There are five parts for this guidance:
I. Overview of the Preferred Sustainability Status Program
II. Preferred Sustainability Status Program Update
III. Process for Certification of Consistency with Sustainable Communities Planning and Implementation
IV. Current List of Eligible HUD Programs and the FY 2017 General Section Language
V. Other Agencies and PSS

PART I: OVERVIEW OF THE PREFERRED SUSTAINABILITY STATUS PROGRAM

In the General Section to HUD's FY2011 NOFAs for Discretionary Programs, HUD debuted the Preferred Sustainability Status (PSS) program. HUD created PSS to incentivize coordinated planning and development actions within regions where measurable progress has taken shape under the Sustainable Communities Initiative. The primary benefit for the region or city is the availability of certification of consistency with the Sustainable Communities Initiative, which provides two (2) preference points on select HUD discretionary grant program applications for entities within the project geography if the PSS Community deems they meet the criteria. PSS Communities may also write letters of support for other government agency discretionary grant programs (primarily at EPA, DOT, USDA, and EDA) to strengthen their applications (see more on this in Part V of this guidance).

Additional information on the Preferred Sustainability Status program can be found here:
PART II: PREFERRED SUSTAINABILITY STATUS PROGRAM UPDATE

This policy guidance serves to update the eligibility and expiration dates for the PSS program for HUD Sustainable Communities Regional Planning and Community Challenge Planning grantees. **Most importantly, this guidance serves as a notice that FY2010 Sustainable Communities Regional Planning and Community Challenge Planning grantees are no longer eligible for the PSS program.**

The 56 SCI grantees from FY2011 are the only eligible entities for PSS effective immediately. FY2011 grantees are eligible for PSS through the remainder of FY2017 (or whenever the last of FY2017 grant competitions take place).

Under the original PSS guidance, communities awarded with a Sustainable Communities Regional Planning Grant or Community Challenge Planning Grant in FY2010 or FY2011 and applicants that had a certain qualifying score under these two programs in FY2010 or FY2011 were designated Preferred Sustainability Status (PSS) Communities. Under this guidance, 143 grantees under the two programs and a total of forty (40) non-grantee communities (those who were not awarded grants in FY2010 or FY2011) were designated as PSS Communities. The 40 non-grantee communities’ PSS eligibility expired at the end of FY2014. In subsequent General Sections and most HUD program NOFAs since FY2011, HUD has included Preferred Sustainability Status preference points for alignment with PSS Communities’ ongoing planning and implementation efforts.

On December 6, 2013 at the annual SCI grantee convening, former HUD Secretary Shaun Donovan extended PSS eligibility for Sustainable Communities Regional Planning grantees and Community Challenge Planning grantees for three years following their period of performance. As a result, FY2010 grantees had PSS through the end of FY2016 (when the last FY2016 grant competition concluded) and FY2011 grantees have PSS through the end of FY2017 (or whenever the last of FY2017 grant competitions take place).

PART III: PROCESS FOR CERTIFICATION OF CONSISTENCY WITH SUSTAINABLE COMMUNITIES PLANNING AND IMPLEMENTATION

For specified grant programs during FY2017, applicants submitting requests for projects within grantee geographies will have the opportunity to qualify for up to two (2) preference points as a consequence of the grantee holding this status. The relevant geography is as follows:

- For Sustainable Communities Regional Planning Grantees: within the regional geography of the grant;
- For Community Challenge grantees: within the grant’s project geography;

The entity that can certify applicants for PSS preference points (i.e., “Designated Point of Contact”) is the lead applicant to OER’s grant programs (Sustainable Communities Regional Planning and Community Challenge Planning grants). The list of points of contact (POCs) for PSS Communities can be found here:
The process to certify an application for the PSS preference points:

1) If an applicant from a grantee’s project geography is applying for a grant from a program that is offering the PSS preference points, the applicant will contact the grantee organization to seek certification that they meet three basic criteria:

   a) The applicant is engaged in activities, that in consultation with the designated Point of Contact of the HUD designated Preferred Sustainability Status Community furthers the purposes of the Sustainable Communities Regional Planning Grant Program or the Community Challenge Planning Grant Program; and

   b) The applicant's proposed activities either directly reflect the Livability Principles developed by the Partnership for Sustainable Communities or will result in the delivery of services that are consistent with the goals of the Livability Principles; and

   c) The applicant has committed to maintain an on-going relationship with a HUD Preferred Sustainability Status Community for the purposes of being part of the planning and implementation processes in the designated area.

2) If a grantee determines that a proposed applicant meets these criteria, the grantee will fill out a copy of the HUD-2995 Form. This form is available on the HUD website here: [http://portal.hud.gov/hudportal/documents/huddoc?id=HUD2995SCICert6-1-11.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=HUD2995SCICert6-1-11.pdf)

3) The applicant is responsible for including the form in its application. OER staff will review the certification and alert the program office in question whether an entity qualifies for the preference points. While the certification is the driving document in this process, HUD retains the right to do additional diligence to confirm that the points are merited, and to determine whether to award the preference points.

4) If a grantee organization wants to apply (self-certify) for a program where preference points are offered, the grantee must fill out the HUD-2995 Form and then contact the appropriate HUD Regional Administrator to have the form certified. The grantee must then submit the document with their application and the process will continue as previously stated. Contact information for HUD Regional Administrators can be found here: [http://portal.hud.gov/hudportal/HUD?src=/localoffices](http://portal.hud.gov/hudportal/HUD?src=/localoffices)

   If grantees have difficulty reaching the HUD Regional Administrator for self-certification, please email economicresilience@hud.gov for assistance.

Evaluating Applications Seeking PSS Preference Points

The role of a grantee in certifying qualifying projects for PSS preference points virtually guarantees that numerous entities will approach a grantee seeking endorsement of their projects. HUD’s expectation is that grantees will exercise prudent judgment in determining whether a project has the potential to advance sustainability in the region and whether the grantee will be able to maintain synergy between the Regional Plan or Community Challenge project and the
applicant should they receive HUD funding. If issues arise around making the determination about a specific request, or a more systemic review challenge emerges, contact economicresilience@hud.gov.

HUD recommends that entities considering requests for certification for PSS preference points review at least a detailed summary of an application, with a summary of the proposed project and the location of the project, along with any relevant information about transportation choices to the location and/or nearby housing choices. Grantees may want to request a short description from the applicant explaining why the proposed project aligns with the Livability Principles and the grantee’s planning effort.

At a minimum, grantees should consider the following questions when deciding whether to certify an application for PSS preference points:

1) Does the proposed project align with the Livability Principles? These can be found at http://www.sustainablecommunities.gov/mission/livability-principles. What aspects of the proposed project, if any, do not align with the Livability Principles or my planning effort?

2) Does the proposed project align with and further my planning effort?

3) Is the applicant committed to maintaining an on-going relationship with my project?

PART IV: CURRENT LIST OF ELIGIBLE HUD PROGRAMS (AS OF NOVEMBER, 2016) AND THE FY 2017 GENERAL SECTION LANGUAGE

HUD anticipates making PSS preference points available in the following program NOFAs in FY2017 (pending grant program funding):

- Capacity Building for Community Development and Affordable Housing Grants (Section 4)
- Choice Neighborhoods Planning Grant Program
- Choice Neighborhoods Implementation Grant Program
- Community Development Block Grant Program for Indian Tribes and Alaska Native Villages (ICDBG Program)
- Comprehensive Housing Counseling Grant Program
- Fair Housing Initiatives Program
  - Education and Outreach Initiative (EOI)
  - Fair Housing Organization Initiative (FHOI)
  - Private Enforcement Initiative (PEI)
- HOPE VI Main Street Program
- Jobs Plus Initiative
- Lead-Based Paint Hazard Control (LBPHC) Grant Program
- Lead Hazard Reduction Demonstration (LHRD) Grant Program
- Rural Capacity Building for Community Development and Affordable Housing Grants Program
Please note that HUD may revise this list at any time. Applicants are advised to carefully review the program NOFA for which they intend to apply to determine the availability of Preferred Sustainable Status preference points. Applicants should note that HUD program offices only award PSS preference points on an application after an applicant has met a minimum threshold score on their application (i.e. the PSS preference points do not assist the applicant to meet the minimum threshold score).

**FY 2017 General Section Language on Preferred Sustainability Status**


The following language is found in the FY2017 General Section:

**Preference Points.** Applicants should review the Program NOFA to determine the availability of Preferred Sustainability Status (PSS) or Promise Zone preference points. Applications are eligible for a maximum of 2 points and will not receive credit in both preference categories.

a. Preferred Sustainability Status Preference Points. HUD will award 2 preference points to applicants working with communities that received PSS under HUD’s FY2011 Sustainable Communities Regional Planning Grant Program and/or HUD’s FY2011 Community Challenge Planning Grant Program, hereafter referred to as the PSS Communities. For a list of Points of Contact for 2017 eligible communities click here.

Applicants submitting a [Certification of Consistency with Sustainable Communities Planning and Implementation (HUD-2995)](http://portal.hud.gov/hudportal/documents/huddoc?id=2017nofa_gensec.pdf) signed by the Designated PSS Community Point of Contact, will receive 2 preference points as described above. PSS information and additional guidance regarding PSS eligibility is available here.

**PART V: OTHER AGENCIES AND PSS**

Other federal agencies, namely the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Transportation (DOT), do not recognize PSS in terms of specific preference points for discretionary grant program applications. However, as charter members in the Partnership for Sustainable Communities, these agencies consider prior interdisciplinary and sustainability efforts, including work done under the Sustainable Communities Regional Planning Grant and Community Challenge Planning Grant programs, as evidence that communities and organizations have capacity and experience in leading holistic, stakeholder-driven community development processes.

Applicants to these agencies’ discretionary grant programs may request letters of support from PSS Communities which indicate the applicant’s level of involvement in the Sustainable Communities Regional Planning Grant or Community Challenge Planning Grant project to use as evidence of their capacity, experience, and commitment to furthering Sustainable Communities implementation efforts. It is recommended that applicants to these programs
highlight their involvement with the Sustainable Communities Initiative and the resulting status within their grant application, as it may provide substantial benefit during the receiving agency’s review.

Additional federal agencies such as the U.S. Department of Agriculture (USDA) or U.S. Economic Development Administration (EDA) also consider prior regional planning and community development efforts when reviewing select discretionary grant program applications as an indication of commitment to sustainable economic and community development practices. Applicants to these agencies’ discretionary grant programs may also request letters of support from PSS Communities if they have been partners or actively involved in the Sustainable Communities Regional Planning Grant or Community Challenge Planning Grant project.