFA:

- a. As a cost control requirement (see Section IV of this NOFA), and
- b. As the basis for the initial determination of the grant amount.

The following documents and workbooks are available at <http://www.hud.gov/mainstreet/>:

- i. HUD's official table of FY2020 TDC amounts. The maximum amount of funding requested must be based upon HUD's published Total Development Cost (TDC) for the unit mix to be developed, up to the maximum amount of an award stated in this NOFA; and
- ii. TDC Calculator Form HUD-52861: HOPE VI Main Street Application Data Sheet.

HUD has developed TDCs for metropolitan areas and large cities, but not for small, non-metropolitan cities and towns. If the applicant's location is not listed, the applicant is advised to contact their local HUD Public Housing Field Office to determine their TDC State and City.

## **19. Use Restrictions.**

Housing units developed with funds from this NOFA have rental amount, eviction and other restrictions for the initial resident of each of those units. See "Initial Occupancy Period Requirements" under "Program Specific Requirements Affecting Eligibility" at Section III.F. of this NOFA. After an initial resident moves out of the Project, or sells a Homeownership unit, Use Restrictions are removed from that unit and it becomes market rate.

## **20. Very Low-Income Family.**

Very low-income family means a family or resident with an income not to exceed 50 percent of HUD's Median Family Income for the local area adjusted for family size, in accordance with Section 3(b)(2) of the United States Housing Act of 1937, as amended. HUD may establish a level higher or lower than fifty percent (50%) because of prevailing construction costs or unusually high or low family incomes in the area. HUD's prescribed Income Limits for very low-income families are published at [https://www.huduser.gov/portal/datasets/il\\_.html](https://www.huduser.gov/portal/datasets/il_.html).

### **Web Resources**

- [Affirmatively Furthering Fair Housing](#)
- [Code of Conduct list](#)
- [CFDA](#)
- [Dun & Bradstreet](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [FFATA Subaward Reporting System](#)
- [Grants.gov](#)
- [HBCUs](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [Limited English Proficiency](#)
- [NOFA Webcasts](#)
- [Opportunity Zone](#)
- [Procurement of Recovered Materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Uniform Relocation Act – Real Property Acquisition and Relocation Requirements](#)
- [USA Spending](#)

### **B. Authority.**

#### **1. PROGRAM AUTHORITY:**

a. The authority for the HOPE VI Main Street Program is Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), as amended by Section 535 of the Quality Housing and

Work Responsibility Act of 1998 (Pub.L.105-276, 112 Stat. 2461, approved October 21, 1998); and the HOPE VI Program Reauthorization and Small Community Main Street Rejuvenation and Housing Act of 2003 (Pub. L. 108-186, 117 Stat 2685, approved December 16, 2003).

## 2. FUNDING AUTHORITY:

a. Funding for the award under this NOFA is provided by the Further Consolidated Appropriations Act, 2020 (Public Law 116-94, enacted December 20, 2019).

## **II. Award Information.**

### **A. Available Funds**

Funding of approximately **\$ 1,000,000** is available through this NOFA.

Additional funds may become available for award under this NOFA, because of HUD's efforts to recapture 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 funding restrictions contained in this NOFA.

HUD reserves the right to fund applicants from this NOFA using FY2021 funds to the extent that Congress provides future funding subject to Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), as amended, and requires the set aside of a portion of these funds for the Main Street program. 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.

### **B. Number of Awards.**

HUD expects to make approximately 2 awards from the funds available under this NOFA.

### **C. Minimum/Maximum Award Information**

1. There is no minimum amount.

2. Up to the maximum of \$500,000 per grant, the amount of the award will be based upon the Total Development Cost (TDC) of the number and size of affordable housing units that will be developed through the grant. See Total Development Cost under the Program Definitions section of this NOFA.

Estimated Total Funding:

\$ 1,000,000

Minimum Award Amount:

\$ 0

Per Project Period

Maximum Award Amount:

\$ 500,000

Per Project Period

#### **D. Period of Performance**

Estimated Project Start Date:

03/05/2021

Estimated Project End Date:

03/05/2025

Length of Project Periods:

Other

Length of Periods Explanation of Other:

The start date for the grant, i.e., the above project period, is the date that the Award Notice Letter is executed by HUD.

The end of the project period is 48 months after the date of the Award Notice Letter. Development funds are released upon HUD's approval of the Grantee's Development Proposal, which includes an updated grant budget and progress schedule.

Not to be confused with the above, in this NOFA the development of the affordable housing units is also referred to as a "Project." Project development starts upon HUD approval of the Development Proposal, as described in the Grant Agreement.

The Development Proposal must include the approval letter from the State Historic Preservation Officer (SHPO) and documentation of HUD approval of the Environmental Review.

Activities that limit the choice of the project site, e.g., site acquisition, are not allowed until after written notice from HUD that an Environmental Review has been completed.

#### **E. Type of Funding Instrument.**

Funding Instrument Type:

G (Grant)

#### **F. Supplementation.**

For this NOFA, sub-section "F. Supplementation" is Applicable

1. Funds awarded under this NOFA cannot be combined with other Section 24 funds, i.e., used on a development that has already been funded with HOPE VI or Choice Neighborhoods Initiative grant funds to avoid double funding housing unit development.
2. If the applicant was funded in the past for the same project proposed in the application, HUD will not fund a second grant for that project. HUD will review its past files to determine if HUD funded the project proposed in this application through another Main Street grant.

#### **III. Eligibility Information.**



### **A. Eligible Applicants.**

County governments  
City or township governments  
Special district governments

#### **Information on Eligible Applicants**

1. Eligible applicants under this NOFA are limited to Units of General Local Government, defined as any city, town, township, village, county, parish, or other general purpose political subdivision of a state or territory, such as Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the District of Columbia, and the Trust Territories of the Pacific Islands. It does not include Native American governments, Tribally Designated Housing Entities or Public Housing Agencies.
2. The Local Government must:
  - a. Have a population of 50,000 or less; and
  - b. Not be served by a local or county/parish Public Housing Agency (PHA) that administers more than 100 physical public housing units within the local government's jurisdiction. Such units exclude Section 8 Housing Choice Voucher subsidized units.
3. Joint applications are not permitted. However, an applicant can enter into subaward agreements (or contracts) with not-for-profit organizations and State or local governments.
4. The applicant can also enter into contracts with for-profit entities, such as a private property owner or for-profit partnership created for tax credit purposes. The Local Government grantee and any sub-awardees are subject to 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards when procuring supplies or services.
5. The applicant can only apply for funding to support one project in one undivided Main Street Area. The Project may include several buildings.
6. The applicant must meet all thresholds in order to be considered for rating, ranking and funding. Thresholds are in Section III.D. of this NOFA.

### **B. Ineligible Applicants.**

For this NOFA, HUD does not award grants to individuals, private institutions of higher education, public housing authorities, for profit organizations, and small businesses.

### **C. Cost Sharing or Matching.**

This Program requires cost sharing or matching as described below.

1. A match of firmly committed cash or in-kind property or services of at least five percent (5%) of the requested grant amount is statutorily required to be considered for an award. Match must be used only to carry out eligible activities under this NOFA.
2. Match resources must be firmly committed to the Project in writing. Commitment Letters are required in your Main Street application to document resources designated for match purposes. To be counted toward match, the resources must be firmly committed to the

Project. A firm commitment letter must meet the requirements stated in Section I.A.4.6 of this NOFA.

3. If the real property that will be the subject of the Main Street Affordable Housing Project is privately owned by a for-profit entity, its value will not be counted towards Match unless the grantee becomes the property owner. If it is publicly owned or owned by a non-profit, its value may be included as Match.
4. Match must not include funds from other Section 24 grants, i.e., HOPE VI, Main Street or Choice Neighborhoods.
5. See 2 CFR §200.306 for more information on Match.

#### **D. Threshold Eligibility 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. Outstanding civil rights matters** must be resolved to HUD's satisfaction prior to grant award, provided that all applicable legal processes have been satisfied.

**2. 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 Section IV. D. Application Submission Dates and Times.

#### **E. 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](#).

- 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

#### **F. Program-Specific Requirements Affecting Eligibility.**

1. Fair Housing and Equal Opportunity Requirements.
  - a. HUD's general non-discrimination and equal opportunity requirements at 24 CFR 5.105(a) apply to the HOPE VI Main Street Program. The webpage at [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/fair\\_housing\\_rights\\_and\\_obligations](https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_rights_and_obligations) provides an overview of pertinent laws and implementing regulations concerning non-discrimination and accessibility for persons with disabilities that apply to HOPE VI Main Street grants based upon other non-public housing statutes and regulation. The civil rights laws and implementing regulations apply to the grantee and any sub-grantee or contractor in a HOPE VI Main Street project.

- b. Applicants are reminded that HUD's Title VI regulation, at 24 CFR 1.4(b)(3), specifically prohibits site selection that has the purpose or effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the basis of race, color, or national origin, which includes the selection of the Hope VI Main Street area.
  - c. Applicants are reminded that, pursuant to Section 504, Main Street covered multifamily housing projects that include substantial alterations to housing or include new construction of housing must provide a minimum of five percent (5%) of the units or one unit, whichever is greater, accessible to persons with mobility impairments. An additional 2 percent (2%), but not less than one (1) unit, must be made accessible for persons with a hearing or vision impairment (see 24 CFR parts 8.20 through 8.32). These designated accessible housing units must comply with the Uniform Federal Accessibility Standards or HUD's Notice titled Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities ("HUD's Deeming Notice"), which is available at 79 Fed. Reg. 29,671 (May 23, 2014) and permits recipients of HUD funds to use an alternative accessibility standard for purposes of complying with Section 504.
  - d. At 24 CFR 100.201, "Covered multifamily dwellings" means buildings consisting of four or more dwelling units if such buildings have one or more elevators; and ground floor dwelling units in other buildings consisting of four or more dwelling units.
  - e. In addition under the Fair Housing Act, all new construction of covered multifamily dwellings and rehabilitation that results in a covered multifamily dwelling must contain certain features of accessible and adaptable design that comply with the design and construction requirements at 42 U.S.C. § 3604(f)(3)(C). This requirement is in addition to other non-HUD accessibility requirements which the applicant's State or local government may require; however, in no instance may the accessibility requirements of an applicant's State or local government result in less accessibility than the design and construction requirements of the Fair Housing Act. HUD's Fair Housing and Equal Opportunity (FHEO) website is located at [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp#abc](https://www.hud.gov/program_offices/fair_housing_equal_opp#abc).
2. The Main Street Affordable Housing Project. The Main Street Affordable Housing Project must:
- a. Involve the construction or major rehabilitation of space into affordable housing units;
  - b. Be located within the boundaries of your designated Main Street Area;
  - c. Not replace demolished or otherwise disposed of, or rehabilitate existing, public housing units; and
  - d. Not exceed allowable Total Development Costs (TDC). See Section IV., "Funding Restrictions," for information on TDCs.
3. Approval of Acquisition and Construction.

Grantees must obtain HUD approval of their Development Proposal before funds will be released for site acquisition, if any, and construction. In addition, HUD must approve a 24 CFR part 50 environmental review before approving the development proposal. See "Environmental Requirements" under this Section of the NOFA for environmental requirements.

#### 4. Cost Control and Safe Harbor Standards.

Grantees must comply with HOPE VI Cost Control and Safe Harbors Standards which are available at <https://www.hud.gov/mainstreet> under the Cost Guidelines section of HUD's Main Street website. The Standards state limits to Developer and construction fees. See Section IV.F. "Funding Restrictions" for Safe Harbors information.

#### 5. Limitation of Eligible Expenditures.

Expenditures on services, equipment, and physical improvements must directly relate to Project activities allowed under this NOFA. See Section VI. of this NOFA.

#### 6. Initial Occupancy Period Requirements (Use Restrictions).

- a. Project units must be maintained as affordable housing only for the period of initial rental occupancy of the unit or the initial resident's ownership. The initial resident of each affordable rental unit and the initial resident purchaser of each affordable homeownership unit must be subject to the same rules regarding occupant contribution towards rental or purchase, and to the basic resident rights for rental or purchase, as residents of Section 9 public housing units or Homeownership units. Site-based waiting lists, flat rents, and other occupancy requirements are allowed under the U.S. Housing Act of 1937 (1937 Act) and may be applied to the units, at the applicant's discretion.
- b. Unit rents, or the amortized mortgage monthly payment for Homeownership units must be set at or below 30% of the families' adjusted gross income. Main Street units are not subsidized public housing units, and there are no public housing waiting lists. Grantees may include family income as one of the criteria used to choose resident families. That is, for low-income units, the grantee may choose residents whose adjusted gross family income can support a rent or mortgage payment that is near 80% of the Area Family Income, as published by HUD under Section 8 Income Limits at <https://www.huduser.gov/portal/datasets/il.html#2019>. For very low-income units, the grantee may choose residents whose adjusted gross family income can support a rent or mortgage payment that is near 50% of the Area Family Income, as published by HUD.

- c. Initial residents must have the right to appeal detrimental actions by the landlord. The regulations at 24 CFR part 966, “Public Housing Lease and Grievance Procedures” and Public and Indian Housing implementing Handbooks and Notices do not apply to the HOPE VI Main Street Program. However, grantees may want to use those regulations and documents as a guide when setting up their written rental policies.
- d. Initial residents cannot be evicted without cause.
- e. Minimum down payment for homeownership purchase of one percent (1%) of the sale price or other minimum as approved by HUD is required.
- f. For the Main Street units, the Project owner is not required to develop and maintain PHA rental documentation as described in PIH Occupancy Reporting Handbook (7465.3). However, admissions, occupancy, and income records for the Main Street units must be maintained in order for HUD to verify that the above Use Restrictions have been applied during the initial occupancy period. HUD reserves the right to access grantee documents related to the Use Restriction.
- g. Requirements from Other Programs. To the extent that HOPE VI Main Street funds are combined with other federal program funds or Low-Income Housing Tax Credits, the requirements from those programs may apply to the Affordable Housing project proposed in the application to this NOFA. If Community Development Block Grant (CDBG) or other HUD funds for which Davis Bacon applies are included in the financing for these Affordable Housing units, Davis Bacon labor rates will apply.

#### 7. Main Street Homeownership Counseling and Community and Supportive Services.

The initial sale of an affordable homeownership unit to a third-party, low-income purchaser must take place in accordance with Section 24 of the 1937 Act. Providing homeownership counseling to residents is mandatory if the application proposes homeownership units. The cost of such counseling is considered Community and Supportive Services and is excluded from the TDC limit for unit development. If listed in form HUD-52861, HOPE VI Main Street Application Data Sheet, on the TDC Limit Calculations page, such funds will be added to the grant amount, up to the maximum grant amount of \$500,000. Other Community and Supportive Services, as described in the Definition of Terms, Section I. of this NOFA, are voluntary and if elected to be provided by the grantee, the expenses are limited to 25 percent (25%) of the grant amount.

#### 8. Leveraging Other Resources.

The Main Street Area rejuvenation effort must have community support from government and the private sector. This support is demonstrated through the provision of leveraged funds (Leverage). Leverage can support any activity, provided that the intended use of the funds is permitted by the source of the funds being used. For example, if the Leverage funds are to be used for street enhancements, the source of the Leverage dollars must allow for street

enhancements. While Match is a Threshold requirement, the amount of Leverage funds will be rated in Rating Factor 4, Section V.A. of this NOFA. Larger amounts of firmly committed Leverage will receive more points.

#### 9. Section 106 Historic Preservation Requirements.

The National Historic Preservation Act of 1966, as amended (54 U.S.C. 306101 et. seq.), Section 106 and its implementing regulation at 36 CFR part 800 are applicable to this program in accordance with HUD's environmental review regulations at 24 CFR part 50.4. Following receipt of the application, grantees may not commit or expend Main Street grant funds or other Match and Leverage funds for the affected program activities until HUD has completed and approved its 24 CFR part 50 Environmental Review, which includes the Section 106 historic preservation process. When the grantee conducts work under this NOFA, if a project includes potential effects to a historic property listed on or eligible for the National Register of Historic Places (NRHP), the grantee must comply with the Secretary of the Interior's Standards for Rehabilitation at <https://www.nps.gov/tps/standards/rehabilitation.htm> and obtain concurrence from the State Historic Preservation Officer (SHPO).

See <https://www.hudexchange.info/environmental-review/historic-preservation/>

If such historic preservation requirements are not applicable, the grantee is encouraged to preserve significant traditional, architectural, and design features in the Project structures in order to comply with the goals of the Main Street program. Such work will be included in the Developer's, or other development manager's Statement of Work.

#### 10. Environmental Requirements.

- a. Environmental requirements for this NOFA are found in 24 CFR part 50, which requires HUD environmental approval of all development sites. Note that 24 CFR part 58, which allows state and local governments to assume federal environmental responsibilities, is not applicable to the Main Street program. HUD's environmental website is located at [https://www.hud.gov/program\\_offices/comm\\_planning/environment/](https://www.hud.gov/program_offices/comm_planning/environment/)
- b. HUD's notification of award to a selected applicant constitutes a preliminary approval by HUD of the submitted application, subject to HUD's completion of an Environmental Review of proposed sites in accordance with 24 CFR part 50. The proposal may be modified or the proposed sites rejected as a result of HUD's Environmental Review. Selection for participation (preliminary approval of the submitted application) does not constitute approval of the proposed site(s).
- c. The grantee will comply with the Environmental Certifications in Section III.F. of this NOFA.
- d. Each proposal will be subject to a HUD Environmental Review in accordance with 24 CFR part 50, and the proposal may be modified or the proposed sites rejected as a result of that review. Based on the type of projects proposed covered by the Main Street Program, the appropriate level of environmental review is an Environmental Assessment. Complete information about HUD's Environmental

Review compliance, documentation requirements, and Partner Worksheets needed to submit environmental information to HUD for the Part 50 review are located at, <https://www.hudexchange.info/programs/environmental-review/>.

- e. ASTM Phase I and Phase II Environmental Site Assessments. If the applicant is selected for funding, the applicant must have a Phase I Environmental Site Assessment (ESA) completed in accordance with the ASTM Standard E 1527-13, as amended (see <http://www.astm.org>). If the Phase I ESA recognizes environmental concerns, or if the results are inconclusive, a Phase II environmental site assessment will be required. The results of the Phase I ESA must be included in the documents provided to HUD for the completion of the environmental review.
  - f. Mitigation and remedial measures. The applicant must carry out any mitigating/remedial measures required by HUD. If a remediation plan, where required, is not approved by HUD, and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.
11. Environmental Certifications. By signing the application, the applicant certifies that:
- a. There are no environmental or public policy factors such as sewer moratoriums that would preclude development in your Main Street Area.
  - b. It will provide HUD with all available, relevant information necessary for HUD to perform the Environmental Review required by 24 CFR part 50 for each property, including, but not limited to, the ASTM Phase I Environmental Site Assessment.
  - c. It will not acquire, rehabilitate, convert, demolish, lease, repair, or construct property nor commit or expend Main Street grant funds or other funds for these program activities with respect to any eligible property until HUD has completed the Part 50 environmental review and the applicant receives written HUD approval of the property.
  - d. It will carry out mitigating measures required by HUD or, if mitigating measures are not feasible, the applicant agrees to select alternate eligible project sites.

## 12. Coastal Barrier Resources Act.

In accordance with the Coastal Barrier Resources Act (16 U.S.C. 3501), the application may not target properties in the Coastal Barrier Resources System.

## 13. Building Standards.

- a. Building Codes
  - i. All activities that include construction, rehabilitation, lead hazard control, and related activities must meet or exceed local building codes, or their local equivalent. HUD's and EPA's lead hazard control requirements are at

24 CFR part 35 and 40 CFR part 745 and must be implemented, regardless of local building codes. See Section III.F.17, below.

- ii. New construction of a Main Street project is subject to the accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (Section 504) and its implementing regulations at 24 CFR part 8, the design and construction requirements of the Fair Housing Act, Titles II and III of the Americans with Disabilities Act (ADA), and the Architectural Barriers Act, as applicable.
  - iii. The major redesign, reconstruction, redevelopment, or partial or total demolition of Main Street projects that meets the standard for “substantial alteration” under 24 CFR § 8.23 are also subject to the new construction requirements of 24 CFR § 8.22. If Main Street projects do not meet the definition of “substantial alteration,” and instead would be considered “other alterations” pursuant to 24 CFR § 8.23, then those requirements shall apply.
  - iv. Where the major redesign, reconstruction, redevelopment, or partial or total demolition of Main Street projects results in a covered multifamily dwelling, the design and construction requirements of the Fair Housing Act also apply.
- b. Energy Efficiency Standards.
- i. Owners of Main Street Projects, whether new construction or rehabilitation, must meet local and State building codes.
  - ii. Main Street Projects must comply with Energy Star (Certified New Homes and Multifamily High Rise), if feasible, as the minimum standard for new construction developments and must utilize Energy Star appliances and Water Sense products in all rehabilitation projects. For guidance on appropriate energy conservation measures for historic buildings see: [Secretary of the Interior’s Illustrated Guidelines on Sustainability for Rehabilitating Historic Buildings](#) and [Preservation Brief #3: Improving Energy Efficiency in Historic Buildings](#).
- c. For additional information on local building codes, applicants can review HUD’s Minimum Property Standards at [https://www.hud.gov/program\\_offices/housing/rmra/mps/modelbuilding](https://www.hud.gov/program_offices/housing/rmra/mps/modelbuilding).

#### 14. Labor Standards

Davis-Bacon and HUD-determined wage rates do not apply to this NOFA with the following exceptions:

- a. If other federal program resources are used in conjunction with the applicant’s Project activities Davis-Bacon and HUD wage rate requirements apply to the extent required by the other federal programs.



- b. If any grant funds from an award through this NOFA are expended by a Public Housing Agency (PHA) acting as a Developer, partnering with a Developer, or as a partner in an ownership entity partnership, Davis-Bacon wage rates will apply to laborers and mechanics (other than volunteers under 24 CFR part 70) employed in the development of all such housing units; HUD-determined wage rates shall apply to laborers and mechanics (other than volunteers) employed in the operation of all such housing units.

## 15. Real Property Acquisition and Relocation.

Main Street projects that include acquisition, rehabilitation, or demolition are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act or URA) (42 U.S.C. 4601-4655) and the government-wide implementing regulations issued by the Federal Highway Administration at 49 CFR part 24. Refer to the General Section “Real Property Acquisition and Relocation” for more information on real property acquisition, and relocation. Additional URA resources and guidance for HUD funded programs and projects are available on HUD’s Real Estate Acquisition and Relocation website at [https://www.hud.gov/program\\_offices/comm\\_planning/library/relocation](https://www.hud.gov/program_offices/comm_planning/library/relocation).

## 16. Neighborhood Stabilization and Minimization of Tax Liability.

- a. Tax Liability. Benefits received through a grant are considered income and have a tax liability for for-profit recipients. This tax liability flows down to subrecipients. Under the Main Street program, these subrecipients are typically for-profit, private property owners. However, the grantee may loan the funds to the Developer or property owner and have the loan forgiven over a period of time.
- b. Neighborhood Stabilization. In the event of sale of the unit by the initial Homeownership resident, equity sharing between the grantee and the home purchaser is required over the initial four years of ownership, at a minimum. Equity sharing must be agreed to, in writing, between the grantee and purchaser at the time of initial sale. Equity sharing may decrease over time. For example, equity sharing may decrease over five years of ownership. If a Homeownership unit is sold by the low-income owner during the first year of ownership, the grantee will receive 100% of funds received above mortgage payoff(s), the owner’s down payment, and closing costs ("net sales proceeds"). During the second year, the grantee would receive 80% of the net sales proceeds and the owner would receive 20%. During the third year, the grantee would receive 60% of the net sales proceeds and the owner 40%. During the fourth year, the grantee would receive 20% of the net sales proceeds and the owner 80%. If the sale occurs during or after the fifth year, the owner receives 100% of net sales proceeds. The time period of equity sharing may exceed this example, at the discretion of the grantee.

- c. More detailed information can be found on HUD's HOPE VI Main Street website at [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/hope6/grants/mainstreet](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6/grants/mainstreet).

All successful applicants will be required to cooperate with HUD staff, or its contractors, in HUD funded research and evaluation studies.

#### **G. Criteria for Beneficiaries.**

This program does not specify criteria for beneficiaries.

#### **IV. Application and Submission Information.**

##### **A. Obtaining an Application Package.**

##### **Instructions for Applicants.**

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

The Application Package contains the portable document forms (PDFs) available on Grants.gov, such as the SF-424 Family. 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 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 and if you do not demonstrate good cause. An email request for a waiver received by HUD 15 days before the application is due will also be considered. If HUD waives the requirement, HUD must receive your paper application before the deadline of this NOFA. To request a waiver you must contact:

Name:

Susan A. Wilson

Email:

Susan.Wilson@hud.gov

HUD Organization:

OPHI

Street:

451 7th Street, SW, Room 4130

City:

Washington

State:

DC DISTRICT OF COLUMBIA

Zip:  
20410

1. At the [Grants.gov](https://www.grants.gov/web/grants/search-grants.html) search webpage <https://www.grants.gov/web/grants/search-grants.html>, enter the CFDA number 14.878 to search for the Grant Application Package.
2. Main Street application consists of two downloads from the grants.gov site: The Application package download and the "Instructions" download which will include this program NOFA, plus additional forms that need to be attached to your application. Please read the NOFA carefully for more detailed instructions.
3. Additional HOPE VI Main Street program and NOFA related resources can be found at HUD's Main Street website.

#### **B. Content and Form of Application Submission.**

You must verify that boxes 11, 12, and 13 on the SF-424 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.**

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

Narratives, forms and non-form attachments must comply with the formatting requirements stated below.

##### **1. Maximum Length and Format of the Application.**

- a. The maximum length of the application is limited to 30 pages excluding Section Tabs, forms, the applicant's Section 3 Plan, third party Match and Leverage firm commitment letters, other third party documents needed to address NOFA requirements, maps and drawings, and the applicant's Code of Conduct (if not already on HUD's website at [https://www.hud.gov/program\\_offices/spm/gmomgmt/grantsinfo/conductgrants](https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants))
- b. Pages that exceed the length requirements, based on the below formatting requirements, will not be reviewed and will not be part of the rating process.

##### **2. General Formatting**

- a. Pages should be formatted to 8 1/2 x 11 portrait with one-inch margins. Pages should be double spaced. Single spaced documents will be counted as two pages. Font size must be 12-point font Times New Roman. Pages must be numbered. The applicant's documents must be readable in HUD's standard office software, Microsoft Office O365 (or Office 2007 to 2019).
- b. All text, i.e., Executive Summary and Narratives, may be contained in one file, but each narrative must be separated with titles that identify the applicable NOFA subject matter, e.g., Thresholds, Rating Factor 1.

c. Third party and existing documents if not available in MS Office formats may be provided in PDF format.

d. Pages of forms and certifications provided by HUD must remain as numbered by HUD. These forms do not count toward the page limits.

**e. NON-CONFORMING FILE NAMES WILL CAUSE THE APPLICATION TO BE REJECTED.** When attaching files to create your application, do not attach files with file names that exceed 50 characters in length. Use underscores ( \_ ) in place of spaces. Do not use other special characters as part of the file name. Failure to follow these directions will result in your application being rejected by the [Grants.gov](https://www.grants.gov) system.

f. It is to the applicant's benefit to use descriptive and sequential file names, with abbreviations to stay within the 50-character limit. The HUD application reviewers receive your application's files in digitized format from [Grants.gov](https://www.grants.gov) with the file names that you apply. The HUD reviewer must identify and collate the narratives, documents and forms you submit before starting to review your application. In order to guarantee that your application is reviewed the way you want to present it, the file names should be descriptive and have a sequence number. As examples, to help ensure that the Executive Summary is properly identified and read by the HUD reviewer before the narrative to Rating Factor 1, you might use these file names: for the Executive Summary, "Tab\_B\_Mayberry\_Exec\_Sum"; for the Rating Factor 1 narrative, "Tab\_C\_Mayberry\_Factor\_1\_Narr". As examples, other file names might be "Tab\_N\_MnSt\_Area\_and\_Site\_Map" and "Tab\_O\_Unit\_Config". Note that there are no special characters, e.g., "&", "@", and underscores, e.g., "\_", are used instead of spaces and dashes, and all file names are less than 50 characters, including underscores.

### 3. Specific Formatting

a. The Main Street Area Map, including identification of all project sites and public transit access points must be in PDF format on one page. The original map may be shrunk from a document larger than the page requirements in this Section;

b. The representative affordable housing unit layout may be limited to one page that contains between one to four unit styles, depending upon the applicant's plans; and

c. Applicant Team résumés can be placed with more than one résumé per page. Do not include Social Security Numbers on the résumés.

## 2. Format and Form.

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

a. In order to ensure that the Application reviewer can find information that applies to the various Rating Factors, the Application should be structured in the following tabular format.

### **b. List of Application Sections.**

1. Tab A: SF-424 Application for Federal Financial Assistance.
2. Tab B: Executive Summary.

3. Tab C Factor 1, Capacity, Narrative.
4. Rating Factor 2, Need, does not require any narrative or documentation and does not need a Tab.
5. Tab D: Rating Factor 3, Readiness Narrative.
6. Tab E: Rating Factor 4, Appropriateness of the HOPE VI Main Street affordable housing project, Narrative.
7. Tab F: Rating Factor 5, Program Administration and Fiscal Management, Narrative.
8. Tab G: Rating Factor 6, Fair Housing and Equal Opportunity.
9. Tab H: Match and Leverage Firm Commitment Third-Party Letters or Documents.
10. Tab I: Readiness Certifications and Documents.
11. Tab J: Program Schedule.
12. Tab K: HOPE VI Main Street Application Data Sheet, form HUD-52861 (Note, to stay below 50 characters in a file name that includes a HUD form, the HUD form number may be used. In this case, the file name could be, "Tab\_K\_HUD-52861.").
13. Tab L: 5-Year Cash Flow Pro forma or Equity Sharing Terms.
14. Tab M: HOPE VI Budget, form HUD-52825A.
15. Tab N: Map of HOPE VI Main Street Area showing location of project sites and HOPE VI Main Street area boundaries. The Main Street Area Map, including identification of all project sites and public transit access points, must be in PDF format on one page. The original map may be shrunk from a document larger than the page requirements in this Section.
16. Tab O: Site Plans, Typical Unit Layouts, Building Elevations, SHPO Letter. The representative Main Street affordable housing unit layout may be limited to one page that contains between one to four-unit styles, depending upon the applicant's plans.
17. Tab P: Affirmatively Furthering Fair Housing Statement, Section 3 Plan.
18. Tab Q: Code of Conduct (including distribution methodology).
19. Tab R: Energy Efficiency.
20. Tab T: Applicant/Recipient Disclosure Report, form HUD-2880, "HUD Applicant Recipient Disclosure Report," if applicable.
21. Tab U: Disclosure of Lobbying Activities, Standard Form LLL, if applicable.

**Application Documentation.** The application content is composed of the following items:

1. SF-424 Application for Federal Financial Assistance.
  - a. Box 8a on the SF-424 must contain the applicant legal name under which the applicant pays taxes and which matches the legal name used when you registered with Dun and Bradstreet and [Sam.gov](https://sam.gov). These databases interact with each other and therefore the information provided when setting up the registration needs to match the Application for Federal Financial Assistance.
  - b. Box 21 on the SF-424 must contain the name of the person who has the authority to commit to contracts and grants.

2. The application should include a copy of the governing body's authorization for the signatory to sign the application as an official representative that has the authority to commit the applicant to the terms of this NOFA.

3. Threshold Documentation.

**YOUR APPLICATION MUST MEET ALL THRESHOLDS TO BE ELIGIBLE FOR AN AWARD THROUGH THIS NOFA.**

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

**1. SAM Registration Requirement.**

Applicants must be registered with <https://www.sam.gov/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 <https://www.sam.gov/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](https://www.grants.gov) and be approved by the EBiz POC in SAM to submit applications for the organization. Registration for SAM and [grants.gov](https://www.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 apply through [grants.gov](https://www.grants.gov). Complete registration instructions and guidance are provided on [grants.gov](https://www.grants.gov).

**D. Application Submission Dates and Times.**

**Application Due Date Explanation**

The application deadline is 11:59:59 pm Eastern Standard time on 01/19/2021

Applications must be received no later than the deadline.

Submit your application to [Grants.gov](https://www.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](https://www.grants.gov)" means the applicant received a confirmation of receipt and an application tracking number from [Grants.gov](https://www.grants.gov). [Grants.gov](https://www.grants.gov) then assigns an application tracking number and date-and timestamps each application upon successful receipt by the [Grants.gov](https://www.grants.gov) system. A submission attempt not resulting in confirmation of receipt and an application tracking number is not considered received by [Grants.gov](https://www.grants.gov).

Applications received by [Grants.gov](https://www.grants.gov) must be validated by [Grants.gov](https://www.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 applying.

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, 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. Before the deadline, HUD may contact the applicant to clarify information submitted.

HUD will uniformly notify applicants of each curable deficiency. A curable deficiency is an error or oversight that, if corrected, would not alter, in a positive or negative fashion, the review and rating of the application. See curable deficiency in the definitions section (Section I.A.3.). 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 by email. This 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 to cure a 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](mailto:applicationsupport@hud.gov) within the time limits specified in the notification. The time allowed to correct deficiencies will be no less than 48 hours and no more than 14 calendar days 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](mailto:applicationsupport@hud.gov) must state: Technical Cure and include the Grants.gov application tracking number or the GrantSolutions application number (e.g., Subject: Technical Cure - GRANT123456 or Technical Cure - XXXXXXXXXXXX). 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.

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.

**6. Exemptions.** Parties that believe the requirements of the NOFA would impose a substantial burden on the exercise of their religion should seek an exemption under the Religious Freedom Restoration Act (RFRA).

#### **E. Intergovernmental Review.**

This program is subject to Executive Order 12372, Intergovernmental Review of Federal Programs. Executive Order 12372 allows each state to designate an entity to perform a state review function. To determine if your state has designated a State Point of Contact (SPOC), please see the [SPOC List at OMB](#). States not listed on the website have chosen not to participate in the intergovernmental review process and, therefore, do not have a SPOC. If your state has a SPOC, you should contact the SPOC to see if that person/office is interested in reviewing your application before you submit it to HUD.

#### **F. Funding Restrictions.**

1. Eligible Grant Activities. Main Street Grant funds may be expended on the following activities:

a. Reconfiguration of commercial property, major rehabilitation of units that are not currently habitable or new construction to provide affordable rental or homeownership housing located within the Main Street Area. New construction and rehabilitation activities intrinsic to the development of the affordable housing units may extend to other portions of the Project, e.g. to the building envelope, to interior bearing walls of commercial space located below the affordable housing units, and to systems installation through commercial space located below or adjacent to the affordable housing units. (Note: Tenant-occupants displaced or temporarily relocated as a result of rehabilitation or reconfiguration are generally protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) See <https://www.hudexchange.info/programs/relocation/laws/> for details.)

b. Acquisition of land or property for the purpose of developing, reconfiguring, or [rehabilitating commercial space](#) or non-habitable housing units into affordable housing in the Project. Acquisition of real property for a federally-funded program or project is subject

to the URA and its implementing regulations at 49 CFR part 24. When funds from this NOFA are used for Acquisition, the total cost of acquisition is included in HUD's maximum per unit Total Development Cost (TDC) limitation.

c. Long-term lease or transfer of Project title specifically for the purposes of obtaining tax credits or implementation of extended use restrictions, provided that the recipient owner entity of the title or lease includes the applicant. (Note: Long-term leases of 50 years or more (including option(s) for extension) are subject to the URA.)

d. Architectural or engineering activities, surveys, permits and other planning and implementation costs related to the construction and rehabilitation of the Project.

e. Tax credit syndication activities.

f. Costs arising from the relocation of persons as a direct result of acquisition, demolition, or rehabilitation of real property for the Project in accordance with the URA and its implementing regulations at 49 CFR part 24 or state or local relocation laws.

g. Manage improvements necessary for the proper development and management of the Project, such as:

- i. Staff training including travel related to affordable housing development and management;
- ii. Procedure manuals;
- iii. Accounting systems, excluding accounting services or bookkeeping;
- iv. Lease documents;
- v. Resident screening procedures;
- vi. Data processing systems;

h. Leveraging non-HOPE VI funds and in-kind services. Leverage funds must be firmly committed, i.e., presented in accordance with the definitions of Commitment Letter and Leverage in the Definition of Terms, Section I. of this NOFA;

i. Community and Supportive Services, subject to a cap of fifteen percent (15%) of the requested grant amount;

j. Costs connected with the sale of homeownership (marketing, sales commissions) housing units within the Project; and

k. Section 3 activities delineated in the Section 3 Final Rule.

## 2. Ineligible Grant Activities:

a. Grant funds may only be used to provide assistance to carry out eligible affordable housing activities, as stated in the above section of this NOFA.

b. Grant funds cannot be used to fund a rental reserve for the rent-up period or to support the rental income during the initial Use Restricted Affordable Housing period.

c. Main Street funds may not be used to settle litigation or pay judgments.

## 3. Cost Controls and Limitations on Expenditures.

a. The total amount of Main Street funds expended shall not exceed the Total Development Cost (TDC) for the total number of affordable housing units in a project with Main Street

Use Restrictions as stated in Section III.C. of this NOFA. The Housing Cost Cap (HCC) does not apply to the Main Street program.

b. The latest procedures for HUD's establishment of TDC are published at 24 CFR 905.314(C).

c. The latest TDC limits themselves can be found at [https://www.hud.gov/sites/dfiles/PIH/documents/TDCs\\_2020.pdf](https://www.hud.gov/sites/dfiles/PIH/documents/TDCs_2020.pdf). Cost Control and Safe Harbor Standards. Certain fees and costs, including Developer Fee and construction related fees and profits, must be within the limits published at [https://www.hud.gov/sites/documents/DOC\\_9880.pdf](https://www.hud.gov/sites/documents/DOC_9880.pdf).

d. Limitation on Eligible Expenditures. Expenditures on services, equipment, and physical improvements must directly relate to Project activities permitted under this NOFA.

e. Pre-award Activities. Award funds shall not be used to reimburse expenses incurred for the preparation of the application or prior to the start date of a grant from this NOFA.

f. Statutory Time Limit for Expenditures. Funds appropriated in FY2020 for this NOFA must be expended by September 30, 2027. Any funds that are not expended by the above date will be cancelled and returned to the United States Treasury. This is a statutory deadline and is firm. HUD reserves the right, however, to require an earlier expenditure deadline under a Grant Agreement.

### **Indirect Cost Rate.**

Normal indirect cost rules under 2 CFR part 200, subpart E 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. Successful applicants whose rate changes after the application deadline must submit new rate and documentation.

State, county 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 direct federal funding per year, 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 direct federal funding per year and your department or agency unit has developed and maintains an indirect cost rate proposal and supporting documentation for audit in accordance with 2 CFR Part 200, Appendix VII, you may use the rate and distribution base specified in that indirect cost rate proposal. Alternatively, if your department or agency unit receives no more than \$35 million in direct Federal funding per year and has never received a 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. Statutory or Regulatory Restrictions Apply

## **G. Other Submission Requirements.**

### **1. Application, Assurances and Certifications.**

Standard Form 424 (SF-424) Application for Federal Assistance Programs is the government-wide form required to apply for Application for Federal Assistance Programs, discretionary Federal grants and other forms of financial assistance programs. Applicants for this Federal assistance program must submit all required forms in the SF-424 Family of forms, including SF-424B (Assurances of Non construction Programs) or SF424D (Assurances for Construction Programs). Applications receiving funds for both non construction programs and construction programs must submit both the SF-424B and SF-424D.

By signing the forms in the SF-424 either through electronic submission or in paper copy submission (for those granted a waiver), the applicant and the signing authorized representative affirm that they have reviewed the certifications and assurances associated with the application for federal assistance and (1) are aware the submission of the SF424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which HUD will rely when making an award to the applicant. If it is later determined the signing authorized representative to the application made a false certification or assurance, caused the submission of a false certification or assurance, or did not have the authority to make a legally binding commitment for the applicant, the applicant and the individual who signed the application may be subject to administrative, civil, or criminal action. Additionally, 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.

**Assurances.** By submitting your application, you provide assurances that, if selected to receive an award, you will comply with U.S. statutory and public policy requirements, including, but not limited to civil rights requirements.

### **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)).

When providing education or counseling on buying or renting housing that may include pre-1978 housing, applicants must inform clients of their rights under the Lead Disclosure Rule (24 CFR part 35, subpart A), and, if the focus of the education or counseling is on rental or purchase of HUD-assisted pre-1978 housing, the Lead Safe Housing Rule (subparts B, R, and, as applicable, F - M).

### **3. Discrepancies between the NOFA on [Grants.gov](https://www.grants.gov) and Other Documents.**

The Program NOFA posted at the [Grants.gov](https://www.grants.gov) website is the official document HUD uses to solicit applications. Applicants are advised to review their application submission against the requirements in this Program NOFA. If there is a discrepancy between the Program NOFA posted on [Grants.gov](https://www.grants.gov) and other information provided in any other copy or version or supporting documentation, the posted Program NOFA located at [Grants.gov](https://www.grants.gov) prevails. If discrepancies are found, please notify HUD immediately by calling the program contact listed in the Program NOFA. HUD will post any corrections or changes to a Program NOFA on the [Grants.gov](https://www.grants.gov) website. Applicants who enroll an email address at the application download page will receive an e-mail alert from [Grants.gov](https://www.grants.gov) in the event the opportunity is changed.

## **V. Application Review Information.**

### **A. Review Criteria.**

#### **1. Rating Factors.**

Rating Factor 1	Capacity	25
Rating Factor 2	Need	4
Rating Factor 3	Readiness	22
Rating Factor 4	Appropriateness	31
Rating Factor 5	Financial/Program Management	15
Rating Factor 6	FHEO	3
Other Factors	Opportunity Zone, HBCU, or Promise Zone points	2

#### **Rating Criteria**

The maximum number of points available under this NOFA is 102 points, as described below. The applicant must obtain at least 70 points in order to be eligible for award. In addition, the applicant must obtain a total of at least 40 points out of a possible 62-point total from risk related Rating Factors 1, 3, and 5 in order to be considered eligible for award. Minimum documentation is described in Section IV.B. of this NOFA.

#### **Rating Factor 1 -- Capacity**

**Maximum Points: 25**

Rating Factor points are as follows:

A. This factor addresses whether the applicant, its Developer or other development manager have the capacity and organizational resources to successfully implement the proposed activities within the grant period. When responding to this rating factor, applicants should provide a list with the name and short description of any relevant projects that the applicant, Developer or other development manager has completed, including:

1. Whether a National Register of Historic Places (NRHP) site or traditional architecture was included in the project.
2. Dates completed.
3. Names of the entities for which the project was developed.
4. Whether the applicant, Developer or other development manager was a grantee, sub-grantee or contractor.
5. The Agency that provided grants, contracts or grant funds for the project, if any.

**B. Past Experience (up to 15 points)**

**1. Activity on Previous Main Street Grants. (up to 5 points)**

- a. Applicants that are severely delayed in starting construction on an existing HOPE VI Main Street grant will not receive points for this subfactor. All other applicants will receive five (5) points for this subfactor.
- b. If the applicant has received an FY2017 or earlier HOPE VI Main Street grant and has not started construction by the deadline date in this NOFA, the applicant will not receive these 5 points. HUD will determine whether construction has started by contacting the HUD Grant Manager for that grant and through reported construction progress in the HOPE VI Grants Management System.

**2. Non-Main Street Past Experience (up to 10 points)**

- a. The applicant will earn 10 points if the application demonstrates that the Applicant, its Developer or other development manager has extensive experience in developing or rehabilitating affordable housing AND NRHP or traditional architecture projects over the past three (3) years.
- b. The applicant will earn 7 points if the applicant demonstrates that the applicant, its Developer or other development manager has developed or rehabilitated affordable housing projects that did not contain NRHP or traditional architecture projects over the past three (3) years.
- c. The applicant will earn 4 points if the applicant demonstrates that the applicant, its Developer or other development manager has experience in developing or rehabilitating non-affordable housing projects that contained NRHP or traditional architecture over the past three (3) years.
- d. The applicant will earn zero (0) points if the applicant cannot demonstrate that it, its Developer or other development manager has completed at least one affordable housing or NRHP or traditional architecture project in the last three (3) years.

**C. Knowledge of Key Personnel (up to 10 points)**

1. Key personnel are Applicant Team members that must remain part of the project for the project to be completed. Key personnel are the entities that will manage the activities of the other Applicant Team members and bring the project to successful completion. Key personnel include the applicant, Developer, other development manager and property

owner. Applicants should show specific experience and duties that they have performed and relate that experience to the project proposed in the HOPE VI Main Street application.

2. The applicant will earn 10 points if the applicant demonstrates that its key personnel have extensive knowledge of the development or rehabilitation of affordable housing projects, including knowledge of Federal accessibility requirements for persons with disabilities, AND that include NRHP or traditional architecture.
3. The applicant will earn 7 points if the applicant demonstrates that its key personnel have knowledge of the development or rehabilitation of affordable housing projects, including knowledge of Federal accessibility requirements for persons with disabilities, and that do not contain NRHP or traditional architecture.
4. The applicant will earn 4 points if the applicant demonstrates that its key personnel have knowledge of the development or rehabilitation of non-affordable housing projects and that contain NRHP or traditional architecture.
5. The applicant will earn zero (0) points if the applicant cannot demonstrate its key personnel have knowledge of real property development or rehabilitation and knowledge of Federal accessibility requirements for persons with disabilities.

#### **Rating Factor 2 -- Need**

#### **Maximum Points: 4**

A. HUD will use data from the <https://www.huduser.gov/portal/home.html> website to determine if the median rental cost for the applicant's jurisdiction is affordable to families with incomes between 30% of 80% of the Area Median Income (AMI) for the applicant's jurisdiction. HUD will use the following methodology:

1. HUD will use its Comprehensive Housing Affordability Strategy (CHAS) dataset, which can be found at <https://www.huduser.gov/portal/datasets/cp.html> to determine whether the applicant suffers from a low-income housing problem. If more than 20% of low-income families have not found affordable housing, the jurisdiction is considered to have a low-income housing problem.
2. Under the Analysis section of the above web page, select the Data Years 2006-2016.
3. Under the Query Tool, for the "Please Select Data Year" button, select the Data Year 2012-2016.
4. For the "Please Select Geographic Summary Level" button, select the Geographic Summary Level that matches the applicant, County for a county/parish applicant and Place for a city/town or other subdivision of a county/parish.
5. In the section of the table labeled, "Income by Cost Burden (Owners and Renters)," select the row labeled, "Household Income >50% to <=80% HAMFI." HAMFI stands for HUD Area Median Family Income. The definition can be found at the CHAS background web page [https://www.huduser.gov/portal/datasets/cp/CHAS/bg\\_chas.html](https://www.huduser.gov/portal/datasets/cp/CHAS/bg_chas.html)
6. In that row, in the column labeled, "Cost burden > 30%," select the number of low-income families in the jurisdiction that are paying more than 30% of their income for housing, which is the maximum rent for Main Street affordable housing.
7. In that same row, in the column labeled, "Total," select the total number of low-income families in the jurisdiction, no matter what percent of their income is paying for housing.



8. Divide the “Cost burden >30%” number by the “Total” number and multiply by 100 to get the percentage of low-income housing that costs more than 30% of the income of low-income families. The higher the percentage, the more low-income families there are that cannot find housing that they can afford.

**B. Scoring:**

1. The applicant will receive 4 points if the total percent of affordable housing calculated above is greater than 20%.
2. The applicant will receive 0 points if the percentage calculated above is equal to or less than 20%.

**Rating Factor 3 -- Readiness**

**Maximum Points: 22**

**A. In responding to this rating factor, applicants must provide evidence of site control as follows:**

Site Control, Zoning Approval and Relocation Readiness (where applicable). (Up to 8 points)

**1. For Site Control:**

a. For sites where the ownership WILL NOT change in order to perform the proposed activities, documentary evidence must be a copy of the site’s deed that shows ownership by the applicant or member of the Applicant Team and a certification signed by the applicant’s Mayor, city Registrar, or other authorized official stating that the applicant has the legal authority to perform the proposed activities in the application on the site. If the Project contains multiple sites, the documentation and certification must cover all sites.

b. For sites where the ownership WILL change and site acquisition is required, the documentation must include the first page and execution page of the agreement, contract, sales option, or other document that gives the applicant legal authority to perform the proposed activities in the application on the site. If the Project contains multiple sites, the documentation and certification must cover all sites. As a reminder, acquisition for federally assisted projects is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

**2. For Zoning:**

a. The applicant’s documentation must include a certification from the appropriate local official, e.g., local government engineer, zoning/land use official, documenting that all required land use approvals for developed and undeveloped land for development of residential housing of the construction type and tenure type contained in the application have been secured.

b. This documentation should include information on normal and customary building and construction permits that will be required prior to the start of construction.



3. HUD will score the site control and zoning for this Rating Factor as follows:

- a. The applicant will receive 7 points if the application includes documentation that the applicant has Site Control and approval of Zoning that permits residential housing as proposed in the application.
- b. The applicant will receive 5 points if the application includes documentation that the applicant has Site Control, but does not have approval of Zoning that permits residential housing as proposed in the application.
- c. The applicant will receive 3 points if the application includes documentation that the applicant does not have Site Control, but does have approval of Zoning that permits residential housing as proposed in the application.
- d. The applicant will receive zero (0) points if the application does not include documentation that the applicant has Site Control, approval of Zoning that permits residential housing as proposed in the application.

4. For Relocation Readiness:

- a. Project Occupancy has been clearly identified. Where temporary relocation or displacement will occur, sufficient relocation resources have been identified as of the date of the application.

5. HUD will score the relocation readiness for this Rating Factor as follows:

- a. The applicant will receive 1 point under this Rating Factor if there is a solid relocation plan (where applicable). Where a relocation plan is not applicable, an applicant will still receive 1 point.

**B. Key Personnel Timeliness (14 points):**

1. In order to perform the required grant activities in a timely manner, the applicant must demonstrate that it is actively pursuing contracts with Key Personnel, as included in the application for Rating Factor 1 of this NOFA. HUD will score this Rating Factor as follows:
2. Timeliness of Applicant In-House Developer Capacity.

If the applicant has demonstrated in Rating Factor 1 – Capacity that it has, by the due date for applications stated in this NOFA, the in-house ability to successfully complete the grant activities, the applicant will receive 14 points; or

3. Timeliness of Other Developer Capacity.

- a. The applicant will receive 14 points if the application demonstrates that the applicant has a contract with, or has published a procurement solicitation to obtain, a Developer, other development manager or construction contractor before the date the application is submitted. (Note that under 24 CFR part 50 and Section III. of this NOFA, after application the grantee must not enter into a binding agreement for choice-limiting actions, such as construction or rehabilitation, until HUD completes an environmental review and the applicant receives approval of the property.)

- b. The applicant will receive 7 points if the application includes documentation that by the application deadline date the applicant has begun discussions with Developers, other development managers or construction contractors, with the intention of publishing a solicitation to obtain their services, but does not have a contract in place and has not published a solicitation to obtain these services.
- c. The applicant will receive 0 points if the application does not include documentation that by the deadline date the applicant has begun the procurement process or has had discussions with Developers, other development manager or construction contractors.

**Rating Factor 4 -- Appropriateness of the Main Street Affordable Housing Project**  
**Maximum Points: 31**

This rating factor encompasses several aspects of the Main Street Affordable Housing Project that indicate whether it would be a "good fit" physically and financially for the Main Street area. Applicants will be rated on these items as follows:

**A. Feasibility of the HOPE VI Main Street Project (up to 8 points)**

- 1. The applicant will receive 8 points if the application demonstrates that the Project is financially feasible over a period of five (5) years as demonstrated in Form HUD-52861, the Cash Flow Pro Forma, requested award amount and financial documents in response to this rating factor, and is compliant with the Cost Controls and Safe Harbors document, which is part of the [Grants.gov](https://www.grants.gov) NOFA download.
- 2. The applicant will receive 4 points if the application demonstrates that the Project is financially feasible over a period of five (5) years, but does not meet the required Cost Controls and Safe Harbors, which is part of the [Grants.gov](https://www.grants.gov) NOFA download.
- 3. The applicant will receive 0 points if the application does not demonstrate financial feasibility and does not comply with Cost Controls and Safe Harbors.

**B. Appropriateness in Context with the Main Street Area (up to 5 points)**

- 1. The applicant will receive 5 points if the application demonstrates that the Project:
  - a. Is appropriate and suitable in the context of the community and other affordable housing options, e.g., rehabilitation vs. new construction; and
  - b. Fulfills the need of the Main Street Area Rejuvenation effort as a whole.
- 2. The applicant will receive 3 points if the application meets either (a) or (b), above.
- 3. The applicant will receive zero (0) points if the application does not meet (a) and (b) above.

**C. Promotion and Marketing (Up to 2 points)**

- 1. The applicant will receive 2 points if the application sets forth a plan to promote and market the Main Street Area rejuvenation effort to financiers, to other parties that may be

involved in the rejuvenation effort, and to possible future residents of the HOPE VI Main Street Affordable Housing Project.

2. The applicant will receive zero (0) points if the application does not include a plan for, or discussion of the above Promotion and Marketing effort.

D. Set-aside for Very-Low Income Persons as required by statute (Up to 1 point).

1. If the applicant demonstrates that more than one unit, or at least 20% of the HOPE VI Main Street units, whichever is greater, is set aside for very low-income residents, the applicant will receive 1 point.
2. If the applicant does not demonstrate that more than one unit or at least 20% of the HOPE VI Main Street units, whichever is greater, are set aside for very low-income residents, the applicant will receive 0 points.

E. Main Street Project and Rejuvenation Area Leverage (up to 10 points)

1. Project Leverage (5 points)

- a. The applicant should provide Leverage above the 5% Match threshold requirement in cash or in-kind supplies or services that is demonstrated to be firmly committed to the Main Street Project.
- b. The percentages in the Project Leverage scale, below, include the 5% threshold Match. If the application separates Match funds from other Project Leverage, add Match funds and other project leverage back together before calculating the leverage percentage.
- c. Project Leverage contributions must have letters from the sources stating that the contribution is firmly committed. The firm commitment letters must be included in the application package. Contributions with no firm commitment documentation will not be included in the amount of Leverage.
- d. To include funds received from a Federal program as part of the Match or Leverage amount, you must confirm that this use of funds is allowed by the Federal program.
- e. Concerning the value of the Project property before rehabilitation, if the real property is privately owned by a for-profit entity, its value will not be counted towards Match or Leverage. If it is publicly owned or owned by a non-profit, its value may be included as Match or Leverage.

Total Project Leverage as Percent of Award Amount	Points Awarded
Less than 10% of the requested funding under this NOFA	0 points
Greater than or equal to 10% but less than 25% of the requested funding under this NOFA	3 points
Greater than or equal to 25% of the requested funding under this NOFA	5 points

2. Area Leverage (up to 5 points)

- a. The applicant must provide Area Leverage in cash or in-kind services that must be demonstrated to be firmly committed to the Main Street rejuvenation effort as a whole, i.e., committed to projects in the Main Street area other than the Affordable Housing Project to be developed through an award from this NOFA.
- b. Match and Project Leverage are not included in Area Leverage. Area Leverage may include the cost of infrastructure improvements, e.g., paving of streets, the value of private investment, e.g., facade or other rehabilitation, or the cost of other Main Street area improvements invested within the three years prior to the application due date.
- c. All Area Leverage sources must have letters from the source stating that the contribution has been invested within the past 3 years. The firm commitment letters must be included in the application package. Contributions with no firm commitment documentation will not be included in the amount of Leverage.
- d. Points for the Leverage amount will be allocated according to the following scale:

<b>Main Street Area Leverage as a Percent of Grant Amount</b>	<b>Points Awarded</b>
Less than 100 percent of the requested funding amount under this NOFA	0 points
Greater than or equal to 100 percent but less than 200 percent	3 points
200 percent or more	5 points

F. Retention of Historic or Traditional Architecture (Up to 5 points).

1. Under Section 106 of the National Historic Preservation Act and its implementing regulations, 36 CFR part 800, a project must meet the Secretary of the Interior's Standards for Rehabilitation or be treated as an Adverse Effect. This applies to buildings listed on or eligible for the NRHP. Most traditional architecture buildings will likely be eligible for the NRHP.
2. Scoring:
  - a. The applicant will receive 5 points if the applicant demonstrates that the buildings in the Project will maintain all of the historic or traditional architecture and design features on building fronts and that the applicant has included in the application an elevation drawing of the Project front showing architectural detail that will be saved or has included an approval letter of planned rehabilitation from the State Historic Preservation Officer.
  - b. The applicant will receive 3 points if the applicant demonstrates that the buildings in the Project will maintain at least 50 percent of the historic or traditional architecture and design features on building fronts and that the applicant has

included in the application an elevation drawing of the Project front showing architectural detail that will and will not be saved or has included an approval letter of planned rehabilitation from the State Historic Preservation Officer.

c. The applicant will receive zero (0) points if the applicant does not demonstrate that the buildings in the Project will maintain the historic or traditional architecture and design features on the fronts of all buildings.

## **Factor 5 -- Financial and Program Management      Maximum Points: 15**

In responding to this rating factor, the applicant must demonstrate consistency in financials that are included in the application and how prepared they are to perform grant activities.

### **A. Consistency (Up to 5 points)**

1. The applicant will receive 5 points if the Form HUD-52861, HOPE VI Main Street Application Data Sheet, contains no internal conflicts nor conflicts with other financial information in the Application, e.g., the total amount of the project budget on the HUD-52825A matches the total grant amount and costs in the HOPE VI Main Street column of the HUD-52861 Sources and Uses.
2. The applicant will receive 3 points if the Form HUD-52861 contains no internal conflicts but does contain conflicts with other financial documentation in the Application.
3. The applicant will receive 0 points if the Form HUD-52861 contains internal conflicts.

### **B. Preparation and Timeliness (Up to 5 points)**

1. Applicants that provide information on the below three pre-award activities and use it in development of the Project Schedule indicate that the grant activities can be completed within the proposed award performance period.
  - a. Contacted the State Historic Preservation Officer (SHPO), the local HUD Field Office, architects, material suppliers, and other parties that milestones depend upon, to ensure that the milestones are reasonable and an accurate depiction of the expected project timeline.
  - b. Checked to see if any taxes were due on, or any litigation or court orders existed against, the proposed properties exist that will affect the milestones.
  - c. Prepared a chart that depicts the estimated production milestones, their relative timeframes, and each milestone's time to completion. Applicants may submit a Gantt chart, Microsoft Project Plan, Excel Work Sheet or any document that would display the information requested.

### **2. Scoring**

- a. The applicant will receive 5 points if the applicant has performed all three of the actions above.
- b. The applicant will receive 3 points if the applicant has performed two of the three actions above.

- c. The applicant will receive 0 points if the applicant has performed less than two of the actions above.

**C. Achieving Results (Up to 5 points)**

1. The following items indicate that a grantee can manage grant finances. The applicant will obtain points if third-party documents or letters in the application confirm that the applicant has:

- a. A history of completing projects on time and within budget.
- b. A clean financial statement; and if audited, a clean financial audit.
- c. Paid sub-grantees or sub-contractors in a timely fashion.
- d. Met reporting requirements on past awards.

**2. Scoring**

- a. The applicant will receive 5 points if the applicant provides evidence that it has performed or achieved all four of the above activities or reports.
- b. The applicant will receive 3 points if the applicant provides evidence that it has performed or achieved two of the four above activities or reports.
- c. The applicant will receive 0 points if evidence is provided for less than two of the above four activities or reports.

**Rating Factor 6 -- Fair Housing and Equal Opportunity      Maximum Points: 3**

**A. Affirmative Fair Housing Marketing (up to 1 point)**

- 1. The applicant will receive 1 point if the application demonstrates the rental and Homeownership housing will be affirmatively marketed to demographic groups in the local market area (including neighboring communities if the recipient community does not have residents in all demographic classes in the local area) that would be least likely to apply as well as persons with disabilities and large families. Documentation for this factor consists of a narrative describing the activities that will fulfill the factor requirements. See Section V.C. of the General Section.
- 2. The applicant will receive 0 points if the application does not demonstrate that the applicant will engage in appropriate Affirmative Fair Housing Marketing, as described above.

**B. Distance from Public Transportation (Up to 1 point).**

- 1. If the applicant demonstrates that the Main Street affordable housing Project units are within a one-quarter mile from a public transit stop, including any regional bus or train stops, the applicant will receive 1 point.

2. If the applicant does not demonstrate that at least 50% of the HOPE VI Main Street affordable housing Project units are within a one-quarter mile from a public transit stop, the applicant will receive 0 points.

**C. Economic Opportunities for Low- and Very Low-Income Persons (Section 3 Plan) (Up to 1 point)**

1. Applicants are asked to develop a Section 3 Plan for providing economic opportunities to residents of the metropolitan area or non-metropolitan county where the proposed project is located whose household income does not exceed HUD's income limits for low-and very low-income, particularly residents of public housing. Specifically:
2. The applicant will receive 1 point if the application demonstrates that the applicant has a feasible plan for directing new employment and contracting opportunities created during the expenditure of Main Street grant funds to Section 3 residents and Section 3 business concerns. The Section 3 Plan must demonstrate that it effectively addresses most of the following items:
  - a. Types and amounts of new employment and contracting opportunities to be generated as a result of the proposed Project or activities.
  - b. Specific actions to be taken to ensure that low- and very low-income persons and the businesses that substantially employ these persons will be given priority consideration for new employment and contracting opportunities in accordance with the Section 3 Final Rule.
  - c. Eligibility criteria to be used for certifying Section 3 residents and businesses.
  - d. Process to be used for notifying Section 3 residents and businesses about the availability of employment and contracting opportunities, including efforts to utilize HUD's Section 3 business registry located online at <http://www.hud.gov/sec3biz>.
  - e. Methodology used to monitor contractors and subcontractors awarded contracts to ensure compliance with Section 3.
  - f. Strategies for meeting the labor reporting requirements found at 24 CFR Part 75.15.
  - g. The applicant will receive 0 points if the Section 3 Plan does not address the required elements identified above.

**2. Other Factors.**

**Preference Points.**

HUD encourages activities in support of the Secretary's FY20 Initiatives. HUD may award up to two (2) points for any of the 3 preferences (OZ, PZ or HBCU).

**Opportunity Zones.**

**Opportunity Zone (OZ) Certification and Supporting Documentation:** Applicants proposing projects in an Opportunity Zone community must identify the state, county and census tract(s) of the opportunity zone(s) in which the activity will be carried out and provide certification to HUD in order to receive preference points. The certification must affirm that the investment is in a

qualified Opportunity Zone, and be submitted as a supporting attachment on the applicant's letterhead with the application package. Applicants must also provide supporting documentation showing that the investment is in an Opportunity Zone. To view the list of designated Opportunity Zones, please see the following link on the U.S. Department of the Treasury website: <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>. HUD encourages activities in Opportunity Zones. This form will be included as part of the grant application package on [grants.gov](https://www.grants.gov) for all HUD grants that offer Opportunity Zone preference points. For Fiscal Year 2020, applicants will be required to complete and submit this form along with the SF-424 in order to be eligible for Opportunity Zone preference. Applicants who do not complete this form and submit it along with the rest of their application package will not be eligible to receive the points. Additionally, applicants who do complete and submit this form, but indicate they intend to use less than 50% of the award within Opportunity Zone tracts, will also be ineligible to receive preference points, unless: a.) the applicant can show why they are unable to expend at least 50% of the grant award within Opportunity Zone designated tracts, or b.) the applicant is able to make a compelling case for why the amount that will be expended will have a significant impact within Opportunity Zone designated tracts.

#### **HBCU.**

An applicant partnering with a Historically Black College or University (HBCU) will receive up to two (2) Preference Points when the application includes a Letter of Commitment certifying that an HBCU Partnership is in place and signed by an authorizing official of the HBCU and documentation of the college or university's status as an HBCU. [Click here to view the list of accredited HBCU's](#)

#### **Promise Zones**

HUD encourages activities in Promise Zones (PZ). 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 consider an applicant's past performance in managing funds. Items HUD will consider include, but are not limited to:

The ability to account for funds in compliance with applicable reporting and recordkeeping requirements;

Timely use of funds received from HUD;

Timely submission and quality of reports submitted to HUD;

The applicant's organizational capacity, including staffing structures and capabilities;

Meeting performance targets as established in the grant agreement;

Meeting program requirements;

Timely completion of activities and receipt and expenditure of promised matching or leveraged funds;

The number of persons served or targeted for assistance;

Timely submission and quality of reports submitted to HUD.



HUD may reduce scores as specified under V. A. Review Criteria. Whenever possible, HUD will obtain past performance information. If this review results in an adverse finding related to integrity or performance, HUD reserves the right to take any of the remedies provided in Section III. E Statutory and Regulatory Requirements Affecting Eligibility, “Pre-selection Review of Performance” document link above.

## **2. Assessing Applicant Risk.**

In evaluating risks posed by applicants, HUD may use a risk-based approach and may consider any items such as the following:

- Financial stability;
- Quality of management systems and ability to meet the management standards prescribed in this part;
- History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
- Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and
- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

## **3. Program Specific Assessment of Applicant Risk**

- a. HUD evaluates the risk of the applicant as reflected in Rating Factor 1, Capacity; Rating Factor 3, Readiness; and Rating Factor 5, Financial and Program Management, which measure the ability of the applicant to complete the grant requirements. The total number of points for these three Rating Factors is 62. If an application receives less than a total of 40 points for these three Rating Factors, HUD will consider the application ineligible for award.
- b. HUD will also employ government-wide websites, information in HUD’s files, the federal Do Not Pay portal, and public information and information received during HUD’s Name Check Review process. If this risk evaluation results in an adverse finding, HUD will consider the application ineligible for award

## **4. Application Screening**

- a. HUD will screen each application to determine if it meets the threshold criteria listed in Section III.D. of this NOFA; and whether it is deficient and subject to corrections of technical deficiencies as described herein.
- b. Applications that will not be funded.
  - i. HUD will not rate, rank or fund applications that fail to cure technical deficiencies within the time frame provided by HUD.
  - ii. HUD will not rate, rank or fund applications that fail any of the threshold eligibility requirements contained herein.

## **5. Preliminary Rating and Ranking**

- a. HUD staff will rate each application from an eligible applicant that has met all thresholds solely based on the rating Factors and has not received a negative risk review. An eligible applicant is an applicant that meets all the eligibility and threshold requirements in Section III.E of this NOFA.
- b. When rating applications HUD reviewers will only use the information in the application and information available to HUD as described in Section V. of this NOFA.
- c. The HUD reviewer will assign a preliminary score for each Rating Factor and a preliminary total score for each eligible application.
- d. A different HUD staff person will perform a second review and rating of each eligible application. If the two scores differ by up to four points between the first and second reviewer, the average of the two scores will be considered the initial score. If the scores differ by more than four points, HUD staff reviewers will discuss their reasoning and then come to a consensus score, plus or minus up to four points.
- e. After scores are assigned, applications will be placed in rank order by score.

## **6. Final Panel Review**

a. A Final Review Panel made up of HUD HOPE VI Main Street Program experts and HUD Management will:

- i. Review the preliminary Rating and Ranking documentation to ensure that any inconsistencies between preliminary reviewers have been identified and rectified and that the documentation of the rating and ranking accurately reflects the content of the application.
- ii. Assign a final score to each application.
- iii. Recommend for selection the most highly rated applications, subject to the amount of funding available.
- iv. HUD reserves the right to make reductions in funding for any non-allowable costs, costs that are not reasonable in relationship to the work to be carried-out, or costs that are not allocable according to applicable 2 CFR part 200, covering cost principles. If such reductions occur, HUD will accordingly reduce the proposed award amount and require a condition on the award that the final budget and pro forma and other budget related documents be revised by the selected applicant accordingly before a final award can be executed.
- v. Applicants may request a debriefing in accordance with the debriefing provisions in Section VI.D. of this NOFA.

## **7. Anticipated Announcement and Award**

### **Dates.**

- a. Application Deadline. The application deadline date is 1/15/2021. Applications submitted through [Grants.gov](https://www.grants.gov) must be received no later than 11:59:59 p.m. eastern time on the application deadline date.
- b. Estimated Award Date. The estimated date for awarding FY 2020 Main Street funds is March 1, 2021.

## **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 SF424.

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

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

**Adjustments to Funding.** To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, HUD reserves the right to fund less than the amount requested in an application.

a. HUD will fund no portion of an application that:

- (1) Is not eligible for funding under applicable statutory or regulatory requirements;
- (2) Does not meet the requirements of this notice; or
- (3) Duplicates other funded programs or activities from prior year awards or other selected applicants.

b. If funds are available after funding the highest-ranking application, HUD may fund all or part of another eligible fundable application. If an applicant turns down an award offer, or if HUD and an applicant do not successfully complete grant negotiations, HUD may make an offer of funding to another eligible application.

c. If funds remain after all selections have been made, remaining funds may be made available within the current FY for other competitions within the program area, or be held for future competitions, or be used as otherwise provided by authorizing statute or appropriation.

d. If, after announcement of awards made under the current NOFA, additional funds become available either through the current appropriations, a supplemental appropriation, other appropriations or recapture of funds, HUD may use the additional funds to provide additional funding to an applicant awarded less than the requested amount of funds to make the full award, and/or to fund additional applicants that were eligible to receive an award but for which there were no funds available.

**Funding Errors.** If HUD commits an error that when corrected would cause selection of an applicant during the funding round of a Program NOFA, HUD may select that applicant for funding, subject to the availability of funds.

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

For this NOFA, the following [Administrative, National and Department Policy Requirements and Terms for HUD Financial Assistance Awards](#) apply. (Please select the linked text to read the detailed description of each applicable requirement).

#### **1. Compliance with Non-discrimination and Related 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, Which Encompass the Fair Housing Act and Related Authorities (cf. 24 CFR 5.105(a)).

- 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 Requirements.

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. Uniform Relocation Act – Real Property Acquisition and Relocation Requirements.

6. Participation in HUD-Sponsored Program Evaluation.

7. Uniform 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:

Approval of Acquisition and Construction: Grantees must obtain HUD approval of their Development Proposal before funds will be released for site acquisition, if any, and construction. In addition, HUD must approve a 24 CFR part 50 environmental review before approving the development proposal.

1. Environmental requirements for this NOFA are found in 24 CFR part 50, which requires HUD environmental approval of all development sites. Note that 24 CFR part 58, which allows state and local governments to assume federal environmental responsibilities, is not applicable to the Main Street program. HUD's environmental website is located at [https://www.hud.gov/program\\_offices/comm\\_planning/environment](https://www.hud.gov/program_offices/comm_planning/environment) and <https://www.hudexchange.info/programs/environmental-review/>.
2. HUD's notification of award to a selected applicant constitutes a preliminary approval by HUD of the submitted application, subject to HUD's completion of an environmental review of proposed sites in accordance with 24 CFR part 50. The proposal may be modified or the proposed sites rejected as a result of HUD's environmental review. Selection for participation (preliminary approval of the submitted application) does not constitute approval of the proposed site(s).
3. The grantee will comply with the Environmental Certifications in Section III.F.11 of this NOFA.
4. Each proposal will be subject to a HUD environmental review, in accordance with 24 CFR part 50, and the proposal may be modified or the proposed sites rejected as a result of that review.

5. Phase I and Phase II Environmental Site Assessments. If the applicant is selected for funding, the applicant must have a Phase I environmental site assessment completed in accordance with the ASTM Standard E 1527-13, as amended (see<http://www.astm.org>). The results of the Phase I assessment must be included in the documents that must be provided to HUD for the environmental review. If the Phase I assessment recognizes environmental concerns, or if the results are inconclusive, a Phase II environmental site assessment will be required.
6. Mitigation and remedial measures. The applicant must carry out any mitigating/remedial measures required by HUD. If a remediation plan, where required, is not approved by HUD, and a fully funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

### **C. Reporting.**

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

**1. Recipient Integrity and Performance Matters.** 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.

### **3. Program-Specific Reporting Requirements**

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. This will be accomplished with the following being submitted to HUD

- a. Quarterly Administrative and Compliance Milestones Report (Quarterly Progress Report or QPR).
  - i. During Initial Setup:
    1. The initial Program Schedule, which will create planned activity milestones.
    2. The HOPE VI Main Street Affordable Housing Project's unit mix, including:
      - a. Number and size (bedroom count) of housing units;
      - b. Unit Type, e.g. walk-up, row house, etc.; and
      - c. Unit Use Restriction type, e.g., limited to very low-income residents, to low-income residents, or not income limited.
  - ii. Quarterly during Project Period:

1. Administrative and production planned and actual date milestones.
  2. HUD will provide training and technical assistance on the filing and submission of Main Street Quarterly Progress Reports.
  3. Filing of Quarterly Progress Reports is mandatory for all grantees, and failure to do so within the required quarterly time frame will result in suspension of grant funds until the report is filed and approved by HUD.
  4. Grantees will be held to the milestones/Checkpoints that are reported in the Quarterly Progress Report, as approved by HUD. If Checkpoints are missed, the grantee technically will be in default of the Grant Agreement until the late Checkpoint activity is completed, or HUD approves an updated Program Schedule.
- iii. During the Use Restricted Period:
1. The grantee must maintain resident income information to the extent that very low- and low-income residents are occupying units that are set aside for their income levels. This income data must be made available for HUD inspection upon request.
  2. eLOCCS. On a real-time basis, and at least monthly if no transactions occur during a month, grantees must report all obligations and expenditures into HUD's Line of Credit Control System (LOCCS), or its successor system. Grantee obligations must be entered into eLOCCS before funds can be drawn down to pay for those obligations. The grantee has 72 hours from the time of the funds draw to payment of the obligation.
  3. Annual Real Property Status Report. Per 2 CFR §200.329, the applicant is required to report annually on Real Property. Standard Form SF-429 may be used.
- iv. Final Report.
1. Within 90 days after the either the Project units have been completed, or when the grant term expires, whichever comes first, the grantee shall submit a final report.
  2. The final report will include a financial report, a narrative evaluating overall performance against its HOPE VI Main Street application and HOPE VI Main Street Quarterly Progress Report. Grantees shall use quantifiable data to measure performance against goals and objectives outlined in its application.
- v. Final Audit. In accordance with 2 CFR 200, Subpart F, grantees are required to obtain a complete closeout audit of the use of grant funds from this NOFA. Usually the closeout audit consists of the grantee's city/county audits covering all years in which grant funds were expended. Subpart F also allows a program specific separate audit to be performed for the grant. The audit must be completed by a Certified Public Accountant (CPA) in accordance with generally accepted government audit standards.

Audit reports must be forwarded to HUD within 90 days of issuance of the final year's audit results.

- b. Please direct questions regarding specific reporting requirements to the point of contact listed in Section VII below.

#### **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 SF-424 or by his or her successor in office and be submitted to the POC 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 Contact(s).**

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 POC listed below.

Name:  
Susan A. Wilson

Phone:  
202-402-4500

Email:  
Susan.Wilson@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 Funding Opportunities](#) web page.

**2. Paperwork Reduction Act Statement.** The information collection requirements in this notice have been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. Each NOFA will identify its applicable OMB control number unless its collection of information is excluded from these requirements under 5 CFR part 1320.

##### **3. Web Resources.**

- [Affirmatively Furthering Fair Housing](#)
- [Code of Conduct list](#)
- [CFDA](#)

- [Dun & Bradstreet](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [FFATA Subaward Reporting System](#)
- [Grants.gov](#)
- [HBCUs](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [Limited English Proficiency](#)
- [NOFA Webcasts](#)
- [Opportunity Zone](#)
- [Procurement of Recovered Materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Uniform Relocation Act – Real Property Acquisition and Relocation Requirements](#)
- [USA Spending](#)

## APPENDIX

N/A