

**U.S. Department of Housing and Urban Development  
Office of Sustainable Housing and Communities**



**FY2011 Community Challenge  
Grant Program  
Notice of Funding Availability**

**AUGUST 11, 2011**



To ask a question, please send an email to:

**[SustainableCommunities@hud.gov](mailto:SustainableCommunities@hud.gov)**

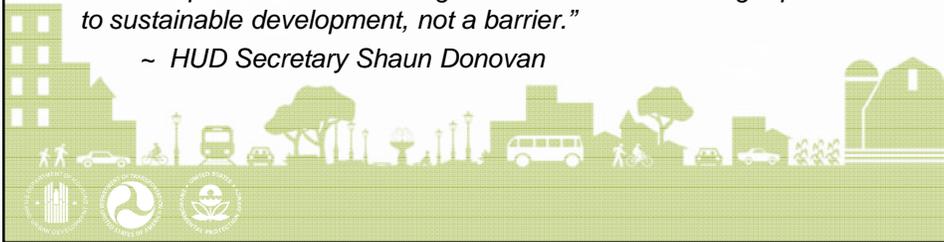


# HUD's Sustainable Communities Initiative

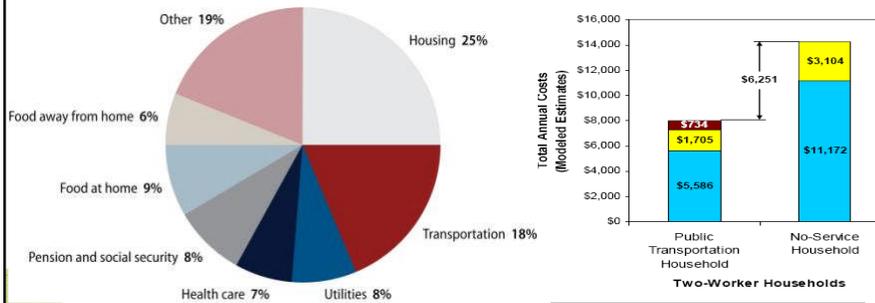
- ◆ Sustainable Communities Regional Planning Grants
- ◆ Community Challenge Grant Program

*“For HUD, sustainability means tying the quality and location of housing to broader opportunities, like access to good jobs, quality schools, and safe streets. It means helping communities that face common problems start sharing solutions. It means being a partner to sustainable development, not a barrier.”*

~ HUD Secretary Shaun Donovan



# Affordability is more than just the cost of housing



Source: ICF International, *Public Transportation and Petroleum Savings in the U.S.: Reducing Dependence on Oil, 2007.*



## Partnership for Sustainable Communities

- In June 2009, HUD, DOT, EPA formed the Partnership for Sustainable Communities and are committed to aligning programs and resources in support of 6 Livability Principles:



## The Partnership's 6 Livability Principles



Provide more **transportation choices** to increase safety, accessibility, and reliability while reducing household transportation costs.



Promote equitable, affordable housing that expands location- and energy-efficient **housing choices**



Improve **economic competitiveness** of neighborhoods by giving people reliable access to employment centers, educational opportunities, and other basic services.



Target Federal funding toward **existing communities** through place-based policies



**Align federal policies and funding** to remove barriers to collaboration, leverage funding and increase the effectiveness of existing programs.



Enhance the **unique characteristics of all communities**, whether rural, suburban or urban.

## America's Communities Are Leading Sustainable Communities Innovation

### Sustainable Communities Regional Planning Grants

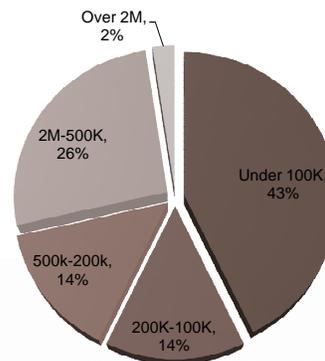
- In FY2010, HUD awarded \$98 million to 45 regions
  - ◆ 225 applications (in a nation with 363 regions)
  - ◆ \$120 million in co-investment from partners
- In FY2011, HUD announced \$68 million available for Sustainable Communities Regional Planning grants



## Community Challenge Planning Grants

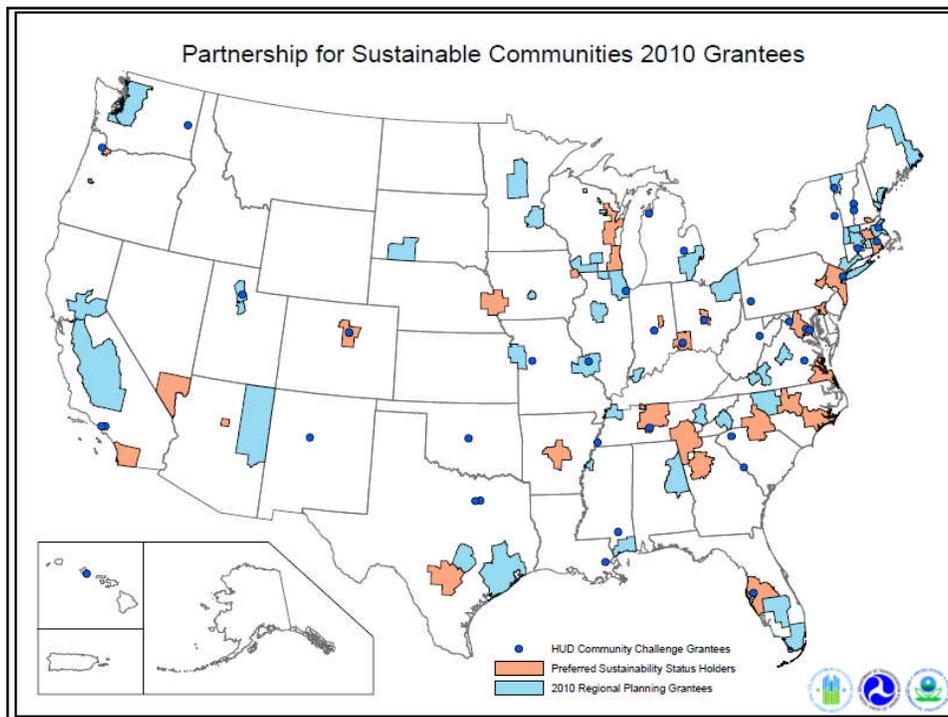
### FY 2010 Program

- In FY2010, HUD awarded \$40 million to 42 communities, including 14 jointly funded with DOT
  - ◆ \$1.28 billion in demand for the program
  - ◆ \$44 million in co-investment from partners



Percent of FY2010 Community Challenge Planning Awards by City Population





## Types of Innovation at the Community Level

- Performance-based planning that integrates public and private investments; creates a roadmap for future development and growth
- Reduce local regulatory barriers and create framework to support reinvestment in communities
- Coordinating transportation, housing, **economic development**, public health, energy efficiency, environmental & other local priorities
- Inclusive public-participation underpins plans





FY 2011 HUD Community Challenge Planning Grant

## PROGRAM OVERVIEW



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## What's new this year?

- \$28 million available for funding in FY11
- \$ 3 million set-aside for communities under 50,000
- Max grant size = \$ 3 million; Min grant size = \$100,000
- NO PRE-APPLICATION
- **Deadline: Sept 9, 2011**
- DOT not able to partner with HUD on providing joint funding.
- Maintain focus on integrating transportation, housing, economic development planning.
- Stronger emphasis on public engagement, and alignment with state and federal efforts.
- More detail on budget and work plans to help expedite obligations once awarded.



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## Purpose of the Program

- To foster reform and reduce barriers to achieving affordable, economically vital, and sustainable communities.

## Program Goals

- To better align Federal programs to support the building of projects that further the six Livability Principles.
- Remove artificial or bureaucratic barriers among Federal, State, and local programs
- Create more coordinated points of contact for State and local governments building innovative projects that coordinate housing, economic development, transportation, and environmental policies and goals.

## Eligible Applicants

**State and local governments**, including:

- U.S. territories,
- Tribal governments,
- political subdivisions of State or local governments (i.e. public housing authorities, transit agencies, etc.) and
- multi-State or multijurisdictional groupings

## Eligible Activities

- a. Development of **master or comprehensive plans** that
  - a. promote affordable housing co-located and/or well-connected with retail and business development and
  - b. 2) discourage development not aligned with transportation, economic development, or regional sustainability plans;
- b. Development and implementation of **local, corridor or district plans** and strategies that promote livability and sustainability while avoiding displacement;



## Eligible Activities (cont.)

- c. Comprehensive review to **develop and prioritize revisions** to zoning codes, ordinances, building standards, administrative regulations/actions or other laws to remove barriers and promote sustainable and mixed-use development and to overcome the effects of impediments to fair housing choice, including form-based codes and inclusionary zoning ordinances to promote accessible, long-term affordable housing that reduces racial and poverty housing concentration and expands fair housing choice;



## Eligible Activities (cont.)

- d. **Develop building codes** that balance energy efficient rehabilitation of older structures and the creation of affordable and healthy housing;
- e. **Strategies for creating or preserving affordable housing** for low-, very low-, and extremely low-income families or individuals in mixed-income, mixed-use neighborhoods along an existing or planned transportation corridor which are based on data and market analysis;
- f. **Strategies to bring additional affordable housing** to areas that have few affordable housing opportunities and are close to job clusters;



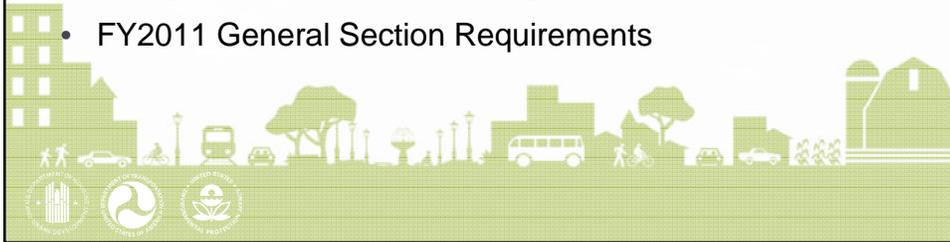
## Eligible Activities (cont.)

- g. **Planning, establishing, and acquiring land for development, redevelopment, and revitalization** that reserves property for the development of affordable housing within the context of sustainable development (see Section VI.B.1 for additional requirements for land acquisition);
- h. **Development of community-scale energy strategies** and implementation plans, and climate adaptation plans; and
- i. **Development of pre- and post-disaster plans** in the context of sustainable communities.



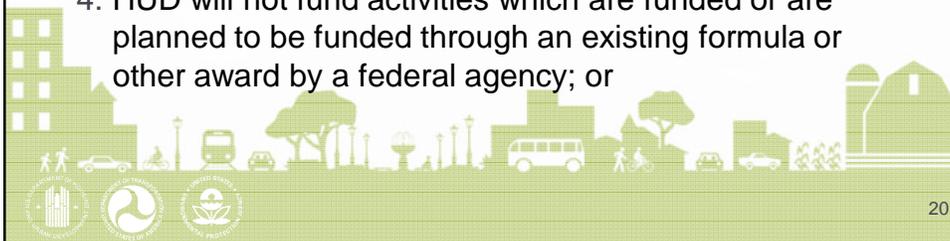
## Threshold Requirements

- Required minimum 20 percent match
  - ◆ Match can be cash or in-kind contributions
- Project and applicant must be eligible for funding
- Completed budget summary (HUD Form 424CBW)
- Only one application per project
- FY 2010-funded *Community Challenge* projects **ineligible** for additional funding
- FY2011 General Section Requirements



## Funding Restrictions

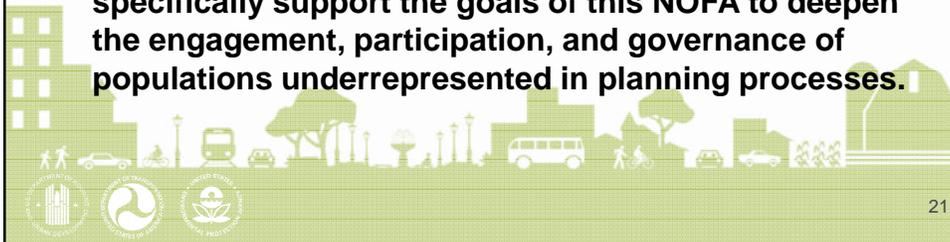
1. Ineligible administrative activities under OMB Circular A-102, or OMB Circular A-110;
2. Ineligible costs under OMB Circular A-87 (2 CFR 225) and OMB Circular A-122;
3. HUD will not fund duplicative activities that have been approved in a previously awarded Community Challenge Planning Grant;
4. HUD will not fund activities which are funded or are planned to be funded through an existing formula or other award by a federal agency; or



## Funding Restrictions (cont.)

4. Substitution of Sustainable Communities funds for funding already pledged to support community development, housing, watershed, air and water quality, transportation planning, food production and distribution planning, and other planning activities eligible under this Program.

**In addition, no less than 5 percent of the budget request must be committed to activities that specifically support the goals of this NOFA to deepen the engagement, participation, and governance of populations underrepresented in planning processes.**



FY 2011 HUD Community Challenge Planning Grant

## RATING FACTORS



**Rating Factor 1: Purpose and Outcomes**  
**a. Purpose and Alignment with Livability Principles**  
**(15 points)**

**Narrative Requirements**

- **State the problems or barriers** the project seeks to address and why they are an impediment to promoting a more sustainable future for the applicant community;
- **Describe the regional or local significance** of the project, whether it is a part of a comprehensive regional plan, and its relationship to other Federal investments that support the Livability Principles;
- Describe the project's **alignment to the Livability Principles**;
- Include a **map** of the proposed project area and community context.

**Rating Factors**

- Extent to which the proposed project:
- clearly and strongly addresses the problems or barriers described,
  - demonstrates an innovative approach,
  - meaningfully furthers the specifically identified Livability Principles, and
  - aligns with existing region-wide plans.

Applicants are requested to describe its consultation and use of existing best practices and provide any data driven analysis, and/or introduce new and innovative approaches when addressing this rating factor.

**Rating Factor 1: Purpose and Outcomes**  
**b. Clarity of Outcomes (10 points)**

**Outcomes:**

1. **Increased participation and decision-making** in developing and implementing a plan, code, development strategy, or project by populations traditionally marginalized in public planning processes, including underserved populations;
2. **Impact on affordability and accessibility**, including increased supply of affordable housing units, access to jobs, and/or proportion of low- and very-low income households within a 30-minute transit commute of major employment centers and associated reductions in disparities between racial and ethnic and income groups;
3. **Energy efficiency increases and/or reductions in community energy use** through community-scale energy strategies and/or green building code development;
4. **Economic development**, including infill development, or recycled parcels of land or private sector investment along a project or corridor, or local business development and job creation;
5. **Travel changes**, such as changes in mode share, vehicle miles traveled per capita, or household transportation costs and associated reductions in disparities between racial and ethnic groups and between income groups in these areas; and
6. **Environmental benefits**, such as reduction in greenhouse gas emissions, criteria pollutants, or oil consumption and preservation of recreational areas, farm land, or open space while balancing the need for affordable housing in the community.

**Rating Factor 1: Purpose and Outcomes**  
**b. Clarity of Outcomes (10 points)**

**Narrative Requirements**

**Each applicant should pursue and report on the first outcome, *increased participation and decision-making*, and select at least two additional outcomes** to pursue and report on during the period of performance.

Applicants should:

- provide baseline data and a narrative to describe current conditions related to each outcome selected in the application,
- describe the connection between their proposed activities and the projected outcomes,
- specify benchmarks to measure progress toward these outcomes both during and following the award period of performance.

**Rating Factors**

- Ability to identify the outcomes applicant is seeking to achieve;
- Connection between those outcomes and existing conditions, supported by data (where available);
- Clarity with which applicants articulate the elements of their plan that will help achieve those outcomes; and
- Specificity of the benchmarks that they establish to measure progress toward the outcomes.

**Rating Factor 1: Purpose and Outcomes**  
**c. Implementation (5 points)**

**Narrative Requirements**

- Applicants should describe the **level of support to implement the plan**, including but not limited to community support, local government support, and private sector.



## Rating Factor 2 — Work Plan and HUD Policy Priorities a. Work Plan (26 points)

### Narrative Requirements

1. **Proposed Activities (6 points).** Briefly describe the proposed activities, including any coordinated components that will not be directly funded under the Community Challenge Planning Grant Program. Include the objective of each major task, and include public outreach and participation activities, including those that target minority and disadvantaged populations.
2. **Public Participation Plan (5 points).** In addition to the public engagement activities detailed in the Proposed Activities section, describe the project's approach for deepening the participation and decision-making power of populations that are traditionally marginalized in the planning process, including underserved populations.
3. **Schedule (5 points).** Briefly describe the project completion schedule, including milestones in each month for the critical management actions for the applicant and any other entity whose cooperation or assistance is necessary to achieve your desired result, including the end dates of each required action and your expected metrics and results.

## Rating Factor 2 — Work Plan and HUD Policy Priorities a. Work Plan (26 points) (cont.)

### Narrative Requirements

4. **Other Work Plan Elements (10 points):**
  - i. **Responsible Entity.** Indicate the entity responsible for each project and activity, including any elected bodies or bodies appointed by elected officials.
  - ii. **Evaluation Methods.** Applicants will describe how they will evaluate the success of their project or activity. They should also describe how project evaluation information will be obtained, documented, and reported.
  - iii. **Anticipated Obstacles.** Applicants should also identify potential obstacles in executing the proposed activities and discuss steps they would take to overcome those obstacles.
  - iv. **Affirmatively Furthering Fair Housing.** All applicants for HUD funding are subject to the requirements to Affirmatively Further Fair Housing. Proposed activities must help overcome impediments to fair housing choice that are identified in the Analysis of Impediments to Fair Housing Choice produced by the state and/or local government(s) in which your program activities occur, the effects of those impediments, and any other impediments in housing or urban development activities you may identify.

## Rating Factor 2 — Work Plan and HUD Policy Priorities

### a. Work Plan (26 points) (cont.)

#### Rating Factors

- Quality of the proposed WORK PLAN including the clarity and logic of proposed activities,
- Quality of the PUBLIC PARTICIPATION PLAN, clarity of the project schedule, identification of responsible entities for each task,
- Suitability of EVALUATION METHODS,
- Identification of POTENTIAL OBSTACLES,
- Connection to Affirmatively Furthering Fair Housing and other civil rights efforts, and
- Integration of these seven elements above in a coherent manner.

*In addition, applications that demonstrate how proposed activities are aligned with the outcomes defined in Rating Factor 1 will receive a higher score.*

## Rating Factor 2 — Work Plan and HUD Policy Priorities

### b. HUD Department Policy Priorities (4 points)

- ♦ **Capacity Building and Knowledge Sharing**
  - ♦ Increase the skills and technical expertise of partner organizations
  - ♦ Share knowledge among partners
- ♦ **Expand Cross-Cutting Policy Knowledge**
  - ♦ To achieve full points, the applicant must indicate what data they and/or partner organizations will collect on outcomes for the defined target area (e.g., changes in commuting time, improved health outcomes, VMT measures, etc.).
  - ♦ The applicant should specifically describe how they intend to disseminate policy lessons learned during the planning process to a diverse range of potential audiences, including policymakers, other regional consortia, and interested community leadership.

## Rating Factor 3: Budget (10 points)

### Narrative Requirements

- **Sources and Uses of Funds/Budget.** The applicant's budget proposal should thoroughly estimate all applicable costs (direct, indirect, and administrative), and be presented in a clear and coherent format in accordance with the requirements listed in the General Section using Form HUD-424-CBW.
- No less than 5 percent of the applicant's budget request must be committed to activities that specifically support the goals of this NOFA to deepen the engagement, participation, and governance of populations underrepresented in planning processes.
- **Use of Funds by Project Activity.** Describe how the funds will be allocated to the project activities identified in Rating Factor 2 – Work Plan.
- Clearly identify the funding or cash equivalent amounts being provided as match and leveraged resources.

### Rating Factors

- Extent to which proposed resources are appropriate for the scope of the proposed project;
- Allocation of resources toward engagement and participation activities as described above;
- Extent to which the allocation of resources between project activities are appropriate;
- Identification of the cash equivalent of match and leveraged resources.

## Rating Factor 4: Additional Leveraging and Collaboration a. Additional Leveraging (10 points)

### Rating Factors

- Amount of resources leveraged that exceeds the required 20 percent match,
- Relationship to other federal sustainability investments, and
- Per capita income in the project area relative to the metropolitan average.

### Other Notes

- Leveraged resources may include cash or in-kind contributions of services, equipment, or supplies allocated to the proposed program.
- Federal dollars will not count toward leverage unless otherwise permitted by that program's authorizing statute.
- Must provide evidence of a firm commitment and the appropriate use of leveraged or matched resources under the program

Documented Match and Leveraged Resources (of the amount requested under this NOFA)	Points Awarded
20 percent (required match)	0 points
> 20 and ≤ 30 percent	2 point
> 30 and ≤ 40 percent	3 points
> 40 and ≤ 50 percent	4 points
> 50 and ≤ 60 percent	5 points
More than 60 percent	6 points
Per capita income less than the metropolitan average	Up to 2 points
Strongly related to other federal sustainability investments	2 points

## Rating Factor 4: Additional Leveraging and Collaboration

### b. Collaboration (5 points)

#### Rating Factors

- Extent to which the applicant has established **working partnerships** with other entities to get additional resources or commitments to increase the effectiveness of the proposed program activities.
- HUD will consider how well the applicant demonstrates **strong collaboration** among a broad range of participants, including public, private, and nonprofit entities.
- Additional consideration will be given to applications that specifically involve **state-level partners**.

## Rating Factor 5: Capacity (15 points)

#### Narrative Requirements

- Specific examples of similar previous projects that demonstrate its capacity to implement the work plan;
- Description of the applicant's experience in outreach efforts involving low-income persons, particularly those living in revitalization areas where funds are proposed to be used, residents of public housing, minorities, socially and economically disadvantaged individuals, LEP individuals, and persons with disabilities;
- A list of designated staff that is anticipated to manage the proposed project, and their qualifications, as well as other staff anticipated to contribute to the project's completion; and
- Description of applicant's past history in managing federal funds.

#### Rating Factors

- Applicant's level of experience and capacity to carry out the project activities as described in Rating Factor 2;
- Applicant's level of experience in outreach;
- Extent to which the application demonstrates that the applicant has an adequate number of key staff or the ability to procure individuals with the knowledge and recent (within the past 3-5 years) experience in the proposed activities; and
- Applicant's past history in managing federal funds.

### Preferred Sustainability Status (2 bonus points):

HUD will award **2 bonus points** to applicants that are working in the following ways with communities with **FY2010 Preferred Sustainability Status ("PSS")** :

- a. The applicant is engaged in activities, that in consultation with the designated Point of Contact of the HUD-designated PSS Community furthers the purposes of the Regional Planning Grant Program or the Challenge Grant Program; *and*
- b. 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 consistent with the goals of the Livability Principles; *and*
- c. The applicant commits to maintain a relationship with a HUD PSS Community to be part of the planning and implementation processes in the designated area.

Applicant must obtain a certification from the designated PSS Community using form HUD2995. A list of PSS communities is available at:  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/grants/fundsavail](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail)

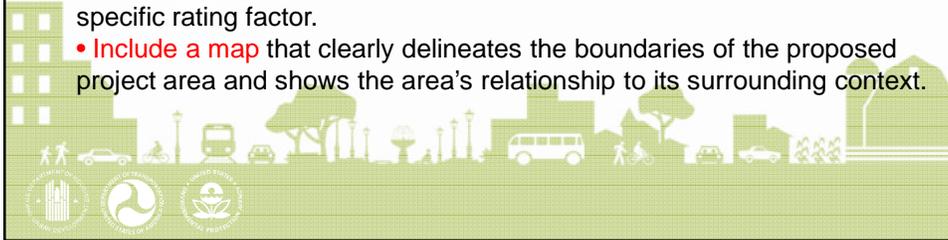
### How to Apply

- **Your completed application must be received by [www.Grants.gov](http://www.Grants.gov) no later than 11:59:59 p.m. eastern time on **September 9, 2011**.**
- Following receipt the application will go through a validation process. If the application fails the Grants.gov validation process, it will be rejected.
- See the 2011 General Section for instructions for timely receipt, including actions to take if the application is rejected.
- Applicants should carefully read the section "INSTRUCTIONS ON HOW TO DOWNLOAD AND APPLICATION PACKAGE AND APPLICATION INSTRUCTIONS" in the General Section. This section contains information on using Adobe Reader, timely receipt policies, and other application information.

## Application Format

READ THE NOFA FOR **DETAILED INFORMATION ON APPLICATION** and **APPENDICES FORMAT** to ensure eligibility!!!

- The application narrative response to the Rating Factors is limited to a maximum of **15 pages** (excluding appendices and worksheets).
- HUD will not refer to websites for information pertinent to the narrative response.
- A maximum of 10 pages will be allowed as appendices.
- Materials provided in the appendices should directly apply to the specific rating factor narrative.
- Applicants are strongly urged NOT to submit information that is not required and/or requested by the NOFA or does not directly apply to a specific rating factor.
- **Include a map** that clearly delineates the boundaries of the proposed project area and shows the area's relationship to its surrounding context.

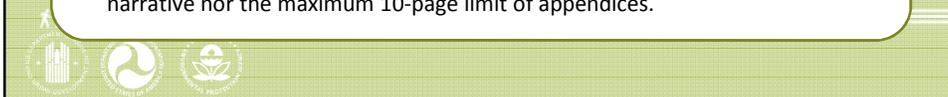


## Application Abstract

- An abstract with a summary of the objectives and expected results (one-page maximum) must be included in the proposal.
- The abstract should also include the following clarifying information:

Project Name	Lead Applicant
Point of Contact	Telephone
Email	Population of the jurisdiction from the 2010 Census
Total Budget	HUD Request
Applicant Match	Location (list of counties/parishes included), and Congressional Districts Covered.

- Information contained in the abstract will not be considered in the evaluation and scoring of your application. Any information the applicant wishes to be considered should be provided under the appropriate rating factor response.
- The application abstract will not count towards the 15-page limit of the proposal narrative nor the maximum 10-page limit of appendices.



## Optional Application Checklist

- a. *First Exhibit* (filename: Lead Applicant Name\_ Exhibit\_One) should consist of:
  - 1) Applicant Abstract (limited to a maximum of 1 page);
  - 2) Rating Factor Narrative Response (limited to a maximum of 15 narrative pages)
- b. *Second Exhibit* (filename: Lead Applicant Name\_ Exhibit\_Two) should consist of:
  - 3) Map of Project Area and surrounding context (does not count toward the page limit);
  - 4) Proof of partnerships and matching resources (does not count toward the page limit);
  - 5) Other materials in support of rating factors. Organizational chart, bios, or resumes for key personnel (limited to a maximum of 10 pages).
- c. *Other Federal Forms* (submitted individually)
  - 6) Form SF-424, Application for Federal Assistance – in block 8.d of the form, applicants must include a 9 digit number for your organization's zip code (zip plus 4);
  - 7) Form SF-424 Supplemental Survey on Equal Opportunity for Applicants ("Faith Based EEO survey (SF-424 SUPP)" on Grants.gov) (optional submission);
  - 8) HUD-424-CBW, HUD Detailed Budget Worksheet (Include Total Budget, Federal Share and Match);
  - 9) Form HUD-2880, Applicant/Recipient Disclosure/Update Report ("HUD Applicant Recipient Disclosure Report" on Grants.gov);
  - 10) Form SF-LLL, Disclosure of Lobbying Activities (if applicable);
  - 11) Form HUD-96011, Third Party Documentation Facsimile Transmittal ("Facsimile Transmittal Form" on Grants.gov) (used as the cover page to transmit third party documents and other information designed for each specific application for tracking purposes. HUD will not read faxes that do not use the HUD-96011 as the cover page to the fax); and
  - 12) HUD2995, Certification of Consistency with Sustainable Communities Planning and Implementation (if applicable) (must be signed by the Designated Point of Contact for designated Preferred Sustainability Status Community or the HUD Regional Administrator in cases where the applicant would otherwise be self-certifying; see the General Section for details.)

## Other Important Information

**DEADLINE: September 9, 2011**

- Grants will be made in the form of Cooperative Agreements
- The period of performance is 3 years (36 months)
- The HUD FY2011 General Section applies to this program
- Visit [www.hud.gov/sustainability](http://www.hud.gov/sustainability) for more information as it becomes available including FAQs.
- Specific questions may be emailed to [SustainableCommunities@hud.gov](mailto:SustainableCommunities@hud.gov)

**Informational Webcast on  
HUD's FY2011 Sustainable Communities  
Regional Planning Grant Program**

**August 12, 2011  
1:00 – 2:00 PM EST**

Visit [www.HUD.gov/sustainability](http://www.HUD.gov/sustainability) for more information

