

# Questions from Choice Neighborhoods Webcast, June 3, 2011

## QUESTIONS ANSWERED ON WEBCAST

**How is HUD planning to get Choice Neighborhoods sites connected so they can share their learning with peers about the planning and implementation activities, practices and challenges?**

**Does HUD plan to establish tools to further the capacity building of grantees in place-based comprehensive neighborhood revitalization, such as grantee clinics and webcast presentations?**

As we launch the grant management process with our new Planning Grantees, this is something we are focusing a lot of attention on. Immediately coming up in July, there is a Neighborhood Revitalization Initiative conference open to the public that we have made sure to invite all of our Planning Grantees to. More informally, among the HUD staff grant management team and grantees, we are going to make sure we establish connections when common traits and questions exist among our sites. We are also going to procure a technical assistance provider that can help us with the capacity building element. Additionally, we plan to have a Choice Neighborhoods conference, probably in the winter of 2012 to help foster those connections.

**Can you talk about the evaluation that will be performed on the Choice Neighborhoods Initiative and what sites should anticipate?**

**How will HUD's Policy Development and Research (PD&R) team be engaged?**

**Will we continue to measure sustained positive effects of the Choice Neighborhoods grant after the grant is closed out?**

We believe that evaluation of the program is absolutely essential. Choice Neighborhoods brings together many of the most innovative ideas, as well as the ideas that have been proven out in the field thanks to the rigorous evaluations that have happened in the last decade or two. It is essential that Choice Neighborhoods also capture the learning and innovation that is happening all around the country. As a result, we were able to secure funding for the Choice Neighborhoods evaluation internally, and we are currently in the process of procuring an evaluator to conduct that evaluation. There will be a three-year initial term on that evaluation, but we will be looking to renewing and continuing that evaluation down the line to assess the long-term impacts. We understand that the impact that you would expect to see as a result of an intervention like Choice Neighborhoods are not going to be first day or second day impacts, but we do expect to see strong initial outcomes as we go along. We will also be conducting a process evaluation to ensure that we are able to share the learning that is happening at all these sites with the other practitioners around the country.

In addition, we are asking all the grantees to evaluate their programs as well. We expect that during the grant process, as well as long afterwards, grantees are going to be measuring and tracking the difference that Choice Neighborhoods made for that community.

**Do you have any advice/guidance that we can give PHAs that strive to have well functioning properties (and therefore receive adequate REAC scores), but nonetheless have a crumbling public housing infrastructure?**

**Additionally, are there tools that fit a neighborhood that has minor crime and a good school system but crumbling public housing infrastructure?**

This is a case where a housing authority has a property that is in need of repair, but does not meet the distress definition under the HOPE VI and Choice Neighborhoods definition and is situated in a neighborhood that is fairly well off. What other tools are available? From a public housing point of view, housing authorities receive their capital funds each year, which would be your first type of funding source to look at. Then that can be leveraged through the capital fund financing program, where housing authorities can use that capital fund as collateral for either loans or bonds so that they can secure funding to do the rehabilitation work.

It sounds like Choice Neighborhoods is not the best fit for this particular situation and there are other tools that can address the moderate needs that this property has. Aside, from the capital funding, there are also other proposals the department has, including the Rental Assistance Demonstration program. We have always conceived the Choice Neighborhoods program as one arrow in the quiver of a group of tools that are needed to help both public housing and other kinds of assisted housing. The department's efforts around the Rental Assistance Demonstration program are meant to complement Choice Neighborhoods, particularly for the kind of properties that this questioner just raised. The demonstration is a way to enable housing authorities to leverage other funding by essentially trading in some of their operating dollars for something that looks a lot like project-based section 8. This could then leverage funding, and also tap into other resources like low income housing credits if that level of rehabilitation, for example, is necessary. That is why the President's FY 2012 budget includes a \$200 million rental assistance demonstration program to test a variety of ideas along these lines, in terms of leveraging private capital to help meet the fiscal needs of some properties.

**Is a neighborhood only eligible if HUD houses are in distress? The HUD houses in our community are not distressed but the surrounding neighborhood is.**

To receive a Choice Neighborhoods planning or Implementation Grant, yes, the neighborhood does need to have distressed public housing or the distressed assisted housing that Carol talked about in the presentation earlier. There does need to be a public housing or specific housing development that is distressed in order to be eligible for Choice Neighborhoods.

**It is often difficult for rural communities to compete with urban applications in national competitions. Will you be creating a set-aside for rural communities, and if not, do you see a place for rural communities in this program?**

Yes, we are continuing with the preference categories for the FY 2011 Planning Grant NOFA, such that up to two applications will be eligible for this set aside for rural programs. One of the reasons we are doing that is because we want to encourage the type of neighborhood comprehensive planning happening in rural jurisdictions. We know that there are distressed sites in these locations, but often in

rural communities, there is additional capacity building that is needed. These Planning Grants are targeted to do that and to meet communities where there are. As such, as part of the planning process, communities can hire experts in their field as a planning coordinator to be able to assist them in the planning process for turning around their distressed property and neighborhood.

**If a grant includes the development of public and/or assisted housing, does it also have to include development of other affordable or market rate housing?**

**Can you provide some clarification in regards to investments of private property, abandoned housing or vacant lots?**

The answer to the first question is technically no. We do not require the grantees to include multiple housing projects that would be beyond the assisted or public housing. But what we find in a lot of neighborhoods of concentrated poverty are problems of distress and blight that are not specific to just that federally assisted stock. Putting together a neighborhood transformation plan that ignores the other blighted stock and the other distressed housing across the street or down the street would probably serve to dilute the impact of that application. What we tend to see are folks looking at it more holistically. They look at it as ways to invest Choice Neighborhoods funds, not just into public and assisted housing, but to use some of the planning and implementation monies around the housing, whether it is vacant lots or distressed housing, privately owned, assisted housing or tax credit housing, that may be around the corner or down the street.

**Can we submit both a planning and implementation grant for distinct but adjoining neighborhoods?**

The answer is yes, you can submit each type of application for different neighborhoods, but you are not able to submit both types of applications for the same neighborhood.

**Is it possible to receive funding to remove blight from the community by boarding up vacant properties, restoring salvageable properties, converting abandon buildings into office spaces or some other type of economic venture?**

Under the Choice Neighborhoods program, there are a lot of different eligible activities. As long as you are starting with a focus on the revitalization of severely distressed public housing or assisted housing, those types of improvements are an eligible use of the funds. So long as the first part is met, there are a variety of activities that you can use our funding for.

**What type of companies/organizations can benefit from the Choice Neighborhoods Initiative?**

The focus of the grant is to benefit the people that live in the distressed public housing development and assisted development and the broader neighborhood. That really is the focus of the grant, but there will be spillover accomplishments and economic activity that will take place. Because of this spillover we envision that there will be neighborhood organizations and businesses in that community that will be able to benefit from the neighborhood transformation that occurs. But first and foremost, the impact should be on the people that are living in that neighborhood.

**Can you clarify the concept of mixed-income neighborhoods?**

**In formulating our implementation grant we wish to invest in people and neighborhood assets by integrating contrasting adjoining neighborhoods of economic income (poverty/middle class) with our public and assisted housing.**

The concept of mixed income housing is that as a result of the grant be awarded, communities will be able to transform neighborhoods of poverty into neighborhoods in which there is a range of different developments and income levels as part of that neighborhood. If there are adjoining neighborhoods, one that is relatively poor and the other one that is middle class, the Choice Neighborhoods grant would need to target the distressed poverty neighborhood. That would be the focus of the grant, but hopefully there would be synergies and overlap and interaction with that adjoining middle income neighborhood, so that the assets that are contained in that middle income neighborhood could spill over and help the revitalization of the poor neighborhood that would be the target of the Choice Neighborhoods grant.

Many of the neighborhoods that have applied for Choice Neighborhoods all around the country, even those that have been chosen right now, are pretty high poverty neighborhoods. The truth of the matter is that the Choice Neighborhoods grant represents an incredible opportunity to bring choices into that community, and the type of assets that will be in place as a result of the Choice Neighborhoods grant being awarded to that community are going to make it a place where you will see a broader range of incomes and folks making the choice to live in that community. What is essential is that we then preserve the affordable housing in that community so the residents living there at the time of the grant are able to benefit from that transformation. That is the important step that we take in Choice Neighborhoods through one-for-one replacement.

**How does HUD incorporate parks into neighborhood revitalization priorities under Choice Neighborhoods Program?**

**Are park agencies a valued partner?**

Parks and other recreational assets are very important to all neighborhoods. We encourage considering those and building on those assets and improving assets where they are lacking in each neighborhood. As with any type of asset that needs to be built on, the park agencies and other stakeholder groups involved in delivering on those assets would strongly be encouraged to be a part of the process.

**Will a PHA be able to apply for additional Choice Neighborhoods grants for additional communities in the future after being awarded a Choice Neighborhood Implementation grant this year?**

**In other words can a PHA have more than one CN projects in different parts of the City at the same time?**

Yes, a PHA can certainly participate in multiple Choice Neighborhoods projects. We welcome that. We look forward to folks who have good ideas and good concepts putting plans together and seeking to get

Choice Neighborhoods funding to support those activities. Obviously, you can only have one particular project that receives one particular grant through the program that we operate, but we welcome high capacity PHA's or any other applicant that can do multiple projects at the same time to seek funding from us.

**Does HUD plan to engage its national community development partners to participate in the Choice Neighborhoods Initiative in order to maintain national attention and support for the program and to leverage resources, capacity building and policy support?**

One of the really special things about Choice Neighborhoods is that it has brought together not just those national community development partners who have been incredible allies, but also local partners around the country. We had the kind of diversity of engagement that you would hope to see—small local partners, regional partners and national community development partners who are involved with several of the current Choice Neighborhoods Planning Grantees. Also, philanthropies, in addition to the community development agencies, have been really incredible supporters of the Choice Neighborhoods and the communities around the country where they work. They have been supporters not just with their leverage and the amount of money that they are able to contribute to the project, but we have also seen philanthropies around the country act as conveners, using that convening power they have to bring together organizations across their city. I have had applicants tell me that just during the application periods there were meetings that happened between housing officials, their public safety officials, and their school officials that had never happened before. They happened because those philanthropies or other conveners were able to bring those people to the table. Irrespective of what happens on the Choice Neighborhoods application, that was going to be a monumental shift for that community. We are really happy to see the impact of Choice Neighborhoods in that way.

**Can you please elaborate on Ms. Galante's comment at the start of the webcast relating to the use of FY2011 funding in connection with the current FY2010 implementation grant applicants?**

The plan for our FY 2010 competition, which will be concluding by the end of this summer, is that in addition to the FY 2010 funding that is available, that the FY 2011 funds will also be used to fund the applications that were submitted as part of the FY 2010 competition. Given the amount of funding that was provided in the FY 2010 appropriation, given the timing of that, and given the need for communities to be able to provide grants to needy sites and create a tremendous impact, we believe the best use of the funds is to be able to get those funds out on the street, into the communities, to start making a difference.

**From Twitter:**

**How does a troubled PHA, mandated to improve REAC scores and reduce crime, show need for a Choice Neighborhoods Planning Grant?**

The NOFA criteria in 2011 are going to be similar in terms of demonstrating need, but with a few changes. Crime will be based on both the rate in the neighborhood itself, and/or specifically the precinct or pre-service area in which the housing is located, compared to the rest of the neighborhood. For the REAC scores, we changed that category to demonstrate need either through the REAC score or the results of the physical need assessment. For those developments that have a high REAC score or

have improved their REAC score, if your physical needs assessment shows that there is a large dollar amount in terms of rehabilitation needs, you can still demonstrate distress. We also have changed the REAC category so that rather than just looking at the most recent REAC score we look at the past three years, so that if there has been only recent improvement, we can still see that this had been a distressed site. We recognize that there is no one single factor that evaluates need, so these are only a few of the elements of several rating factors that address need.

**From Audience:**

**Some private and nonprofit potential applicants have been discouraged by local public agencies or local leadership from applying for a Choice Neighborhoods grant where there might be both a planning and an implementation grant from the same local jurisdiction for 2 different projects. Is there a preference for projects from jurisdictions with only one grant?**

The simple answer is no. There is no preference in those circumstances. It is unfortunate that folks feel any kind of pressure not to apply. From here where we sit at HUD, we are excited to see the best projects that are out there, and it may not be apparent to a local official or another local governmental agency which project is going to do better under the criteria that we have at HUD. We absolutely encourage you to go ahead and put your applications in, and take a fair shot at getting the funds regardless of whether applications are coming from others in your local jurisdiction.

**Would HUD provide grants to entitlement jurisdictions to designate and plan for targeted neighborhood revitalization?**

First and most important, Choice Neighborhoods is open to different kinds of applicants bringing forward projects in distressed neighborhoods with distressed housing. The idea here is we want to see the highest capacity and we want to support the actors that emerge from local communities that are best positioned to make change happen. We do not want to prescriptively tell local communities one type of applicant is better than another type. In that vein, cities and counties themselves may in fact be the best applicants to bring forward a project for distressed federally assisted housing and a distressed neighborhood, and they may be the ones who convene the resources, convene the people, and coordinate and channel investment. That is particularly true with entitlement jurisdictions that have CDBG and HOME funds they can put to play in these neighborhoods. Choice Neighborhoods is intended to be a tool that mayors and city councils can use to amplify the block grant and HOME investments that they already have, and to perform very similar aligned functions. We think that it is a great opportunity for those kinds of communities to come in and pursue these funds.

**Can grant money be used to improve or maintain public transit routes?**

We recognize that Choice Neighborhoods is not going to do everything in a community. The intent and what we have seen in many of the best plans that have come forward is to weave together the existing funding, local funding, federal funding, and private funding to address the interconnected needs in these communities. We recognize that sometimes you need a little glue money to make that work, and so we have allowed for some flexibility for a portion of the grant to be used for critical community improvements, which might mean, you are able to put in that bus stop for the rapid transit line or ensure that there is pedestrian access to an existing subway stop. The Choice Neighborhoods money

certainly can help those things happen in your community and we encourage the applicants to be very creative about how they leverage that Choice Neighborhoods money with their other existing funds. Certainly it is an allowable use.

**Will the cities that receive 2010 Choice Neighborhood Implementation grants be eligible to receive 2011 Implementation grants?**

You would not be able to receive another grant for the same neighborhood, but, sure, a city that received a grant on the east side can apply for a future grant on the west side and that would be eligible. To reiterate, our next competition for the Implementation Grants will be as part of the FY 2012 appropriation, and our plan is to issue a NOFA for FY 2012 this fall that will be contingent on appropriations.

**Does the public housing authority have to be a co-applicant or lead applicant for the Planning Grant to be deemed competitive?**

The answer is no, the public housing authority does not have to be the leader or co-leader. In fact, if part of the challenge in that neighborhood is a lower capacity entity, we would strongly encourage other entities that have experience in the comprehensive neighborhood planning to be able to take the lead in that project for the neighborhood. Just to be clear, when a public housing authority's development is at the heart of the application, the public housing authority is going to be involved every step of the way, and it is really up to them to choose who are the partners they want to work with. Do they feel more comfortable being in the lead? Are they in a position where they want someone to take the lead and make sure they are comfortable with what is happening with their assets? So they are there every step of the way.

**From Audience:**

**Carol Galante mentioned in her opening remarks that the 2011 NOFA will have some provision for flexibility with regard to properties receiving Project Based Vouchers. Please elaborate.**

In FY 2010 the definition of assisted housing only provided for properties that were 100% project based vouchers, and with the FY 2011 NOFA we have relaxed that so that if at least 50% of the units in the development receive project-based vouchers then it would be considered an assisted property and eligible for a Planning Grant. It is important to note that that change to the NOFA is directly in response to the questions we received on the FY 2010 NOFA and the feedback that we received when we publicly asked for feedback on the FY 2010 NOFA. So we do take the comments very seriously. We do make changes and improvements to the NOFA based on the feedback that you receive, and we are looking for your feedback also on the Implementation Grant NOFA.

**Will future Choice Neighborhoods Implementation grant rating factors continue to include a 3% or 5% CDBG match under the "neighborhood" component despite massive cuts to CDBG? Would you consider allowing other resources such as HOME?**

We recognize that Congress, and the Administration, had very, very difficult choices to make over the course of the last year, and that has increased the strain on many communities. In part, that is why we have heard from folks around the country that there are so many highly distressed neighborhoods around the country for which a tool like Choice Neighborhoods is so crucial to them. Certainly this type of a question, the type of funding for the match is a really important one for us to think about, as we look at the next Implementation Grant NOFA. We encourage those folks who have a perspective on that exactly what the other categories of funding should or could be allowable to let us know your thinking on that, so they can inform the FY 2012 NOFA coming out this fall.

**Could an HFA apply in partnership with a local PHA and private developer?**

Sure, the eligible applicants under Choice Neighborhoods have not changed, and those are local governments, non-profits, public housing authorities, and for-profit developers that apply jointly with the public entity. Depending on how an HFA is structured within your jurisdiction, they may or may not qualify under one of those categories to be a lead or a co-applicant. If they are not an actual leader or co-applicants, they certainly can be a partner and key stakeholder involved in the process.

**Ms. Clayton addressed the definition of need with regard to crime statistics and REAC. Could she also address the third category – schools – and any modifications made to address how a school meets the criteria for need.**

The definitions that we used in the FY 2010 NOFA related to low performing school and persistently lowest achieving school were definitions that the Department of Education uses in administering its programs. One of the things that we realized, maybe a little later than we had hoped, was that persistently lowest achieving schools is not automatically a subset of low performing schools. That is, there could be a persistently lowest achieving school that is not also a low performing school. So you will see in our threshold requirements for the FY 2011 competition that a school can be either a low performing or a persistently lowest achieving school in order to meet that component of the threshold criteria.

**ADDITIONAL QUESTIONS: ELIGIBLE APPLICANTS**

**How can a local government apply for funding?**

Local governments can apply for funding like any other applicant. They submit an application, and receive the funds directly from HUD.

**It appears from the finalists selected in the first round of Implementation Grants that HUD is interested in including the redevelopment and preservation of privately-owned assisted housing. Could you say some more about HUD's objective in doing this and about the role that you see privately-owned assisted housing having in the Choice Neighborhoods program going forward?**



The focus of the Choice Neighborhoods program is successfully revitalizing high-poverty neighborhoods that have distressed public housing or other assisted housing. Through the course of HOPE VI, HUD has realized that communities need tools to revitalize both public housing and other assisted housing in order to transform distressed neighborhoods, given that distressed public housing and distressed assisted housing are often located in the same neighborhood. In order to reduce vacancy, blight, and crime and truly transform the entire neighborhood, Choice Neighborhoods enables local leaders to transform both sets of housing. Going forward, private developers (in partnership with a public entity) and non-profits will remain eligible to apply directly for Choice Neighborhoods grants.

**Is it advisable to apply as a partnership between two different Public Housing Authorities that have distressed sites within the same neighborhood, but in two different jurisdictions?**

Choice Neighborhoods strives to transform the entire distressed community, and encourages partnerships that help meet this goal. If distressed public housing from different jurisdictions fell within the same neighborhood, we would encourage a partnership that could reach all of the distressed housing in the neighborhood. However, all applicants should ensure that the neighborhood boundary is accepted in the community. HUD understands that neighborhood boundaries are not fixed like municipal or county boundaries. Eligible neighborhoods must be larger than just the footprint of the distressed public or assisted housing targeted in the application, but are typically less than two miles wide.

**The majority of FY10 awardees were PHAs. Will FY11 continue to see a preference for PHAs as Lead Applicants over local governments or other entities?**

There is no preference for PHAs; we encourage the entity best suited to lead the planning and/or implementation to apply.

**Is there any specific process for identification of an A&E firm to work with the housing authority on a planning grant?**

It is up to applicants to select their own partners.

**What defines a "rural" community in the Choice Neighborhoods program to qualify as an applicant for the rural community set aside?**

Rural community in the Choice Neighborhoods program is defined as a non-metropolitan area located outside a Metropolitan Core Based Statistical Area, as defined by the most current OMB definition. HUD will make the determination of eligibility under this category based on the data HUD has and the neighborhood map you provide through the mapping tool.

**ADDITIONAL QUESTIONS: ELIGIBLE NEIGHBORHOODS AND HOUSING**

**What defines an eligible neighborhood? Is there a specific percentage of concentrated poverty that must exist in the community in order to demonstrate need? How is this measure defined?**

**Do you anticipate that the eligible neighborhood threshold requirement will continue to include a low performing school in the Choice Neighborhood? If so, how does a neighborhood address this criterion if the school district permits school of choice and the children in the assisted housing attend multiple schools throughout the community or county?**

For a neighborhood to be eligible for a Choice Neighborhoods Planning Grant, at least 20 percent of households in the neighborhood must be in poverty or have extremely low incomes. The neighborhood must also meet one of the three following criteria: high crime; high vacancy rates or substandard homes; or poorly-performing schools. If children in the neighborhood attend multiple schools, then the neighborhood would qualify as having poorly-performing schools if at least 20 percent of the children from the target public and/or HUD-assisted housing attend either a low-performing public school or a persistently lowest-achieving public school.

For the purposes of establishing neighborhood eligibility and to assign points for certain rating factors, HUD has created a mapping tool that overlays the locally defined neighborhood boundaries with data corresponding to that area, and estimates the rates of indicators in that neighborhood using a proportional allocation methodology. HUD will calculate the poverty rate, extremely low-income rate, and residential vacancy rate for the target area, as well as other measures of distress. For example, if census tracts are the smallest statistical boundary for the available data and the locally defined neighborhood is partially within two different census tracts, the poverty rate will be calculated based on the portion of the neighborhood housing units located in each tract. The mapping tool is available at: <http://www.huduser.org/CN2011/choiceNeighborhood.html>

**We have a downtown area designated as a historical zone hit hard by the recession. Its commercial enterprise is in shambles and it is surrounded by poverty stricken neighborhoods including our public and assisted housing. Can this historical zone be considered for the planning or implementation grant?**

Nothing in the Choice Neighborhoods NOFA would bar a neighborhood within a historical zone from qualifying. Applicants would need to check with local and federal regulations for the historical zone to ensure that Choice Neighborhood activities like demolition and redevelopment would be allowed. Also, the target neighborhood must meet the Choice Neighborhoods eligibility requirements. More information can be found in our recently released FY 2011 Planning Grant NOFA at: <http://www.grants.gov/search/search.do;jsessionid=lpNvNtwQ4MJTj5XQ1v1YG99YSQfG8FJG2nP9VS1vQGyDQPr6KLC3!1105614407?oppld=98093&mode=VIEW>

**Are scattered Public Housing sites eligible to apply for Choice Neighborhoods grants?**

Yes, scattered public housing sites are eligible as long as they are located within the same neighborhood.

**What is the definition of a severely distressed property? Are Public Housing developments that are not designated as "Mandatory Conversion" eligible for the Choice Neighborhoods Program?**

The definition of a severely distressed property is different than a “Mandatory Conversion” designation. The full definition of a severely distressed property can be found in our recently released FY 2011 Planning Grant NOFA in Section I.C.23 at:

<http://www.grants.gov/search/search.do;jsessionid=lpNvNtwQ4MJTj5XQ1v1YG99YSQfG8FJG2nP9VS1vQGyDQPr6KLc3!1105614407?oppld=98093&mode=VIEW>

**You mentioned the Physical Needs Assessment. When can Public Housing Authorities expect the new guidance on the PNA?**

The Capital Fund Office at HUD expects to publish a new Physical Needs Assessment rule within the next 30 days. The current rule can be found at 24 CFR 968.315. Further guidance can be found in the modernization handbook.

**If the assisted housing has been approved for demolition and/or already demolished, can the housing still qualify as distressed assisted housing?**

Assisted housing that has been approved for demolition or has been demolished can still qualify for Choice Neighborhoods, if HUD has not yet provided replacement housing assistance, other than tenant-based assistance, and if the assistance contract is still in place. A project that has been legally vacated or demolished (but for which HUD has not yet provided replacement housing assistance, other than tenant-based assistance, and for which the assistance contract is still in place) is considered severely distressed if it met the definition of physical distress not later than the day the demolition application approval letter was dated by HUD.

**ADDITIONAL QUESTIONS: NEIGHBORHOOD TRANSFORMATION**

**It seems like the first round was weighted more toward distressed large public housing than neighborhood transformation. Is the new grant weighted more towards neighborhood improvements with less emphasis on the public housing structure itself?**

Revitalizing distressed public housing and other assisted housing is one part of the Choice Neighborhoods’ comprehensive transformation plan. Choice Neighborhoods believes that true neighborhood transformation includes revitalizing severely distressed public and/or assisted housing and investing and leveraging investments in well-functioning services, like high-quality public schools and education programs, high-quality early learning programs and services, public assets, public transportation, and improved access to jobs. In the FY 2010 and the new FY 2011 Planning Grant NOFAs, applicants’ need is rated on both their level of neighborhood distress and the distress of the housing development(s), and applicants’ plans are scored on their overall comprehensive neighborhood plan. More information can be found in our recently released FY 2011 Planning Grant NOFA at: <http://www.grants.gov/search/search.do;jsessionid=lpNvNtwQ4MJTj5XQ1v1YG99YSQfG8FJG2nP9VS1vQGyDQPr6KLc3!1105614407?oppld=98093&mode=VIEW>

**Choice Neighborhoods requires a broad range of activities and lists an even broader range as eligible activities. Many of these activities would fall into categories that are most often dealt with by other federal agencies. With that in mind, have any other federal agencies made any commitments of resources to this program? Have they offered any preferences for Choice Neighborhoods grantees in their own grant applications?**

Through the White House Neighborhood Revitalization Initiative, HUD, Department of Health and Human Services (HHS), Department of Treasury, Department of Justice, and Department of Education (ED) are working to align their neighborhood-based programs and existing federal programs. Because of these collaborations, communities who receive Choice Neighborhoods grants will have fewer barriers to using Education, HHS, and Justice programs to support their Choice Neighborhood. For example, ED's Promise Neighborhoods has proposed competitive priorities for Choice Neighborhoods grantees. In addition, one of the Promise Neighborhoods notice's indicators of need is "High rates of vacant or substandard homes, *including distressed public and assisted housing,*" which is an eligibility requirement in the Choice Neighborhoods notice. Additionally, the HHS FY 2011 New Access Points Funding Opportunity Announcement includes a rating on collaboration and asks the applicant to describe efforts to coordinate with neighborhood revitalization initiatives supported through the HUD Choice Neighborhoods and/or ED Promise Neighborhoods initiatives. HHS will also encourage local partnerships between existing and new community health centers and these programs, and will consider other ways to coordinate community health centers and other HHS grant programs with the Neighborhood Revitalization Initiative's centerpiece programs. The Department of Justice has also committed to making public safety resources available to some Choice Neighborhoods grantees.

#### **ADDITIONAL QUESTIONS: FUTURE ROUNDS OF FUNDING**

**Could you please clarify the schedule and funds for the next rounds of Implementation and Planning Grant NOFAs?**

We awarded Choice Neighborhoods FY 2010 Planning Grants in March 2011. On June 6, 2011 we announced the FY 2011 Planning Grant competition, which will award a total of \$3.6 million. Once that competition ends, we will plan to announce the FY 2012 Planning Grant competition this winter. With respect to Implementation Grants, HUD has narrowed the initial applicant pool to six finalists and will be using funds from FY 2010 and FY 2011 to fund 4 or more of these FY 2010 finalists. Announcements of these winners will be made by September, after which HUD expects to release the FY 2012 Implementation Grant NOFA sometime this fall.

**Out of the \$100 million appropriated for HOPE-VI and Choice Neighborhoods for FY11, how much will be available for HOPE-VI, Choice Neighborhoods Planning Grants and Choice Neighborhoods Implementation Grants?**

With passage of the FY11 budget in April, Congress provided up to \$100 million for these programs including \$65 million to implement Choice Neighborhoods— a decision that shows a deep commitment by Congress and the Administration to investing in innovative initiatives that challenge states and localities to create new opportunities for families. The Choice Neighborhoods appropriation will fund

\$3.6 million worth of FY 2011 Planning Grants and will fund an additional two, high-quality FY 2010 Implementation Grant Finalists.

### **ADDITIONAL QUESTIONS: EVALUATION**

**HUD makes clear that measuring progress using metrics is an important part of Choice Neighborhoods. How will HUD advise grantees in the Planning and Implementation Grant Programs of the specific metrics that HUD requires be measured? It is much easier to measure from the beginning of the Grant, if grantees know what HUD's expectations are from the beginning.**

HUD has provided key metrics in the FY 2010 Round 2 Implementation Grant NOFA. We encourage both planning grant and implementation grant applicants to review those metrics to gain a sense of what grantees will be evaluated on. The Round 2 NOFA can be viewed at:

<http://portal.hud.gov/hudportal/documents/huddoc?id=cnround2nofa.pdf>

**The Section 3 Opportunities with the first Planning and Implementation grants will offer new types of jobs and experiences. Can HUD provide some information or a report back on Section 3 best practices after these grants have been implemented?**

There are statutory and regulatory requirements related to Section 3 that will be reported to HUD. In general, HUD is exploring ways to help capture learning and disseminate it to grantees and others.