

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5500-N-05]

HUD's Fiscal Year (FY) 2011 Notice of Funding Availability (NOFA) for the Capital Fund Education and Training Community Facilities (CFCF) Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice of Funding Availability for HUD's Fiscal Year (FY) 2011 Capital Fund Education and Training Community Facilities (CFCF) Program.

SUMMARY: Today's publication is governed by the information and instructions found in the Notice of HUD's Fiscal Year 2011 Notice of Funding Availability (NOFA), Policy Requirements and General Section (General Section) to HUD's FY2011 NOFAs for Discretionary Programs, posted on www.Grants.gov on April 4, 2011. Under the CFCF program, PHAs will receive grant funding to develop facilities to provide early childhood education, adult education, and/or job training programs for public housing residents based on an identified need for such facilities. PHAs may use funds for construction of new facilities or rehabilitation of existing structures.

DATES: The application deadline is 11:59:59 p.m. eastern time on **July 21, 2011**. Applications must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Applicants must allow time for this process to ensure that their applications meet the timely receipt requirements. Please see the 2011 General Section for instructions for timely receipt, including actions to take if the application is rejected. The General Section contains information on using Adobe Reader, HUD's timely receipt policies, and other application information.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific program requirements may be directed to the agency contact identified in Section VII of this program NOFA. Please send an email message to PIHOICI@hud.gov or call Jeffrey Riddel at (202) 708-1640. Questions regarding the 2011 General Section may be directed to the Office of Departmental Grants Management and Oversight at 202-708-0667 (this is not a toll-free number) or the NOFA Information Center at 800-HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at 800-877-8339. The NOFA Information Center is open between the hours of 10:00 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

SUPPLEMENTARY INFORMATION:

Through today's publication, HUD is making available approximately \$15 million in assistance through the FY2011 CFCF grant program.

The NOFA published today provides the statutory and regulatory requirements, threshold requirements, and rating factors applicable to funding being made available through the CFCF NOFA. Applicants for the CFCF NOFA must also refer to the 2011 General Section for important application information and requirements, including submission requirements, which have changed this year.

In FY2011, HUD is continuing its requirement that applicants submit their applications electronically through <http://www.grants.gov>. If applicants have questions concerning the registration process, registration renewal, assignment of a new Authorized Organization Representative, or about a NOFA requirement, please contact HUD staff identified in this program NOFA. HUD staff cannot help applicants write their applications, but can clarify requirements that are contained in the General Section, this Notice, and in the Grants.gov registration materials. New applicants are required to complete a five-step registration process in order to submit their applications electronically. HUD's General Section provides step-by-step instructions for applicants who must register with Grants.gov and also provides renewal/update instructions for those who have previously registered.

Applications and Instructions will be posted to Grants.gov. HUD encourages applicants to subscribe to the Grants.gov free notification service at http://www.grants.gov/applicants/email_subscription.jsp. By doing so, applicants will receive an email notification as soon as items are posted to the website. By joining the notification service, if a modification is made to the NOFA, applicants will receive notification that a change has been made.

HUD strongly encourages applicants to read the General Section and all parts of this CFCF NOFA carefully. Following the directions provided can make the difference in a successful application submission.

Pursuant to government-wide policy, all applicants must have a DUNS number and be registered in the Central Contractor Registration (CCR) to receive an award of funds from HUD. Applicants applying via Grants.gov already meet this requirement by completing the Grants.gov registration requirements. Applicants who receive a waiver to submit a paper application must also comply with the requirement for a DUNS number and registration in the CCR. Failure to meet the requirement will prohibit applicants from receiving a grant award.

The NOFA posted to Grants.gov is the official version of the Notice. If there is a discrepancy between information posted to Grants.gov and other websites, the Grants.gov information prevails.

OVERVIEW INFORMATION:

A. Federal Agency Name. Department of Housing and Urban Development, Office of Public and Indian Housing.

B. Funding Opportunity Title. Capital Fund Education and Training Community Facilities Grants Fiscal Year 2011.

C. Announcement Type. Initial announcement.

D. Funding Opportunity Number. The funding opportunity number for this NOFA is FR-5500-N-05. The OMB approval number for this program is: 2577-0268.

E. Catalog of Federal Domestic Assistance (CFDA) Number. The CFDA number for this NOFA is 14.890.

F. Dates. The application deadline is 11:59:59 p.m. eastern time on July 21, 2011. Applications submitted through <http://www.grants.gov> must be received by Grants.gov no later than 11:59:59 pm eastern time on the application deadline date. Applicants need to be aware that following receipt, applications go through a validation process in which the application may be accepted or rejected. Please allow time for this process to ensure that applications meet the timely receipt requirements. Please carefully read the section on Application and Submission Information in the Notice of HUD's Fiscal Year (FY) 2011 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2011 NOFAs for Discretionary Programs, posted on Grants.gov on April 4, 2011. The section includes HUD's policy regarding timely receipt.

G. Additional Overview Content Information

1. Available Funds. This NOFA announces the availability of approximately \$15 million in FY2011 funds for CFCF Program grants and makes available any recaptured or uncommitted previous funds.

2. Maximum Award Amount. The maximum amount of each grant award is \$5 million. It is anticipated that 5 grant awards will be made.

3. Eligibility. All non-troubled public housing authorities (PHAs) are eligible to apply, subject to the requirements under Section III.A. of this NOFA. PHAs that manage only a Housing Choice Voucher (HCV) program, tribes, and tribally designated housing entities are not eligible.

4. Leverage Requirement. Applications must meet a threshold requirement of leverage of at least 5% of the requested HUD funding amount

5. The application package and instructions may be obtained from http://www.grants.gov/applicants/apply_for_grants.jsp Notification of any technical corrections will be posted to Grants.gov.

Frequently asked questions will be posted on HUD's website at <http://www.hud.gov/offices/pih/programs/ph/> and http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/grants/fundsavail

FULL TEXT OF ANNOUNCEMENT

I. Funding Opportunity Description

A. Purpose of the Program. The purpose of the CFCF program is to provide capital funding to PHAs for the construction, rehabilitation, or purchase of facilities to provide early childhood education, adult education, and/or job training programs for public housing residents based on an identified need. Additionally, PHAs may use CFCF program funding to rehabilitate existing community facilities that will offer comprehensive, integrated services. These facilities will offer comprehensive, integrated services to help public housing residents achieve better educational and economic outcomes resulting in long-term economic self-sufficiency. In accordance with Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) (1937 Act), and the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10, approved April 15, 2011), the CFCF program provides grants to PHAs to: (1) construct new community facilities; (2) purchase or acquire facilities; or (3) rehabilitate existing facilities to be used as education and training community facilities by PHA residents. The facilities are for the predominant use of PHA residents; however, non-public housing residents may participate.

B. Authority. HUD's authority for this NOFA is the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10, approved April 15, 2011). This program is implemented through this NOFA and the policies governing its operation are contained herein.

C. Governing Regulations. 24 CFR Parts 85, 905, 941, 968, and 970.

II. Award Information

A. Available Funding. The Department plans to award \$15 million in FY2011

B. Award Amounts.

1. The maximum grant award will be \$5 million. The size of the grant shall be determined by a per square foot construction formula. The size of the facility must relate to the intended purpose and the number of persons served. PHAs may submit multiple applications, but each application must include only one site and each application must have separate leverage. The sum of the CFCF funds requested by a PHA may not exceed \$5 million. If a PHA submits multiple applications and the sum of the CFCF amounts requested is more than \$5 million, then all the applications from that PHA will be rejected. If a PHA submits multiple applications, it must include at the conclusion of the narrative of each application a priority order for all of its applications so HUD will know how to prioritize the applications in the event that they receive identical scores.

2. For construction grants, the maximum grant amount is determined by the following formula:
Maximum Grant = Bldg. Sq. Footage x Cost per Sq. Foot x Equipment Factor x Location Factor as described below:

Cost per Sq. Foot = \$200 / sq. ft. for 1-story basic construction; \$267 / sq. ft. for multi-story elevator construction.

Equipment Factor = 1.3 for computer labs/classrooms; 1.5 for special training equipment.

Location Factor can be found on PIH Website. Please refer to the following:

<http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm>

NOTE: HUD has based the Square Foot Cost, Equipment Factor, and Location Factors on an average of RS Means and Marshall & Swift cost data.

3. For rehabilitation grants, the maximum grant amount is determined by taking the product of the above formula for new construction and multiplying that amount by 0.9.

C. Grant Term. Section 9(j) of the U.S. Housing Act of 1937 (the Act) applies. PHAs must obligate 90 percent of the grant award within 24 months of the date the funds are made available to the PHA. The entire grant award must be expended fully within 24 months following the obligation end date. Additionally, community facilities must be subject to a recorded Declaration of Trust (HUD 52190-A (for development projects) or HUD 52190-B (for modernization projects)) and subject to the conditions on use in the Act and the requirements of the ACC and HUD regulations. Specifically, the PHA shall continue to operate the community facility within its low-income housing program in compliance with the ACC(s), as amended, the Act, and all HUD regulations for a period of 20 years after the last disbursement of Capital Fund or CFCF assistance for modernization activities, and for a period of 40 years after the last distribution of Capital Fund or CFCF assistance for development activities and for a period of 10 years following the last payment of assistance from the Operating Fund to the PHA. Pursuant to the Act and 24 CFR part 85, no disposition or demolition of any community facility shall occur unless approved by HUD.

D. Type of Award Instrument: Awards will be made as grants.

III. Eligibility Information.

A. Eligible Applicants: Only PHAs with public housing units under Annual Contributions Contract (ACC) may apply. A PHA may not apply to construct, acquire, or rehabilitate a facility in a development that is currently receiving a HOPE VI Revitalization grant or on property that was constructed, acquired, or rehabilitated using a HOPE VI Revitalization grant. Tribes and tribally designated housing entities (TDHEs), nonprofit organizations, and resident associations are **not eligible** to apply. A PHA is eligible if it is designated troubled by HUD and is not already under the direction of HUD or a court-appointed receiver, if in accordance with 24 CFR part 905, it uses an Alternative Management Entity, as defined in 24 CFR 902.7, and complies with any applicable provisions of its Memorandum of Agreement executed with HUD.

B. Cost Sharing or Matching. None Required. However, there is a requirement for leverage funds in the amount of at least 5 percent of the total amount requested under this program. Leverage must be cash or cash equivalent sources, such as tax credit equity and fees earned by a PHA's Central Office Cost Center (COCC). Capital funds of the PHA do not qualify as leverage.

C. Other.

1. Threshold Requirements.

a. Applicants must meet all threshold requirements of Section III.C.2., “Threshold Requirements,” of the General Section unless otherwise noted in this NOFA. In addition to the threshold requirements in HUD’s General Section, applicants must meet the following program specific threshold requirements.

b. HUD will not review any application with a request for Federal funding that exceeds the maximum amount per grant specified in Section II.B. of this NOFA.

c. Signatures. Requests must be signed by a person authorized to sign an ACC Amendment on behalf of a PHA. Therefore, the Authorized Organization Representative (AOR) registered at Grants.gov and authorized to submit the application on behalf of the applicant cannot be a consultant or the management agent. Requests signed and submitted by a consultant or management agent on behalf of the PHA will not be considered.

d. Program Schedule. Applicants must provide a program schedule for the proposed program which demonstrates compliance with the obligation and expenditure deadlines established in Section 9(j) of the Act. The program schedule must identify all the major milestones to be achieved by the program including, but not limited to, the date construction/activities will commence, the date construction/activities will be completed, the date the funds will be 90-percent obligated, and the date funds will be 100-percent expended. The schedule must start 30 days from HUD award. Applicants must submit either a schedule showing dates from receipt of the funds through 100 percent expenditure, or a timeline from receipt of the funds through 100 percent expenditure. Failure to provide the schedule in compliance with this requirement will disqualify the application.

e. Budget, Leverage and Financing Thresholds.

(1) Applicants must submit a budget (using Form HUD50075.1, Parts I and II) for the activities they will implement under this CFCF grant which includes the amount the applicant requests under this grant program. If the applicant does not submit the budget, the application will be rejected.

(2) The budget must indicate committed leveraged sources of at least 5 percent of the CFCF grant and projected uses of such sources. Commitments for permanent sources must equal projected uses. If the applicant does not provide a firm commitment letter for at least 5 percent of each CFCF request, the application(s) will be rejected.

(3) Applicants must certify that each funding source other than the amount requested in this application is firmly committed. Firmly committed means that the amount of the resource and its dedication to CFCF grant activities is explicit, in writing on the organization’s letterhead, and signed by a person authorized to make the commitment. Applicants must submit copies of each letter of commitment. The commitment may only be conditioned on receipt of the grant and the completion of due diligence satisfactory to the lender, investor, or other entity controlling the committed funds, and the ability of the PHA to reach a financial closing for the project in question.

(4) Applicants must identify at least one education and/or training supportive service provider/partner (e.g., a community college) that is firmly committed to providing services within the proposed facility upon completion. The partner's commitment must be explicit, in writing on the organization's letterhead, and signed by a person authorized to make the commitment. The commitment must describe the nature and type of services that the partner will provide. The commitment may only be conditioned on receipt of the grant and the completion of the community facility in question. If the applicant does not provide at least one firm commitment letter from a provider/partner, the application will be rejected.

(5) Applicants must provide a preliminary description of the proposed facility, including at least one of the following items: schematic design and drawings of the site plan or floor plans. If no visual is provided, the application will be rejected.

(6) The applicant must specify the square footage to be created or renovated by the project. If not provided, the application will be rejected.

f. Resolution of Outstanding Civil Rights Matters. All applicants must meet the threshold requirement set forth at Section III.C.2.d of the General Section.

g. Affirmatively Furthering Fair Housing. Section 808(e)(5) of the Fair Housing Act requires HUD to affirmatively further fair housing (AFFH) in its programs and activities and this obligation extends to the activities of the Department's funded recipients. Each successful applicant under this NOFA has a duty to affirmatively further fair housing in its execution of the program. To affirmatively further fair housing, a PHA must discuss in its application how the funded activities will affirmatively further fair housing. To affirmatively further fair housing, PHAs must describe how the proposed activities overcome impediments to fair housing choice that are identified in the "Analysis of Impediments to Fair Housing" (AI) produced by the state and/or local governments, and any other impediments in housing or urban development activities applicants may identify, including those identified in their public housing programs pursuant to the requirements of 24 CFR section 903.7(o). In addition, the proposed activities must address at least one of the following objectives: (1) help overcome any impediments to fair housing choice related to the program or activity itself; (2) promote racially, ethnically, and socioeconomically diverse communities; or (3) promote housing-related opportunities that overcome the effects of past discrimination because of race, color, national origin, religion, sex, disability, and familial status. Examples of activities to AFFH may include but are not limited to the following:

- (1) Integrating housing developments with access to effective schools, job training, child care, financial services, health care services, social services, or public transportation;
- (2) Increasing economic and racial and ethnic diversity within the neighborhood; and
- (3) Marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency.

h. Grant Administration. Applicants by electronically signing the application are certifying that they will administer the grant in accordance with all requirements of this NOFA and all requirements applicable to public housing, including the Act, the American Recovery and Reinvestment Act (ARRA), HUD regulations, the ACC, including all amendments, and all other Federal statutory, Executive Order, and regulatory requirements as such requirements may be amended from time to time.

2. Program Requirements.

a. Comprehensive Programs. Facilities must provide comprehensive programs, which result in improved educational opportunities and outcomes as well as economic self-sufficiency for public housing residents. To be a comprehensive program, proposed activities must integrate other federal, state, and local efforts whose aim is to help residents achieve self-sufficiency, and which provide one or more of the following: early childhood programs for children birth to age 5; programs that assist school-age children with educational goals; guidance to high school students (or other interested residents) for post secondary education (2 year or 4 year college, or trade schools); computer skills training.

b. Location Requirements. CFCFs must be located within a public housing development, on PHA real property, or within ½ mile to the PHA development so that participants can walk to the facility.

c. Time Frame for Operations to Commence. Facilities must be operational within 48 months of the date of funding.

d. Facility Design. All facilities must meet local building and fire code requirements as well as any licensing requirements for operations of an educational or job training facility.

(1) Early Childhood Education. Studies and experience show that the design of early childhood education facilities influences the success of children as much as the quality of the learning programs. The quality and spatial design of the early childhood facility are vital to the quality of the services and activities provided. At a minimum the proposed facility or portion of the facility for early childhood education must meet the Head Start standards for physical environment and facilities as described in 45 CFR 1304.53. Applicants may find the Head Start Resource Center helpful (www.headstartresourcecenter.org).

Applicants are encouraged to propose facilities that exceed these standards and conform with identified best practices for facility design or meet nationally recognized accreditation standards, i.e. National Association for the Education of Young Children (www.NAEYC.org) or National Association of Child Care Resource and Referral Agencies (www.NACCRRRA.org). For further information, applicants may visit <http://www.edfacilities.org/> (National Clearinghouse for Educational Facilities) and http://www.wbdg.org/design/child_centers.php (National Institute of Building Sciences, Whole Building Design Guide).

(2) Adult Education and Job Training Centers. Adults and/or older youth engaged in education and training programs have distinct learning needs different from those of small children. Design features include enhancement of the learning process, needs of trainees, trainers, and staff, and safety, health, and comfort considerations. For further information, applicants may visit <http://www.wbdg.org/design/educational.php> (National Institute of Building Sciences, Whole Building Design Guide).

e. All construction, acquisition, and rehabilitation activities must meet appropriate accessibility requirements, including the requirements of Section 504 of the Rehabilitation Act of 1973 at 24 CFR part 8, the Architectural Barriers Act at 24 CFR part 40, and the Americans with Disabilities Act. Design, construction, or alteration of buildings in conformance with the Uniform Federal Accessibility Standards (UFAS) shall be deemed by HUD to comply with the requirements of 24 CFR 8.21, 8.22, 8.23, and 8.25 with respect to those buildings.

f. Section 3

(1). Applicants must comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and its implementing regulations at 24 CFR part 135. Specifically, PHAs are required to ensure, to the greatest extent feasible, that training, employment, contracting, and other economic opportunities will be directed to Section 3 residents and to Section 3 businesses. Additional information on these requirements can be found at <http://www.hud.gov/section3>. Applicants must evidence both:

(a) Section 3 Compliance. Evidence of such compliance is a copy of the applicant's most recent Section 3 Annual Summary Report (Form HUD 60002) which must be kept on file by the applicant, AND,

(b) Section 3 Plan. Applicants must have completed a feasible Section 3 plan, which must be kept on file by the applicant, for directing training, employment, and contracting opportunities generated by the expenditure of covered financial assistance to Section 3 residents and Section 3 businesses. The grant recipient will be required to certify that the Section 3 plan addresses the 10 items listed below. (The Section 3 plan may also include items not listed below). These items must be clearly addressed in the Section 3 plan.

(i) Types and amounts of employment and contracting opportunities to be generated as a result of proposed construction or rehabilitation activities;

(ii) Types and amount of employment, training, or other economic opportunities that will result from the applicant's childhood education, adult education, and/or job training programs;

(iii) Specific actions that will 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 employment and contracting opportunities in accordance with 24 CFR section 135.34 and section 135.36;

(iv) Eligibility criteria to be used for certifying Section 3 residents and businesses;

(v) Process to be used for notifying Section 3 residents and business concerns about the availability of training, employment, and contracting opportunities;

(vi) Methodology to be used for monitoring contractors and subcontractors that are awarded covered contracts to ensure their compliance with the requirements of Section 3;

(vii) Strategies for meeting the Section 3 minimum numeric goals for employment and contracting opportunities found at 24 CFR section 135.30;

(viii) Contact information and qualifications for staff persons who will be responsible for the day-to-day implementation of Section 3;

(ix) Certification that all laborers and mechanics, including force account workers, employed on construction and rehabilitation work assisted under this NOFA shall be paid Davis-Bacon prevailing wage rates;

(x) PHA's must also comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). If a PHA is a successful applicant, the PHA will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. In addition, the PHA will provide sponsored training in a manner that is effective for persons with hearing, visual, or other communications-related disabilities. Training facilities must be physically accessible to persons with disabilities. For more information, please refer to the General Section.

g. Capacity to Pay Long-Term Operating Costs. Applicants must demonstrate the capacity to pay for the long-term operating costs of the proposed facility.

h. The applicant must specify the activities necessary to complete the project. This must include at a minimum the steps that the applicant will take to ensure site control, to design the facility, to construct or rehabilitate the facility, and to partner with a provider or providers for the services.

i. Applicants are subject to the provisions of Section 319 of Public Law 101-121 (approved October 23, 1989) (31 U.S.C. 1352) (the Byrd Amendment) which prohibits recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal government in connection with a specific contract, grant, or loan. In addition, applicants must disclose, using Standard Form LLL (SF-LLL), "Disclosure of Lobbying Activities," any funds, other than Federally appropriated funds, that will be or have been used to influence Federal employees, members of Congress, or congressional staff regarding specific grants or contracts.

j. Identification of Building or Site. The applicant must identify the existing building or the vacant site at which it will construct, purchase, and/or substantially or moderately rehabilitate with CFCF funding. The applicant must specify the number of floors in the facility and the number of persons whom the facility can serve at any one time. If the applicant does not provide this information, the application will be rejected.

3. Eligible Activities. CFCF funds may be used to pay for any eligible Capital Fund expenses, including substantial rehabilitation, acquisition, conversion, and construction, as defined in 24 CFR Parts 905, 941, 968, and 970 that help achieve the program objective of improving educational and economic outcomes for public housing residents through the use of education and/or training community facilities. Specifically, the following are eligible activities:

a. Improvements to or construction of non-dwelling areas to provide additional space to offer or provide education and/or training services to public housing residents.

b. Conversion of dwelling units to provide space for service providers targeted to public housing residents, i.e. the renovation, conversion, or joining of vacant units within a PHA development to create an education and/or training community facility.

c. The renovation or conversion of existing common areas in a PHA development to accommodate an education and/or training community facility.

d. If renovation, conversion, or repair is done off-site, the PHA must provide documentation with its application that it has site control of the proposed property and will continue to have site control for the term of the ACC. Site control can be demonstrated through a lease agreement, ownership documentation, or other documentation that demonstrates that the PHA will have site control of the proposed property for the duration of the public housing use period required by the Act. If the applicant does not provide evidence of site control of an off-site property, then the application will be rejected.

e. Security and related costs for physical improvements and other equipment for safeguarding the center and other longer-term security measures, as needed, but not including personnel costs and salaries for security guards.

f. Hard costs of construction plus costs associated with new construction and rehabilitation, such as architectural, engineering, and related professional services, required to prepare plans or drawings, write-ups, specifications, or inspections.

g. Costs associated with acquisition and rehabilitation, such as renovation, conversion, and repair costs, and, for pre-1978 buildings, lead hazard evaluation and control costs (see Section VI.B.5.i.).

h. In accordance with their Section 3 plan, applicants shall, to the greatest extent feasible and consistent with existing federal, state, and local laws and regulations, employ Section 3 residents to help with the renovation or construction of community facilities under this program and contract with Section 3 businesses.

4. Ineligible Activities Specifically, the following are ineligible activities:

a. Operating or rental assistance activities. Capital funds awarded under this program cannot be transferred to or used for operations or rental assistance activities. These funds cannot be transferred to Account 1406 Operations.

b. Routine maintenance activities.

c. Activities carried out before the date of the ACC amendment obligating the grant.

d. Luxury improvements, direct social services, and costs funded by other programs.

e. Moving to Work Agency Requirements. Agencies participating in the Moving to Work Demonstration (“MTW”) are authorized to combine operating and capital assistance provided under Section 9 and voucher assistance under Section 8 of the United States Housing Act of 1937 as part of the regular appropriation process. However, line item appropriations, which are supplemental to the regular appropriations process, may be used only for the specific purpose for which they were appropriated. CFCF funds may not be combined into the MTW block grant. However, all PHAs may use Capital Funds to complete a community facility if funds are insufficient or for future eligible Capital Fund activities related to the community facility.

f. Facilities located in a development that is currently receiving a HOPE VI Revitalization grant or that was constructed, acquired, or rehabilitated using a HOPE VI Revitalization grant.

IV. Application Submission and Timely Receipt Information:

If a PHA is interested in applying for funding under this program, please review carefully the following information.

A. Address to Request Application Package. Applications can be downloaded from the web at: http://www.grants.gov/applicants/apply_for_grants.jsp. All applications must be submitted electronically. The information required to submit an application is contained in the program section of this NOFA and the General Section. See the General Section for specific procedures concerning the electronic application submission and timely receipt requirements. If a PHA has difficulty accessing the information, the PHA may call the Grants.gov helpline toll-free at 800

518-GRANTS or e-mail support@grants.gov. Helpline customer representatives will assist in accessing the information. The Grants.gov help desk is open 7 days a week, 24 hours a day, except federal holidays. HUD recommends calling the Help Desk rather than emailing, because determining the basis for the problem may take some conversation with the Grants.gov Support Customer Service Representative. Grants.gov provides customer support information on its website at <http://www.grants.gov/contactus/contactus.jsp>. PHAs may request general information from the NOFA Information Center at 800-HUD-8929 or 800-HUD-8339 (TTY) between the hours of 10 a.m. and 6:30 p.m. (Eastern Time) Monday through Friday, except on federal holidays. When requesting information, please refer to the name of the program.

B. Content and Form of Application Submission:

1. Application Preparation. Before preparing an application, carefully review the program description, program requirements, ineligible activities, and threshold requirements contained in this NOFA and in the General Section, particularly the requirements in this NOFA related to who can be authorized to sign the application on behalf of the applicant and therefore, who has to be registered and authorized as the Authorized Organization Representative (AOR). Review each rating factor found in the “Application Review Information” section before writing a narrative response. Applicants’ narratives must be as descriptive as possible in order to ensure that every requested item is addressed. Applicants must be sure to include all requested information, according to the instructions found in this NOFA and the General Section. This will help ensure fair and accurate review of the application.

Please note that applicants are to use the Attachments Form provided in the application package to attach documents. If an applicant has more than 15 files to attach to the application, the applicant can use the place in the SF424 below item 15 to attach additional files. DO NOT USE the paperclip function in Adobe to attach files. Failure to use Attachment Form or the place in the SF424 below item 15 will result in HUD’s not receiving the attachments.

2. Content of Application. Applicants must write narrative responses to each of the rating factors described in Section V.A. below. Responses must demonstrate that applicants have the necessary capacity to manage this grant program successfully. Applicants must ensure that narratives are written clearly and concisely and describe the intended use accurately so that HUD reviewers can score the applications from the submittal.

3. Format of the Application. Each application may not exceed 40 narrative pages. Narrative pages must be submitted as separate electronic files and formatted as double-spaced, single-sided documents. Each file must have the pages numbered consecutively. Use Times New Roman font style and font size 12.

Applicants must provide a narrative for each threshold and program requirement and rating factor. The narrative must detail clearly how the applicant meets the requirement or satisfies the rating criteria. Applicants must provide a narrative explanation for each requirement and rating criteria even if attachments are required and submitted.

The narrative format must be titled and numbered identical to the titles and numbers in this application. For example, the applicant’s narrative explanation demonstrating satisfaction of each threshold requirement must be labeled, “Threshold Requirements” and the narrative explanation lettered “a-h” to correspond with each requirement listed in the application.

Supporting documentation, required forms, and certifications will not count toward the 40-page narrative limit. Applicants must make every effort to submit only what is necessary in terms of supporting documentation. Please see the General Section for instructions on how to submit supporting documentation with the electronic application.

4. Required forms: The applicant's application must contain all of the required information requested in this NOFA and the FY2011 General Section including the following forms:

- a. Rating Factors Response (limited to a maximum of 40 narrative pages);
- b. Form SF424_Application_for_Federal_Assistance (Applicants must include the nine digit zip code (zip code plus four digits) associated to the applicant address in box 8d of the SF424.);
- c. SF424_Supplement_Survey_on_Equal_Opportunity_for_Applicants (optional submission);
- d. HUD424CBW_HUD_Detailed_Budget_Worksheet_(includes Total Budget (Federal Share and Matching) and Budget Justification Narrative);
- e. HUD2880_Applicant_Recipient_Disclosure_Update_Report;
- f. HUD2991_Certification_of_Consistency_with_the_Consolidated_Plan;
- g. SFLLL_Disclosure_of_Lobbying_Activities (if applicable);
- h. HUD50075.1, Parts_I_and_II, along with the "Budget, Leverage and Financing Threshold" requirements described in Section III.C.1.e of this NOFA;
- i. Form HUD2990_Certification_of_Consistency_with_the_RC_EZ_ECII_Strategic_Plan (optional, submit if applicable)

C. Submission Date and Timely Receipt Requirements

Electronic applications must be received by Grants.gov on or before 11:59:59 p.m. eastern time on the application deadline date. Once received applications go through a validation process. Applicants must allow time for the validation process. Please see the 2011 General Section for instructions for timely receipt, including actions to take if the application is rejected. Applicants can then track their applications by clicking on the "Track My Application" link and logging on using their Password and ID. HUD urges applicants to submit their applications early.

D. Intergovernmental Review. Not required

E. Funding Restrictions Limit on the Number of Applications. For each site, HUD will only review the last application received for that site that meets HUD's timely receipt requirements.

F. Other Submission Requirements. Applicants are required to submit applications electronically via the website http://www.grants.gov/applicants/apply_for_grants.jsp. See sections IV.B and F of the General Section for additional information on the electronic process requirement and how to request a waiver from the requirement if necessary. Applicants must submit their waiver requests in writing using email. Waiver requests must be submitted no later than 15 days prior to the application deadline date and submitted to: Jeffrey.Riddel@hud.gov. Paper applications will not be accepted from applicants that have not been granted a waiver. If an applicant is granted a waiver, the approval notice will provide instructions for submission. **All applications in paper format must have received a waiver to the electronic application requirement, and the application must be received by HUD on or before the application deadline date.**

V. Application Review Information

A. Criteria:

1. Rating and Ranking. Applications that meet all of the threshold requirements will be eligible to be scored and ranked. Ratings will be based on the total number of points allocated for each of the rating factors described in Section V.A.2 of this NOFA. An application must receive a total score of at least 75 points to be considered for funding.

2. Rating Factors. The factors for rating and ranking applications, and maximum points for each factor, are provided below. The maximum score that can be obtained is 104 points, which includes 2 possible bonus points for applicants working with the Preferred Sustainability Status Communities and 2 possible bonus points for specific activities that are conducted within the RC/EZ/EC and that benefit the residents of the RC/EZ/EC.

a. Capacity of the Applicant (Maximum 22 Points). This factor addresses whether the applicant and the proposed partners have the capacity and organizational resources necessary to implement the proposed activities within the proposed project period successfully.

(1) Past Performance (Up to 10 points). The applicant's narrative must describe and evidence how the applicant organization and the proposed partners have successfully implemented development projects similar in scope to the project that the applicant proposes in this grant application. Applicants must describe the type of project, amount, types of funding sources, and the applicant's success in completing the project within the applicable development schedules. If the applicant has not successfully implemented a development project similar in scope to the proposed project, the applicant must explain fully and evidence the applicant's current capacity, i.e. resumes of key personnel, to implement this grant successfully. Do not include Social Security numbers.

Applicants describe the type of development project, the amounts and sources of the funds, the achievement of specific measurable outcomes and objectives, the success in keeping residents involved in the project, the timely expenditure of the funds, and the leverage of funds and in-kind services.

(a) Applicants will receive 10 points if applicants and the proposed partners have experience in at least 5 directly comparable facilities within the past 5 years and they

demonstrate that their current capacity will allow them to develop the proposed facility successfully.

(b) Applicants will receive 7 points if applicants and the proposed partners have experience in at least 5 similar but not directly comparable projects and they demonstrate that their current capacity will allow them to develop the proposed facility successfully.

(c) Applicants will receive 4 points if applicants and the proposed partners have no experience in projects similar in scope to the proposed project, but they demonstrate that their current capacity will allow them to develop the proposed facility successfully.

(d) Applicants will receive 0 points if applicants and the proposed partners have no experience in projects similar in scope to the proposed project and they do not demonstrate that their current capacity will allow them to develop the proposed facility successfully.

(2) Timely Delivery (Up to 5 Points). Applicants will be evaluated based on whether they have and/or whether their partners have the capacity to deliver the proposed activities in a timely and effective fashion. Please refer to Section II.C of this NOFA for the timeframe.

(a) Applicants will receive 5 points if they evidence successful, timely completion of a project similar in scope to the project applicant proposes in this application.

(b) Applicants will receive 3 points if they do not have experience successfully implementing a project similar in scope to the project applicant proposes in this application but they demonstrate capacity to implement this grant successfully.

(c) Applicants will receive 0 points if they do not have experience successfully implementing a project similar in scope to the project applicant proposes in this application, and/or they do not demonstrate current capacity to implement this grant successfully.

(3) Knowledge of Key Personnel (Up to 3 points).

(a) Applicants will earn 3 points if they demonstrate that key personnel (including partners) have experience in at least 5 directly comparable projects in the last 5 years showing their knowledge in the development or rehabilitation of projects and provision of services such as that which the application proposes.

(b) Applicants will earn 1 point if they demonstrate that key personnel (including partners) have experience in at least 5 similar but not directly comparable facilities showing their knowledge in the development or rehabilitation of projects and provision of services such as that which the application proposes.

(c) Applicants will earn 0 points if they cannot demonstrate that key personnel (including partners) have adequate knowledge in the development or rehabilitation of projects and provision of services such as that which the application proposes.

(4) High Performers (Up to 2 points).

(a) If an applicant was rated overall as a High Performer for its PHAS review for the quarters ending 12/31/08, 3/31/09, 6/30/09 and 9/30/09, it will receive 2 points. In the case of an MTW agency that did not report into PHAS during those quarters, if its MTW Agreement that was in place during those quarters deemed it a High Performer, it will receive 2 points. See the following websites for a listing of PHA designations: <http://www.hud.gov/recovery/> (which will link to the Office of Capital Improvements website) and <http://www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm>.

(b) If an applicant does not meet these criteria, it will receive 0 points.

(5) Economic Opportunity (2 points). Applicants must explain how they will provide appropriate economic opportunities to Section 3 residents and Section 3 businesses of the target area, in compliance with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 23 1701u) and HUD's implementing rules at 24 CFR Part 135. Applicants must describe how they will accomplish Section 3 requirements by identifying the number of individuals to receive such training per discipline, the schedule for delivering said training to Section 3 residents, and how trained individuals will be linked to employment opportunities with Section 3 businesses. For example, applicants may propose to direct new employment opportunities to Section 3 residents, award contracts to Section 3 business concerns, or target Section 3 residents or business concerns for training opportunities. Applicants can find additional information regarding Section 3 requirements at 24 CFR Part 135 or Section III.C.5.d of the General Section. Note that, while contractors, subcontractors or sub-grantees receiving contracts under the grant totaling less than \$100,000 need not meet the Section 3 requirements as a regulatory mandate (see Section III.C.5 of this NOFA), applications that include compliance as a contractual requirement for more or all such subsidiary entities will be rated more highly.

b. Need (Maximum 12 Points). This factor addresses the need for funding an applicant's proposed activity. In responding to this factor, applicants will be evaluated on the extent to which they *describe and document* the level of need for their proposed activities. In responding to this factor, applicants must include the following:

(1) Socioeconomic Profile (Up to 12 points).

(a) Applicants must identify the targeted population, including the number of eligible and anticipated users of the *proposed facility*.

(b) Applicants must provide a thorough socioeconomic profile of the targeted population to be served by the proposed facility and activities, including education levels, income levels, employment statistics, number of persons with limited English proficiency, and other socioeconomic information as described below. If applicants propose to develop a facility targeting two or more of the described uses, then applicants must provide the information described below for each of the uses.

Applicants may provide either data for the local area and show that the targeted population reflects the local area, or applicants may provide resident-specific data, such as a resident needs assessment. Applicants must supply the sources for the data provided.

(i) Early Childhood Education Centers. The profile must describe and quantify, with numbers and data, the needs of children aged birth-five in the targeted population. Data and research must be applicable to the children and/or families targeted for this grant. The data must show risks relevant to children at the targeted development. The information provided must demonstrate the need for early childhood education (including early language, literacy, and numeracy skills), parenting classes, parental supports, and nutrition programs. For example, such data may include the rate of premature births among residents, rate of infant mortality among residents, percent of children that qualify for or are enrolled in Head Start or Early Head Start, or the literacy rate among adults in the families targeted for this grant.

(ii) Adult Education Centers. The profile must describe and quantify, with numbers and data, the specific education and employment needs of the targeted population. Such data must indicate, for example: high school graduation rates (indicating the number of high school drop-outs aged 16 and older), the employment/unemployment rate, computer literacy rate, income levels, and/or the literacy and numeracy rates among adults, including persons with limited English proficiency. The applicant also must identify post-secondary and employment opportunities available to successful participants in the applicant's proposed program.

(iii) Job Training Centers. The profile must describe and quantify, with numbers and data, the specific workforce and training needs of the targeted population. Such data must indicate, for example: the employment/unemployment rate; employment retention rate; average earnings; computer literacy rate; a discussion of any significant layoffs in specific industries for the targeted population; and/or high school graduation rates. Applicants may also provide a general description of the current level of skill and educational attainment of the targeted population. The applicant must also identify fully other barriers to employment faced by the targeted population, such as access to transportation and lack of child care. Applicants may draw from a variety of resources for supporting data, including the following: traditional labor market information, such as projections; industry data from trade or industry associations, Chambers of Commerce, or direct information from the local employers or industry; information on the local and regional economy from economic development agencies; and other transactional data, such as job vacancies.

(c) Applicants will receive 12 points if they provide a thorough socioeconomic profile demonstrating a significant need for the proposed facility in the targeted population.

(d) Applicants will receive 8 points if they provide a thorough socioeconomic profile demonstrating moderate need for the proposed facility in the targeted population, or if they provide a basic socioeconomic profile of the targeted population indicating significant need.

(e) Applicants will receive 6 points if they provide a basic socioeconomic profile of the targeted population indicating a moderate need for the proposed facility in the targeted population.

(f) Applicants will receive 2 points if they provide a thorough or basic socioeconomic profile of the targeted population indicating slight need for the proposed facility in the targeted population.

(g) Applicants will receive 0 points if they fail to provide the socioeconomic data on the targeted population and/or do not demonstrate any of these criteria.

c. Soundness of Strategy and Approach (Maximum 47 Points). This factor addresses **both** the quality and cost-effectiveness of applicant's proposed development and operating activities. The narrative for this rating factor, applicant's budget, and the development plan must indicate a clear relationship between proposed activities, the targeted population's needs, and the purpose of the program funding. The narrative must evidence that the applicant has a clear understanding of the tasks required to meet the objectives of this NOFA successfully, including obtaining all required Federal, state, and local approvals. Applicants must use the narrative for this rating factor to indicate whether they are applying to construct a new facility, acquire (and rehabilitate where necessary) an existing facility, or rehabilitate or expand an existing facility.

(1) Demonstrated Link between Need and Proposed Activities (Up to 8 points).

Applicants' narrative must demonstrate a clear relationship between proposed activities, community needs, and the purpose of the program's funding, in order for points to be awarded for this factor. Applicants must be clear in articulating how the proposed facility will complement and/or enhance any existing facilities offering services similar to those the applicant proposes under this proposal. For rehabilitation projects, applicants must provide a detailed description of the existing facility and how its current condition adversely affects the applicant's ability to provide the proposed services and/or how rehabilitation and expansion will enhance the applicant's ability to meet the needs of the targeted population.

(a) Applicants will receive 8 points if the narrative demonstrates a strong relationship between:

(i) The proposed activities,

(ii) need, and

(iii) the purpose of the program funding and articulates clearly how the applicant's proposed facility will complement, enhance, and/or fill the gap of any existing facilities with services similar to those the applicant plans under the CFCF proposal.

(b) Applicants will receive 4 points if the narrative does not provide enough detail to determine a strong relationship between these criteria but establishes some relationship between these criteria.

(c) Applicants will receive 0 points if the narrative fails to demonstrate a clear relationship between any of these criteria.

(2) Development Plan and Schedule (Up to 8 points). The development plan must indicate timeframes and deadlines for accomplishing major activities and identify development partners and the role of each. The timeline must include all required Federal, state, and local approvals, including but not limited to land use approvals and licensing of services.

(a) Feasibility (**Up to 4 points**).

(i) Applicants will receive 4 points if the development plan and schedule are complete and indicate reasonable timeframes and deadlines for accomplishing major activities.

(ii) Applicants will receive 0 points if the development plan and schedule are incomplete and/or do not indicate reasonable timeframes and deadlines for accomplishing major activities.

(b) **Timeliness (Up to 4 points)**. This subfactor evaluates whether applicant's development plan demonstrates that the project is ready to be implemented within eighteen months of the date funding is made available.

(i) Applicants will receive 4 points if the development schedule demonstrates that the project is ready to be implemented within eighteen months of the date funding is made available.

(ii) Applicants will receive 2 points if the development schedule demonstrates that the project is ready to be implemented within twenty-one months of the date funding is made available.

(iii) Applicants will receive 0 points if the development schedule demonstrates that the project is not ready to be implemented within twenty-one months of the date funds are made available.

(3) Budget Appropriateness (Up to 4 points). The project must be financially feasible, as proposed. Please refer to the following standards:

(a) Hard development costs must be realistically developed through the use of technically competent methodologies including cost estimating services and should be comparable to industry standards for the kind of construction to be performed in the proposed geographic area.

(b) Cost estimates must represent an economically viable preliminary plan for designing, planning, and carrying out proposed activities, in accordance with local costs of labor, materials, and services.

(c) Projected soft costs must be reasonable and comparable to industry standards. Upon award, soft costs will be subject to HUD's Cost Control and Safe Harbor Standards. These standards provide specific limitations on such costs as developer's fees (between 9 and 12 percent), PHA administration/consultant cost (no more than 3 to 6 percent of the total project budget), contractor's fee (6 percent), overhead (2 percent), and general conditions (6 percent).

(d) Applicants will receive points for this factor if the expenses are reasonable, well explained, and support the objectives of the proposal.

(i) Applicants will receive 4 points if expenses are reasonable, thoroughly explained, support the objectives of the proposal, and are commensurate with the level of effort necessary to accomplish the proposal's goals.

(ii) Applicants will receive 0 points if expenses are not reasonable and/or the requested funds are not commensurate with the level of effort necessary to accomplish the proposal's goals.

(4) Operating Plan (Up to 22 points). Applicants must demonstrate a capacity for the long-term operation of the proposed facility. In this instance, long-term operation refers to the relevant time period under the Act, i.e., 20 years after the last disbursement of Capital Fund or CFCF assistance for modernization activities, 40 years after the last distribution of Capital fund or CFCF assistance for development activities, and for a period of 10 years after the last payment of assistance from the Operating Fund to the PHA. The applicant's capacity for long-term operation of the facility will be evaluated based on the ability of the applicant to make available quality services and activities, form strategic partnerships (with, for example, community colleges), and access the necessary financial resources. Applicant's narrative must detail how the center will operate for the first five years after completion of the facility with respect to the nature and quality of the services and activities the facility will house, the organizations and entities with whom the applicant will partner, and the availability of funding for operating expenses. Applicant must include a proposed budget for the first full year of operations. If the applicant does not provide the budget for the first full year of operations, the application will be rejected.

As part of the narrative, applicants must submit an operating plan governing the use of the facility on a weekly, monthly, and seasonal basis.

In particular, applicants must show how the facility will promote sustainability and employment opportunities and training, in accordance with the terms, improve the economic security and self-sufficiency of the residents.

Potential outcomes may include the following:

- Comparison of the energy consumption in the community facility with the energy consumption of nearby buildings of similar size;
- Increased number of under-employed residents securing full-time employment
- Increased number of unemployed residents securing employment;
- Increased number of residents graduating high school or passing the GED;
- Reduced number of residents dropping out of school before graduating high school

(a) **Strategic Partnerships (Up to 15 points).** This factor addresses the applicant's ability to secure Federal, state, local, community, and/or private resources that can be combined with HUD's grant resources in order to achieve program purposes. Applicants are required to create partnerships with organizations that can help achieve their program's goals. PHAs are required by section 12(d)(7) of the Act (entitled "Cooperation Agreements for Economic Self-Sufficiency Activities") to make best efforts to enter into such agreements with relevant state or local agencies. In rating this factor, HUD will look at the *extent* to which applicants partner, coordinate, and leverage the services and resources with other organizations serving the same or similar populations.

Forming strategic partnerships is necessary to developing viable and sustainable facilities which make available high-quality comprehensive supportive services to help residents achieve self-sufficiency. These partnerships need to be substantial and sustained. Each collaborative partner must have clearly defined roles. These roles must be verified through a letter of commitment on the organization's letterhead submitted by each partner. The letter of commitment must detail the role the partner will play in the project, including specific responsibilities and resources committed, if appropriate. The exact nature of these roles may vary depending on the issue areas being addressed and the scope and nature of the activities undertaken by each party. Applicants should also provide evidence of quantifiable results that the partners have achieved in previous programs similar to the programs that the partners propose to offer in the project.

(i) Early Childhood Education. Applicants must demonstrate a commitment to implement and form a strategic partnership with an institution or institutions that implement a comprehensive, high quality, results-oriented early childhood education program that utilizes best practices. Best practices for a comprehensive program include, for example, a low student-teacher ratio, parental involvement, parenting classes, intensive outreach and presence in the community, and family supports such as health, nutrition, and other social services necessary to help young children learn. Examples of models include, but are not limited to the following: Head Start and Early Head Start, the Harlem Children's Zone, Ounce of Prevention/Educare Centers, Making Connections, and the Chicago Child-Parent Center. Examples of strategic partners include, but are not limited to the following:

- (A) Head Start/Early Headstart;
- (B) Local programs accredited by nationally recognized agencies;
- (C) Local programs that have a proven record demonstrating best practices as described above and are licensed by the appropriate state body;
- (D) The K-12 system;
- (E) Local colleges/universities.

(ii) Adult Education. Applicants must demonstrate a commitment to implement and form a strategic partnership with an entity or entities that implement a high quality, comprehensive adult education program which has a demonstrated record of helping participants achieve improvements in numeracy and literacy skill levels (i.e., reading, writing, computer literacy, English language acquisition); placement and retention in or completion of postsecondary education, training, unsubsidized employment, or career advancement; and/or receipt of a secondary school diploma or its recognized equivalent. Activities of the program include assisting adults in becoming literate and in obtaining the knowledge and skills necessary for employment and self-sufficiency, assisting adults who are parents to obtain the educational skills necessary to participate fully in the educational development of their children, and assisting adults in the completion of a secondary school education. Examples of strategic partners include, but are not limited to the following:

- (A) Local colleges/universities;
- (B) Vocational/trade institutions;
- (C) The K-12 system;
- (D) Local programs that have a demonstrated record as described above.

(iii) Job Training. Applicants must demonstrate a commitment to implement and form a strategic partnership with an entity or entities that implement a job training program consisting of the following critical elements: (a) a focus on skill and competency needs of high-growth/high-demand industries that are locally defined in the context of the regional economy; (b) strategic partnerships; (c) industry-driven training efforts; (d) leveraged resources; (e) achievement of clear and specific outcomes; and (f) integration with regional economic and talent development strategies. Examples of strategic partners include, but are not limited to the following:

- (A) Community colleges;
- (B) The workforce investment system, which may include State and Local Workforce Investment Boards, State Workforce Agencies, and One-Stop Career Centers and their cooperating partners;
- (C) Business and industry;
- (D) The continuum of education, including the K–12 system, adult education, and four-year colleges and universities;
- (E) Other local programs that implement the critical elements described above.

(iv) Applicants will receive 15 points if they have letters of commitment, if the letters of commitment detail the role each partner (including the PHA) will play in the project, including the specific responsibilities and resources committed and the duration of the partnership, and if the letters indicate that the PHA and its partner(s) have significant experience in projects of a similar nature to the proposed facility.

(v) Applicants will receive 8 points if they have letters of commitment, if the letters of commitment detail the role each partner (including the PHA) will play in the project, including the specific responsibilities and resources committed and the duration of the partnership, and if the letters indicate that the PHA and its partner(s) have some experience in projects of a similar nature to the proposed facility.

(vi) Applicants will receive 0 points if they have no letters of commitment that detail the role each partner (including the PHA) will play in the project, including the specific responsibilities and resources committed.

(b) An additional point will be given to applicants for *Involving Resident Associations and/or Resident Advisory Boards in the delivery of services (1 point)*. Applicants will also be evaluated on whether they propose to work with Resident Associations (RAs) and/or Resident Advisory Boards (RABs) throughout the life of the grant. In order to receive points for this subfactor, applicants explain how RAs and/or RABs will be involved in the planning and/or delivery of program services. At a minimum, applicants explain that they will confer with RAs and/or RABs to ensure that the programs they are delivering continue to reflect the needs and interests of residents. Applicants are reminded that the programs and activities in their proposal shall demonstrate meaningful access to LEP individuals in accordance with Executive Order No. 13166, 65 Fed. Reg. 50, 121 (2000) and provide effective communication for persons with disabilities in accordance with Section 504 of the Rehabilitation Act of 1973 and 24 CFR 8.6.

Applicants will receive 1 point if they demonstrate that RAs and/or RABs will be involved in the planning and delivery of program services throughout the grant term, OR if they

show that RAs and/or RABs will be involved in either planning or delivery of program services throughout the life of the grant, OR if they show that they will confer with RAs and/or RABs throughout the life of the grant. Applicants will receive 0 points if none of these criteria are addressed.

(c) Feasibility (**Up to 5 points**).

(i) Timeliness (**Up to 2 points**). This subfactor evaluates whether applicant's operational plan demonstrates that the proposed services will be ready to be implemented shortly after development activities are completed, but not to exceed three months following the completion of development.

(A) Applicants will receive 2 points if the operational plan demonstrates that the proposed services will be ready to be implemented within three months of the project completion date.

(B) Applicants will receive 0 points if the development schedule demonstrates that the proposed services will not be ready to be implemented within three months of the project completion date.

(ii) Access to Resources (**Up to 3 points**). Applicants will be evaluated based on whether their application has access to and commits funds commensurate with the level of effort necessary to accomplish their goals and anticipated results.

(A) Applicants will receive 3 points if expenses are reasonable, thoroughly explained, support the objectives of the proposal, and the funding available for operations is commensurate with the level of effort necessary to accomplish the goals.

(B) Applicants will receive 1 point if the expenses support the objectives of the proposal but are not fully explained or funding does not fully support the level of effort necessary to accomplish the proposal's goals.

(C) Applicants will receive 0 points if expenses are not reasonable and/or the funds for operation of the community facility are not commensurate with the level of effort necessary to accomplish the proposal's goals.

(d) Service Coordinator (**1 Point**). Applicants will receive 1 point if they have a service coordinator (i.e., FSS or ROSS) on staff as of the date of submission of the application.

(5) Policy Priorities (Maximum 5 Points) HUD's policy priorities support its Strategic Plan for FY 2010-2015. For a full discussion, please see the General Section. This NOFA supports the following policy priorities:

(a) Sustainability (**Up to 2 points**).

(i) HUD's Strategic Plan calls for a priority to be placed on investments that build inclusive and sustainable communities. To the Department, sustainability means ensuring that the land that we build on is clean or will be clean; the investments we make in neighborhoods help residents lead healthy, safe, affordable, and productive lives; the buildings we invest in are energy efficient and healthy; and the regions we support are economically strong and provide opportunities for all residents to join in that strong future. This focus applies to all of HUD's programs, in all types of places – urban, suburban and rural communities – and at all scales of investment – regions, cities, neighborhoods, and buildings. Recognizing the fundamental role that HUD's investments play in defining the physical form of communities and the quality of life

of residents, HUD seeks to encourage its grantees to do their part to help communities embrace a more sustainable future.

(ii) Applicants will receive **1 point** by demonstrating how they will improve residents' health and safety, particularly those of children and other vulnerable populations, by promoting green and healthy design, construction, rehabilitation, and maintenance of housing and communities, and by reducing energy consumption in the design and operation of the community facility. To receive this point, applicants must demonstrate clearly how they will incorporate the following with respect to the proposed project:

(A) For new or substantially rehabilitated facilities built or renovated with this grant that meet one or more of the green building or green neighborhood design standards identified in the General Section

OR

(B) For moderate rehabilitation projects that include energy efficient, green, and health construction and maintenance practices that include Energy Star qualified and products and other energy efficient and/or green measures, to be specified in the application, that result in an improvement of energy efficiency by at least 20 percent over previous consumption.

(iii) Applicants will receive **1 point** by incorporating strategies and investments that represent cutting-edge efforts to move toward environmental, economic, and social sustainability. To receive this point, applicants must demonstrate clearly how they will incorporate at least two of the following strategies with respect to the proposed project:

(A) Include the use of climate resilient and disaster resistant building design, construction, and siting.

(B) Demonstrate incorporation of the Partnership for Sustainable Communities' Livability Principles into plans and policies for metropolitan regional plans, neighborhood plans, infrastructure investments, and site plans and architectural plans so that resulting development or reuse of property is consistent with sustainable development and the Livability Principles. (See Overview Section of the General Section.)

(C) Incorporate Universal Design in the construction or rehabilitation of 100% percent of the proposed community facility.

(D) Provide evidence of activities to ensure the participation and engagement of resident authority and resident councils.

(iv) If selected for a grant and receiving points for this priority, applicants report outcomes associated to achieving sustainable plans and development, as applicable to the purpose and intent of this funding opportunity.

(b) Job Creation/Employment-Economic Opportunities for Low- and Very Low-Income Persons (Section 3) and Workforce Investment Boards (**Up to 3 points**).

(i) **Beyond Section 3 (Up to 2 Points)**. HUD seeks to fund grantees that undertake activities to create jobs and further local economic development, particularly for low-income populations and communities. These activities should be more comprehensive than those

required to meet HUD's Section 3 requirements. Some of the strategies grantees might focus on, as described in HUD's Strategic Plan, include:

(A) Improving access to job opportunities through information sharing, coordination with federal, state, and local entities, and other means (Subgoal 3C);

(B) Increasing access to job training, career services, and work, supports through coordination with federal, state, and local entities (Subgoal 3C); and

(C) Expanding economic and job creation opportunities for low-income residents and creating better transportation access to those jobs and other economic opportunities by partnering with federal and nonprofit agencies, private industry, and planning and economic development organizations and by leveraging federal and private resources (Subgoal 4A).

Of particular interest is a focus on access to skills training and partnerships with community-based organizations to develop pathways to career-ladders for low-income populations. Beyond creating construction, housing production, and green industry jobs for low-income residents, applicants should focus efforts on providing mechanisms to ensure that low-income populations have long-term access to the new opportunities created. HUD is interested in creating sustainable community benefits for low-income residents of HUD-assisted housing.

HUD seeks to measure successful outcomes beyond just the number of jobs created. HUD emphasizes the importance of skills-training access and long-term (12 to 24 months) job retention strategies, along with the numbers of persons who are in long-term employment career ladders resulting from grant activities. To receive policy priority points, grantees will be expected to identify anticipated outcomes such as:

- Organizational partnership capacity-building and sustainability planning: Identify the linkages grantees intend to undertake with local workforce investment boards; one-stop career centers; business associations; community-based organizations, including faith-based organizations; labor unions; private developers; philanthropy; and/or nonprofit intermediaries to ensure that any ongoing jobs created by the HUD-funded project continue to be available to low-income populations. Identify existing government funding streams and new funding streams developed through public-private collaboration.
- Quality and career potential of jobs created: Identify the types of jobs that trainees and career ladder jobs residents were being trained to obtain, the courses or training offered, and the duration of the training for each course and of the training period as a whole. Identify the number of low-income persons expected to be trained and to attain the skills needed to obtain a job, and of those jobs the number that were career-ladder jobs during the period of performance of the award, and including the number of residents expected to retain the jobs during the period of performance and for a 12 to 24 month period after the period of performance under the award. Full Time Equivalent Employment is based upon a 40 hour work week. The report should also include the average income per job attained. Identify job quality standards and career paths developed to improve wages and benefits for low-wage and low-skilled workers.

- Support services and retention: Identify the number and types of supportive services provided to the residents to enable them to obtain the training, obtain and retain the jobs created, or employment opportunity provided through linkages created under the HUD award.
- Minority- and women-owned business creation: Identify any “employee-owned” business models developed to foster minority and women owned business development.

(ii) Partnership with Workforce Investment Board and Other Organizations, **1 Point**
Strong partnership between a PHA and its area Workforce Investment Board (WIB) can have a significant positive impact on assisting public housing residents to prepare for and to gain employment. Applicants may meet **either** of the actions below to receive 1 point.

(A) Workforce Investment Board (**1 point**)

(i) Applicants will receive 1 point if applications certify that the PHA has a letter of commitment (or other commitment document if available, including MOU or interagency cooperation agreement, for example) which firmly commits both the area WIB and the PHA to work together to facilitate the connection of public housing residents to employment opportunities and training. The WIB must have the necessary capacity to facilitate successfully the connection of public housing residents to employment opportunities and training. The letter of commitment (or other commitment document) must be kept on file by the applicant.

(ii) Applicants will receive 0 points if the application does not certify that the PHA has a letter of commitment (or other commitment document), in accordance with the terms of (i) above.

(B) Other Organizations (**1 point**)

(i) Applicants will receive 1 point if applications certify that the PHA has a relationship(s) with other organizations (e.g., community-based organizations, faith-based organizations, service providers, and community colleges) that are equipped to help facilitate the connection of public housing residents to employment opportunities and training. The other organizations must have the capacity to facilitate the successful connection of public housing residents to employment opportunities and training. Evidence of this relationship(s) must be kept on file by the applicant.

(ii) Applicants will receive 0 points if the application does not certify that the PHA has a relationship(s) with other organizations that are equipped to help facilitate the connection of public housing residents to employment opportunities and training, in accordance with the terms of (i) above.

d. Leveraging Resources (Maximum 5 Points)

(1) Leverage (Cash) (**Up to 5 points**). Applicants must have committed cash or cash equivalent sources, such as other governmental cash resources, including HUD sources, loans, and fees earned by a PHA’s Central Office Cost Center (COCC). Leverage does not include in-kind services or commitments or donations of land. Please note that commitments of public housing funds, or requirements of this NOFA for use of public housing funds such as Operating Fund, ROSS, or combined MTW funds, may not be counted in the leverage. Leverage must

equal at least 5 percent of the amount requested in this grant application. The 5 percent leveraged funds is a threshold requirement. Applicants who do not demonstrate a minimum 5 percent in leveraged funds will fail the threshold requirement and will not receive further consideration for funding. The leveraged funds must comply with the definition of firmly committed and the allowable conditions described in Section III.C., “Threshold Requirements”.

(a) Leveraging in excess of 5 percent of the requested grant amount will receive a higher point value, as follows:

Percentage of Leveraged Funds	Points Awarded
At least 5.0% but \leq 6.0%	0 points
Greater than 6.0% but \leq 15.0%	1 point
Greater than 15.0% but \leq 25.0%	2 points
Greater than 25.0% but \leq 50.0%	3 points
Greater than 50.0% but \leq 75.0%	4 points
Greater than 75.0%	5 points

(b) Points will be awarded based on demonstrated evidence of firm commitments.

e. Achieving Results and Program Evaluation (Up to 10 points)

(1) Applicants will receive points for this factor based on the submission of the Logic Model. The Logic Model is a tool that integrates program operations and program accountability. It links program operations (mission, need, intervention, projected results, and actual results) and program accountability (measurement tool, data source, and frequency of data collection and reporting, including personnel assigned to function). Applicants/grantees use it to support program planning, monitoring, evaluation, and other management functions. Applicants refer to Section V.A.1.c. of the General Section for details about the Logic Model.

(2) HUD uses the Logic Model and its electronic version, the eLogic Model®, to capture an executive summary of the application submission in data format, which HUD uses to evaluate the attainment of stated applicant goals and anticipated results. HUD also uses the data for policy formulation.

(3) Applicants may receive up to 10 points for the Logic Model submission.

f. Occupancy (Up to 4 points)

(1) Applicants will receive 4 points if their aggregate occupancy percentage in the Inventory Management System (IMS)/Public Housing Information System (PIC) as of the most recent end of month prior to the application deadline date is 96.0 percent or more.

(2) Applicants will receive 2 points if their aggregate occupancy percentage in the Inventory Management System (IMS)/Public Housing Information System (PIC) as of the most recent end of month prior to the application deadline date is at least 93.0 percent but less than 96.0 percent

(3) Applicants will receive 0 points if their aggregate occupancy percentage in the Inventory Management System (IMS)/Public Housing Information System (PIC) as of the most recent end of month prior to the application deadline is less than 93.0 percent. The Capital Fund website will post the percent occupied for each PHA for each month end after the NOFA is published.

g. BONUS Points

(1) Preferred Sustainable Communities Status Bonus Points. (up to 2 points)

HUD will award 2 bonus points to applicants working with the Preferred Sustainability Status recipients of the HUD FY2010 Sustainable Communities Regional Planning Grant Program and the FY2010 HUD funded Challenge Grant Program grantees (hereafter referred to as the Preferred Sustainability Status Communities) in the following ways:

- (1) The applicant is engaged in activities, that in consultation with the designated Point of Contact of the HUD designated Preferred Sustainability Status Communities, further the purposes of the regional planning grant program; and
- (2) The applicant's proposed activities either directly reflect the Livability Principles cited and contained in HUD's General Section to the FY2011 NOFAs or will result in the delivery of services that are consistent with the goals of the Livability Principles; and
- (3) The applicant has committed to maintain an on-going relationship with the HUD Preferred Sustainability Status Communities for the purposes of being part of the planning and implementation processes in the designated area.

To be eligible to receive bonus points, an applicant is required to obtain a certification from the Designated Point of Contact for designated Preferred Sustainability Status Community using form HUD2995 which verifies that the applicant has met the above criteria. The form will certify the nexus between the proposed activities of the applicant and the Livability Principles as they are being advanced in the Preferred Sustainability Status Communities. It must be signed and dated anytime from the date of the publication of the funding opportunity on www.Grants.gov to the deadline date of the funding opportunity. Any certifications signed before or after those dates will not be acceptable.

If the applicant is from the agency that holds Point of Contact status in a particular Preferred Sustainability Status Community, it must be certified by the appropriate HUD Regional Administrator in consultation with field staff. For ease of reference in this notice, all of these federally designated areas are collectively referred to as PSS communities.

(2) RC/EZ/EC-II (Up to 2 points). HUD will award two bonus points to each application that includes a completed form HUD2990 certified by the Executive Director of the EZ/EC or Chair of the governing body of the EZ/EC that the proposed activities/projects in the application further or support the strategic plan for an empowerment zone (EZ) that was designated by HUD or the U.S. Department of Agriculture (USDA); the tax incentive utilization plan for an urban or rural renewal community that was designated by HUD (RC); or the strategic plan for an enterprise community that was designated in round II by USDA (EC-II); and that the proposed activities/projects will be conducted within the RC/EZ/EC-II identified above and are intended to serve the residents. For the purposes of receiving bonus points, the applicant organization is not

required to set up an office within the EZ/EC but must conduct specific activities within the EZ/EC and those activities must benefit the residents of the EZ/EC. To receive the points, the form must be signed and dated anytime from the date of the publication of the funding opportunity on Grants.gov to the deadline date of the funding opportunity. Any certifications signed before or after those dates will not be acceptable. For ease of reference in this notice, all of the federally designated areas are collectively referred to as “RC/EZ/EC-IIs” and residents of any of these federally designated areas as “RC/EZ/EC-II residents.” The individual funding announcements will indicate if the bonus points are available under the program. Applicants can obtain a list of RC/EZ/EC-IIs from HUD’s grants webpage at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>. Applicants can determine if their program or project activities are located in one of these designated areas by using the locator on HUD’s website at <http://egis.hud.gov/egis/>.

B. Review and Selection Process

1. Rating and Ranking. Please refer to the FY2011 **General Section** for information related to Adjustments to Funding.

a. Applications that meet all of the threshold requirements will be eligible to be scored and ranked, based on the total number of points allocated for each of the rating factors described in Section V.A of this NOFA.

b. The scoring criteria to be used to award the maximum points for this NOFA are based on how fully and thoroughly applicants answer each item listed in each Rating Factor.

c. If applications receive the identical score after rating and ranking and funds are not available for all applications that are tied, then HUD will fund the applications in the order of their score in V.2.c. Soundness of Strategy and Approach. If applications are still tied, then HUD will fund the applications in order of their score in V.2.a. Capacity of the Applicant. If applications are still tied, then HUD will fund the applications in order of their score in V.2.b. Need. If applications are still tied, then HUD will fund the applications in order of their score in V.2.d. Leveraging. If applications are still tied, then HUD will fund the applications in order of their score in V.2.f. Occupancy. If applications are still tied, then HUD will fund the applications in order of their score in V.2.e. Achieving Results and Program Evaluation. If applications are still tied, then HUD will fund the applications in order of their score in V.2.g. BONUS Points. If after using the tie-breaking criteria above, there still remain applications of identical scores and the remaining funds are insufficient to fund all of them, then HUD will conduct a lottery among those applications to determine which application(s) will be funded unless the applications that are tied are from the same PHA, in which case HUD will apply the priority order supplied by the PHA in its narrative.

VI. Award Administration Information:

A. Award Notices

1. Applicants will receive notification from HUD indicating whether or not their applications were funded.

2. For funded applications, the ACC amendment shall serve as the obligating document. Unsuccessful applicants will be notified within 30 days of the announcement of the awards.
3. Award notices may also include requirements for subaward reporting in compliance with the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006. (Pub. L. 109-282) (Transparency Act) and Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), referred to as “Section 872”.
4. Adjustments to Funding. HUD will not fund any portion of any application that is not eligible for funding under this program, does not meet the requirements of this NOFA, or may be duplicative of other funded programs or activities. Only the eligible portion of the application will be funded.

B. Administrative and National Policy Requirements

1. Statutory Time Limits-Obligation and Expenditure of Funds: The obligation and expenditure requirements found at section 9(j) of the Act regarding the obligation and expenditure of funds apply.
2. PHAs must obligate 90 percent of the funds awarded under this NOFA within 24 months of the date on which funds become available to the PHA for obligation (which is the effective date of the ACC amendment). If a PHA fails to comply with the obligation requirement, HUD will recapture all remaining unobligated funds awarded to the PHA.
3. PHAs must expend 100 percent of the grant funds within 48 months of the date funds are made available. If a PHA fails to comply with the expenditure requirement, HUD will recapture all remaining funds awarded to the PHA.

4. Environmental Requirements.

- a. HUD Approval. HUD notification that an applicant has been selected to receive a CFCF grant constitutes only preliminary approval. Grant funds may not be released under this NOFA (except for activities that are excluded from environmental review under 24 CFR part 58 or part 50) until the responsible entity, as defined in 24 CFR 58.2(a)(7), completes an environmental review and the applicant submits and obtains HUD approval of both a request for release of funds and the responsible entity’s environmental certification, in accordance with 24 CFR part 58 (or HUD has completed an environmental review under 24 CFR part 50, where HUD has determined to conduct the environmental review).
- b. Responsibility. If an applicant is selected for funding and an environmental review has not been conducted on the targeted site, the responsible entity must assume the environmental review responsibilities for projects being funded by CFCF. If an applicant objects to the responsible entity conducting the environmental review, on the basis of performance, timing, or compatibility of objectives, HUD will review the facts and determine who will perform the environmental review. At any time, HUD may reject the use of a responsible entity to conduct the environmental review in a particular case on the basis of performance, timing, or compatibility of objectives, or in accordance with 24 CFR 58.77(d)(1). If a responsible entity objects to performing an environmental review, or if HUD determines that the responsible entity

may not perform the environmental review, HUD may designate another responsible entity to conduct the review or may itself conduct the environmental review in accordance with the provisions of 24 CFR part 50. An applicant must provide any documentation to the responsible entity (or HUD, where applicable) that is needed to perform the environmental review.

c. Phase I and Phase II Environmental Site Assessments. If an applicant is selected for funding, the applicant must have a Phase I environmental site assessment completed in accordance with the ASTM Standards E 1527-05, as amended, for each affected site. A Phase I assessment is required whether the environmental review is completed under 24 CFR part 50 or 24 CFR part 58. The results of the Phase I assessment must be included in the documents that must be provided to the responsible entity (or 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.

d. Request for Release of Funds. The applicant, and any participant in the development process, may not undertake any actions with respect to the project that are choice-limiting or could have environmentally adverse effects, including demolishing, acquiring, rehabilitating, converting, leasing, repairing, or constructing property proposed to be assisted under this NOFA, and the applicant, and any participant in the development process, may not commit or expend HUD or local funds for these activities, until HUD has approved a Request for Release of Funds following a responsible entity's environmental review under 24 CFR part 58, or until HUD has completed an environmental review and given approval for the action under 24 CFR part 50. In addition, the applicant must carry out any mitigating/remedial measures required by the responsible entity (or 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.

e. If the environmental review is completed before HUD approval of the CFCF grant and the applicant submitted a Request for Release of Funds (RROF), the CFCF grant approval letter shall state any conditions, modifications, prohibitions, etc., required as a result of the environmental review, including the need for any further environmental review. The applicant must carry out any mitigating/remedial measures required by HUD, or select an alternate eligible property, if permitted by HUD. If HUD does not approve the remediation plan 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.

f. If the environmental review is not completed and the applicant has not submitted the RROF before HUD approval of the CFCF grant, the letter approving the CFCF grant will instruct the applicant and any participant in the revitalization process to refrain from undertaking, obligating, or expending HUD or non-HUD funds on physical activities or other choice-limiting actions until HUD approves the RROF and the related certification of the responsible entity (or HUD has completed the environmental review). The supplemental submissions approval letter also will advise the applicant that the approved supplemental submissions may be modified on the basis of the results of the environmental review.

g. There must not be any open issues or uncertainties related to environmental issues, public policy factors (such as sewer moratoriums), proper zoning, availability of all necessary utilities, or clouds on title that would preclude development in the requested locality. The applicant will certify to these facts when signing the CFCF Grant Application Certifications.

h. HUD's environmental website is located at <http://www.hud.gov/offices/cpd/environment/index.cfm>.

i. Lead-Based Paint Requirements.

(1) Residential sites. The rehabilitation, repair, painting (RRP), or other build-out of a building that is located in or on a pre-1978 residential property, whether public, assisted, or private housing (e.g., the facility will be in a pre-1978 house or apartment building, in an outbuilding on a pre-1978 housing property (unless the outbuilding was first constructed after 1977)), is subject to the Lead Safe Housing Rule, specifically 24 CFR, subparts A, B, J, and R (see <http://www.hud.gov/offices/lead/enforcement/lshr.cfm>), and the Environmental Protection Agency's (EPA's) RRP rule, found within 40 CFR 745 (see <http://www.epa.gov/lead/pubs/renovation.htm>).

(2) Non-residential sites. The rehabilitation, repair, painting, or build-out of a pre-1978 building that is not a residential property (e.g., the building is a pre-1978 office building or a pre-1978 storefront) that will be used for early education (specifically, including children under age 6), and/or will include a child care center which children under age 6 can attend, is covered by the EPA's RRP Rule.

C. Reporting. Reports shall comply with the FY2011 General Section. The following items are a part of the program related reporting requirements.

1. Successful applicants will be required to submit annual and final program and financial reports. Specific guidance and additional details will be provided to successful applicants. For each reporting period, as part of the required report to HUD, a grant recipient must include a completed Logic Model (Form HUD96010), which identifies output and outcome achievements. Project benchmarks and milestones will be tracked using a benchmark spreadsheet (Form HUD96008) that uses the benchmarks and milestones identified in the Logic Model (Form HUD96010) approved and incorporated into the award agreement. HUD requires that funded recipients collect racial and ethnic beneficiary data. HUD has adopted the Office of Management and Budget's Standards for the Collection of Racial and Ethnic Data. In view of these requirements, funded recipients use form HUD 27061, Racial and Ethnic Reporting form, which can be found on www.HUDclips.org.

2. Recipient Reporting to Meet the Requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006 (FFATA), as amended.

(a) **Prime Awardee Reporting.** Prime recipients of HUD financial assistance are required to report subawards made either as pass-through awards, subrecipient awards, or vendor awards in the federal government-wide website www.fsr.gov or its successor system.

Starting with awards made October 1, 2010, prime financial assistance awardees receiving funds directly from HUD are required to report subawards and executive compensation

information both for the prime award and subawards, including awards made as pass-through awards or awards to vendors, where both the initial award is \$25,000 or greater or the cumulative award will be \$25,000 or greater if funding incrementally as directed by HUD in accordance with OMB guidance. The reporting of award and subaward information is in accordance with the requirements of Federal Financial Assistance Accountability and Transparency Act of 2006, as amended by section 6202 of Public Law 110-252, hereafter referred to as the “Transparency Act” and OMB Guidance issued to the Federal agencies on September 14, 2010 (75 FR 55669) and in OMB Policy guidance. The prime awardee will have until the end of the month plus one additional month after a subaward or pass-through award is obligated to fulfill the reporting requirement. The Transparency Act requires the creation of a public government-wide website in which the following subaward data will be displayed:

- (1) Name of entity receiving award;
- (2) Amount of award;
- (3) Funding agency;
- (4) North American Industry Classification System (NAICS) code for contracts/CFDA program for financial assistance awards;
- (5) Program source;
- (6) Award title descriptive of the purpose of the funding action;
- (7) Location of the entity (including Congressional district);
- (8) Place of Performance (including Congressional district);
- (9) Unique identifier of the entity and its parent; and
- (10) Total compensation and names of top five executives.

For the purposes of reporting into the FFATA Subaward Reporting System (FSRS) reporting site, the unique identifier is the DUN and Bradstreet Universal Numbering System (DUNS) number the entity has obtained from Dun and Bradstreet, and for Prime awardees the DUNS number registered in the Central Contractor Registration as required by HUD regulation 24 CFR 5.1004.

(b) Prime Awardee Executive Compensation Reporting. Prime awardees must also report in the government-wide website the total compensation and names of the top five executives in the prime awardee organization if:

- (1) More than 80% of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and
- (2) Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC.)

(c) Subaward Executive Compensation Reporting. Prime awardees must also report in the government-wide website the total compensation and names of the top five executives in the subawardees, pass-through, or vendor organization if:

- (1) More than 80% of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and
- (2) Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC).

(d) Transparency Act Reporting Exemptions. The Transparency Act exempts any subawards less than \$25,000 made to individuals and any subawards less than \$25,000 made to an entity whose annual expenditures are less than \$300,000. Subawards with a cumulative total of \$25,000 or greater are subject to subaward reporting beginning the date the subaward total award amount reaches \$25,000. Any other exemptions to the requirements must be approved by the Office of Management and Budget.

3. Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for fiscal Year 2009. Grantees are expected to comply with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), hereafter referred to as “Section 872.” Section 872 requires the establishment of a government-wide data system to contain information related to the integrity and performance of entities awarded federal financial assistance and making use of the information by federal officials in making awards. It is anticipated that the federal data system will be known as the Federal Awardee Performance and Integrity Information System (FAPIIS). Only federal officials and the entity will be able to view the information in the FAPIIS system.

Further, each recipient of federal funds with a cumulative value greater than \$10 million and the direct (i.e., first-tier) subrecipients would be required to report to the FAPIIS system. The data collection requirements include information about certain civil judgments, criminal convictions, and outcomes of administrative proceedings that reached final disposition within the most recent 5-year period and were connected with the award or performance of a federal or state award. Recipients and first-tier subrecipients must report information at least semi-annually to maintain the currency of the information. Section 872 also requires that an entity be allowed to submit comments to the data system about any information that system contains about the entity. Use of the FAPIIS system requires a DUNS number and current valid registration in the CCR for HUD awardees and first-tier subrecipients.

Prior to making a funding decision, the federal official authorized to make the award is required to determine whether the entity is qualified to receive an award, taking into consideration any information about the entity that is in the data system. OMB is in the process of issuing regulations regarding federal agency implementation of Section 872 requirements. A proposed rule was published in the Federal Register on February 18, 2010, by OMB seeking public comments no later than April 19, 2010.

HUD’s terms and conditions to its FY2011 awards will contain requirements related to meeting FFATA Subrecipient Reporting and Section 872 requirements.

VII. Agency Contacts. Before the application deadline date, HUD staff will be available to provide general guidance and technical assistance. However, HUD staff is not permitted to assist in preparing an application. If a PHA has a question or needs clarification, its staff may contact the Office of Capital Improvements by sending an email message to PIHOCI@hud.gov or by calling Jeffrey Riddel at 202-708-1640. Any technical corrections will be published in the Federal Register and posted to <http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm>, which will link to the Office of Capital Improvements website. Frequently asked questions will

be posted on <http://www.hud.gov/offices/pih/programs/ph>, which will link to the Office of Capital Improvements website.

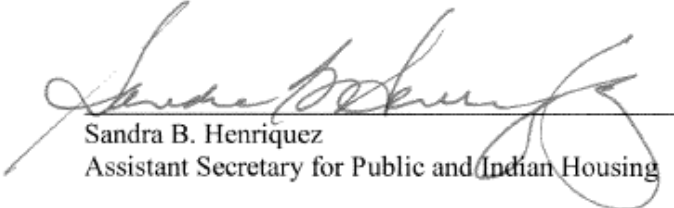
VIII. Other Information:

A. Paperwork Reduction Act. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0268. 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 currently valid OMB control number. Public reporting burden for the collection of information is estimated to average 80 hours to prepare the application, 16 hours to finalize the grant agreement, and 16 hours per annum for grant administration (progress reporting) per respondent. This includes the time for collecting, reviewing, and reporting the data for the application, quarterly reports, and final report. The information will be used for awardee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

B. Environmental. 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 public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10276, Washington, DC 20410-0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the FONSI must be scheduled by calling the Regulations Division at (202) 708-3055 (this is not a toll-free number).

C. HUD Reform Act. Applicants must comply with the requirements for funding competitions established by the HUD Reform Act of 1989 (U.S.C. 3531 et seq.) and other requirements as defined in the General Section.

Dated: 05/18/2011


Sandra B. Henriquez
Assistant Secretary for Public and Indian Housing

[FR-5500-N-05]