

Promise Zones

Frequently Asked Questions

November 7, 2014

APPLICATION-RELATED QUESTIONS

1. Which entities within a community are eligible to apply for a Promise Zone designation?

Eligible Lead Applicant/Lead Organization for **Urban** Promise Zone designations are:

- a) Units of Local Government (UGLG/Local government) including an office/department within local government or a county government in partnership with the local municipality, if applicable;
- b) Nonprofit organizations¹ applying in partnership with local government; or
- c) Public Housing Agencies, Local Education Agencies (LEAs), or Metropolitan Planning Organizations (MPO)² applying in partnership with local government;
- d) Community Colleges applying in partnership with local government.

Eligible Lead Applicant/ Lead Organization for **Rural and Tribal** Promise Zone designations are:

- e) Local governments (which includes county, city, town, township, parish, village, governmental authority or other general-purpose political subdivision of a state or any combination thereof) and Federally-recognized tribes;³
- f) Nonprofit organizations⁴ applying in partnership with local or tribal government;
- g) Housing authorities applying in partnership with local government, or Tribally Designated Housing Entities (TDHEs) applying in partnership with tribal government;
- h) Local Education Agencies (LEAs)⁵ applying in partnership with local or tribal government; or
- i) Community colleges applying in partnership with local or tribal government.

2. What are the proposed eligibility criteria to apply for a Promise Zones designation?

All of the following must be present in an application for a proposed Urban Promise Zones to be eligible for a designation:

- a) The Promise Zone must encompass one or more census tract(s) or portions of census tract(s) across a contiguous geography.⁶

¹ Including Workforce Investment Boards (WIBS) and Community Action Agencies (CAA) Examples are illustrative and not exhaustive. See Definition of nonprofit on page 20 of the urban application guide.

² See Definitions of Public Housing Authority, LEAs and MPO on page 20 of the urban application guide.

³ "Tribal applicants" are: Federally-recognized tribes as well as duly established political subdivisions of a Federally-recognized tribe. A "Federally-recognized tribe" is any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act [43 USCS §§ 1601 et seq.], that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) A Non-profit organization applying in partnership with a Federally-recognized tribal government may apply as a tribal applicant.

⁴ Including Workforce Investment Boards (WIBS) and Community Action Agencies (CAA). See Definitions for Nonprofits, page 20 of the rural/tribal application guide.

⁵ See Definitions for LEA, page 20 of urban application guide.

⁶ Contiguous geography: The Promise Zone must have one adjoining boundary and cannot include separate areas. See page 7 of the urban application guide.

- b) The rate of overall poverty or Extremely Low Income rate (whichever is greater) of residents within the Promise Zone must be at or above 33 percent.⁷
- c) Promise Zones boundaries must encompass a population of at least 10,000 but no more than 200,000 residents.
- d) Local leadership, including the mayors or chief executive of all UGLGs represented in the Promise Zones, must demonstrate commitment to the Promise Zones effort.

Proposed Promise Zones boundaries may cross UGLG lines, but one Lead Applicant must be identified, and for cross-jurisdictional applications, commitment must be demonstrated by the leadership of all the UGLGs involved.

All of the following must be present in an application to be eligible for a Rural or Tribal Promise Zones designation:

- e) Rural and tribal Promise Zones must encompass one or more census tract(s) across a contiguous geography.⁸ Rural applicants can define their boundaries by either census tracts or by county, where multiple counties are included. Tribal applicants can define boundaries which may encompass: one or more census tracts and nearby tribally-controlled areas; or reservations; or consortia of tribal and non-tribal jurisdictions.
- f) Promise Zones boundaries must encompass a population of no more than 200,000 residents.⁹ The population limit of 200,000 may not include any incorporated municipalities or unincorporated areas with individual populations greater than 50,000. Rural and tribal Promise Zones may fall in non-metro and metro counties.
- g) The rate of overall poverty or Extremely Low Income rate (whichever is greater) of residents within the Promise Zones must be at or above 20 percent, and the Promise Zone must contain at least one census tract with a poverty rate at or above 30 percent.¹⁰
- h) Local leadership must demonstrate commitment to the Promise Zones effort.

Proposed Promise Zones boundaries may cross UGLG or tribal area lines, but one Lead Applicant must be identified, and for cross-jurisdictional applications, commitment must be demonstrated by the leadership of all UGLGs or tribal areas involved.

3. What is the application deadline and where should applicants submit their applications?

Electronic copies of application materials must be received by 5:00p.m. Eastern Standard Time on November 21, 2014 via www.MAX.gov. You must complete the letter of intent/request for application form to access the application on www.MAX.gov. Once the form is submitted, the applicant will receive no later than by the next business day, an individualized link to their application file.

⁷ Applicants are required to use the Promise Zones mapping tool to determine the overall poverty rate. The mapping tool determines the overall poverty rate in two ways and uses the higher percentage. See the Definitions section on page 23 of the urban application guide for more information.

⁸ Promise Zone boundaries that cross state lines and water borders can be considered contiguous. Please see page 7 of the rural/tribal application guide.

⁹ The population limit of 200,000 is intended to allow for regional collaboration among multiple communities of varying sizes and capacities. The rural eligibility criteria ensure, by definition, that rural Promise Zone applications cannot include communities over 50,000. Please see page 7 of the rural/tribal application guide.

¹⁰ Applicants are required to use the Promise Zones mapping tool to determine the overall poverty rate. The mapping tool determines the overall poverty rate in two ways and uses the higher percentage. For more information on the Mapping Tool, see page 23 of the rural/tribal application guide.

4. One urban Promise Zone application is submitted in the central part of a county with county government support; one urban Promise Zone application is submitted in the northern part of the county with city government support. Would both applications be accepted and considered?

Only one Promise Zone application may be submitted in association with a unit of general local government (UGLG or local government). If the county (an UGLG) only supports the application submitted for the proposed Promise Zone in the central part of the county, and the city (an UGLG) only supports the Promise Zone application in the northern part of the county, both applications may be considered. Please note that the county must apply in partnership with the local municipality in which the proposed Promise Zone is located, except in the case that the county is supporting a Promise Zone application in an unincorporated territory. However, if either of the UGLGs from the example supported more than one application, all of the applications supported by the UGLG will be disqualified.

Please note that cross-jurisdictional applications must demonstrate the support of the chief executives of all UGLGs involved in the proposed Promise Zone. An UGLG whose chief executive supports a cross-jurisdictional application may not support any other applications for proposed Promise Zones. If a proposed Promise Zone includes municipal and unincorporated territory, the applicant must demonstrate the support of the Chief Executive of the municipality and the Chief Executive of the County. A county chief executive supporting an application within the county's unincorporated territory may not support any other applications for proposed Promise Zones.

5. We have two mirror like cities that are connected by a highway, a congressional district(s), similar historical, cultural, and economic circumstances. These two communities would like to partner to create a regional promise zone. The census tracts in both cities are contiguous however the two cities are connected within the congressional district (s) and the highway. Both cities would qualify as small urban zones individually encompassing 16 qualifying census tracts between them. We would like to submit as one regional promise zone. Is that possible?

Any eligible lead applicant that applies for a proposed Promise Zones meeting the qualifying criteria is eligible for a designation. Proposed Promise Zones may cross UGLG lines, but one lead applicant must be identified, and commitment must be demonstrated by the leadership of all the UGLGs involved.

6. Does the contiguous geography eligibility criterion include water?

Yes. Promise Zone boundaries that are adjoined by water are considered contiguous.

7. In the Goals and Activities Template, how specifically should I describe each goal/subgoal? How extensive should the budgetary information be?

In the Goals and Activities template, applicants may identify up to six broad goals. Applicants may select more than one national Promise Zone Goal (e.g. create jobs, increase economic activity, improve educational opportunities, or reduce serious or violent crime). Applicants also have the option to create a community goal (e.g. health and wellness, affordable housing, etc.). Applicants may include up to three narrower subgoals per goal. Subgoals give applicants the opportunity to provide more detail on the different activities related to each goal.

Applicants should provide as much detail as possible regarding firm commitments of financial and non-financial support, and the types of financial and non-financial support still needed for implementing the activity.

Applicants should also indicate whether they have HUD and USDA permission to share information included in the goals and activities template. Non-federal organizations including foundations, social investors, researchers, consultants, and networks of professionals and organizations have expressed interest in the work underway in communities applying for Promise Zone designations. Community stakeholders and other members of the public also occasionally request information related to Promise Zones

applications. If you are willing to have HUD and USDA share the information you submit to the public, please check the box for each component of the template indicating that the information can be shared.

8. Is leveraging private capital no longer a Promise Zones goal?

The Goals and Activities Template addresses leveraging private capital by asking applicants to discuss resource commitments involved in Promise Zones activities.

9. Will existing Intergovernmental Cooperative Agreements for HUD CDBG and HUD Home programs suffice for commitments to a Promise Zone? For example, in the MOU we may set forth all the UGLGs who executed these agreements. The UGLGs covered by these agreements would not include the lead entity, but would include those with whom we expect to work with in pursuing the goals of a Promise Zone designation.

The Urban Application Guide explains which documents applicants must include in their applications. Note: See page 8 of the urban application guide: "Letter(s) that demonstrates the commitment from UGLG leadership including the mayors or chief executives of the UGLGs represented in the Promise Zone." While it is up to the applicant to decide the specific documentation to provide, it is unlikely that documentation of commitments made without regard to the proposed Promise Zone will satisfy the requirements under the Urban Application guide.

10. Will the Goals and Activities Template count towards the attachment allowance of 35 pages?

The Goals and Activities Template will not count toward the page limits. However, please note that the Max.gov survey will only allow the applicant to identify up to six goals each of which may include up to three subgoals. Character limits also apply to some fields in the goals and activities template.

11. Are there character limits? If they are required, will spaces count in the character limits?

Where character limits are noted, they are required. Spaces count toward character limits.

12. The draft Second Round Application Guideline required the narrative's lines to be numbered. Has this requirement been dismissed?

The requirement to number the narrative lines has been dismissed.

13. The first round of Promise Zones winners went to the three largest urban communities that applied. Is there an advantage/preference for larger cities in awarding Promise Zones?

Large cities do not receive preference in the selection process. In Round 2, urban applications will be considered in two subcategories: large Metropolitan Core Based Statistical Area (Metro CBSA) with a total population of 500,000 or more or small/medium Metro CBSA with a total population of 499,000 or less. HUD intends to designate at least one small/medium Metro CBSA subject to the number and composition of applications received. Please note Promise Zone boundaries must encompass a population of at least 10,000 but no more than 200,000 residents.

14. If your target community is already designated a Choice Neighborhood that is currently completing its Transformation Plan, would it be eligible for a Promise Zones designation as well?

Any eligible lead applicant that applies for a proposed Promise Zone meeting the qualifying criteria is eligible for a designation, including those communities previously receiving an award under a federal program.

15. Are state supported universities eligible to serve as the Lead applicant for the Promise Zone initiative?

State supported universities are eligible lead applicants if they meet the definition of a nonprofit organization or an LEA, and apply in partnership with local government.

16. Are 501c4 nonprofit organizations eligible to apply?

Nonprofit organizations, applying in partnership with local governments, are eligible applicants for a Promise Zones designation. Eligible entities are nonprofits and entities that are classified as such in accordance with section 501(c) of the Federal Tax Code or have been designated as such by their state government. This includes 501(c)(4) nonprofit organizations. However, 501(c)(4) nonprofits may be ineligible for many federal grant programs that would support the Promise Zone plan.

17. When a nonprofit is a lead agency and application includes multiple jurisdictions, what UGLG support is required? County and/or municipalities?

For proposed Promise Zones that encompass multiple municipalities, commitment must be demonstrated by the mayor/chief executive of each municipality involved. A nonprofit must apply in partnership with the local municipality in which the proposed Promise Zone is located, except in the case that the county is supporting a Promise Zone application in an unincorporated territory.

18. For communities that meet the census tract/poverty rate/leadership commitment requirements to be an Urban Promise Zone applicant, but could also meet the Rural Definition; should cities in this situation apply for Urban or Rural?

Rural Promise Zones many not include any incorporated municipalities or unincorporated areas with individual populations greater than 50,000. Proposed Promise Zones located in cities with a population less than 50,000 (and which include no territory within the bounds of a municipality or unincorporated area with a population greater than 50,000) should apply for a rural designation. Anytime a proposed Promise Zone can qualify for rural, then they are rural.

19. Please advise if there are any stipulations or criteria for businesses to apply for a Promise Zone designation?

For-profit businesses are not eligible lead applicants for a Promise Zone designation. Eligible applicants are: local governments, including an office or department within local government, or non-profit organizations, public housing agencies, metropolitan planning organizations, or Local Education Agencies (LEAs) applying in partnership with local government. While there are no eligibility criteria for lead applicants related to tenure, applications will be assessed based on the demonstrated capacity of the lead applicant to implement the Promise Zones Plan. Reviewers will consider the lead organization's prior successes in achieving outcomes and the degree to which prior experience of the lead applicant is similar to, or has prepared the applicant for, the scale, scope, and complexity of the proposed Promise Zones effort.

For-profit businesses are not eligible lead applicants for a Promise Zones designation.

While for-profit entities are not eligible lead applicants, such entities may serve as implementation partner organizations or supporting partner organizations. There are no eligibility requirements for implementation partner organizations or supporting partner organizations. However, applicants will also be assessed based on the demonstrated capacity of implementation partner organizations to implement Promise Zones Plan, including the relevance of the prior experience of implementation partners.

20. If a City is the Lead Applicant, does HUD require the Mayor (UGLG Executive) to sign the MOU, or can the signature be from any signor(s) delegated with signing authority?

If the Mayor or UGLG Executive has delegated signing authority to another individual, a signature from an individual with delegated authority is acceptable; but evidence of the delegation of authority must be included with the application. Evidence of the delegation of authority will not count in the 35 page additional documentation limit.

21. In our application as a nonprofit, and as part of our letter of support eligibility requirement, does local leadership only mean the mayor of our city can provide that letter or can another local government official (including city council member, etc.) provide that? Do we absolutely need the support of our city's mayor in order to apply or can the support of another government official work as well?

A signed letter by a city's Chief Executive, or another person to whom he or she has delegated signature authority is required for the letter of support. A letter from another local government official can be included but is not required.

22. Given the requirement to submit an application in partnership with a UGLG, have the UGLGs established processes to determine how that determination will be made?

Please reach out to your UGLG to determine if a process has been established. This is a local decision and HUD or USDA will not be involved in the process.

23. In the event a city has chosen a local non-profit organization as their "lead applicant," is the city required to receive certification from that local non-profit when they chose to apply for grants?

The Lead Applicant receiving the Promise Zone designation will be the only entity that can certify Promise Zone partners and confirm their eligibility for preference points, priority consideration and other Promise Zone benefits. After receiving a Promise Zone designation, the Lead Applicant will be referred to as the Lead Organization for the Promise Zone.

24. Over time, can Promise Zones expand to multiple municipalities if support is given?

After a Promise Zone designation is made, HUD and USDA would consider changes to the boundaries as an amendment to the original application. Amendments to the boundaries would be reviewed on a case-by-case basis to determine whether the updated boundaries meet eligibility requirements and if the impact of the amendment is sufficient to necessitate a re-scoring of the application. These amended applications will be considered under the selection criteria used for the original application, including the 200,000 population cap.

25. Where can you find a PDF of all the questions in the application on Max.Gov?

For a description of the questions included in the MAX.gov application, please review the Second Round Application Guide.

26. If we did not receive an email after completing the MAX.GOV survey, should we resubmit the Letter of Intent?

To access the Second Round Promise Zone Application, you must submit a Letter of Intent through MAX Survey. The Letter of Intent form is only accessible via the direct link found on the Promise Zones website. Within one business day of submitting the Letter of Intent, you will receive an email with an individualized link to begin your application. If you are experiencing technical difficulties, please contact PromiseZones@hud.gov.

27. In cities where there will be a change in leadership due to an election, will that impact HUD's decision to award a designation?

If local elected executive leadership is in transition, the city manager or city council may submit a letter of support, pursuant to local laws respecting commitments during periods in which there is no sitting Chief Executive. Documentation respecting local procedures and delegations of authority in such a situation should be included in the application materials. A letter from the incoming local leader may also be included in application materials. The letters count toward the 35-page limit for additional documents.

28. The guidelines suggest using "data points and analysis on information that is no more than 24 months old." Can you discuss how this requirement relates to the use of census data to describe demographic conditions? Is there a preferred data set, i.e., 2010 Census files, American Community Survey 5-year Average, 3-year Average or 1-Year Estimates?

The requirement to use data that is no more than 24-months old is limited to Section IV-A: Needs and Assets Assessment. There is no preferred data set for Section III. Demographic information provided for Section III: Need may be based on older data.

29. What data should be used for the Needs and Assets Assessment located in Section IV-Part A on page 10 of the urban application guide?

Applicants can include any data points and analysis based on information that is no more than 24 months old. Note: If crime is a focus in the community's plan, applicants must provide the total number of Uniform Crime Reporting Act (UCR) Part I crime date per 1,000 people within the Promise Zone boundaries. UCR data can be obtained from the local law enforcement agency and should cover the years 2011-2013. If your community is using the National Incident-Based Reporting system (NIBRS) also include NIBRS data. See page 9 of the urban application guide.

30. Will HUD consider rounding the poverty rate up to 33%, if after using the Promise Zones mapping tool, a city discovers that its preferred Promise Zones boundary yields a poverty rate of 32.99%?

To determine eligibility, the reported poverty rate or Extremely Low Income rate will be rounded to the tenth percentage point. The rate within the Promise Zones must be 32.5% and above to meet the poverty rate eligibility requirement.

31. What data is used to determine population levels, employment, and poverty?

The Promise Zones mapping tool (<http://www.huduser.org/PZ/promisezone.html>) overlays the locally defined neighborhood/community boundaries with data associated with that area and estimates the rates of certain indicators in that area using a proportional allocation methodology. For metropolitan areas, the tool uses Census block group (as defined for Census 2010) as the smallest statistical boundary for the available data. For non-metropolitan areas, the tool uses census tract data to account for less precision in low-population areas. This tool can clarify if a community meets the poverty and geographic requirements for a Promise Zones designation.

32. Can alternative data sources be used to meet the eligibility criteria?

If the Lead Applicant requests to use alternative data sources to meet the eligibility criteria or for the Need application section, a one-page explanation noting the alternative data source must be submitted. It should be emailed to pzapplications@hud.gov with the subject line "Alternative data source request" by October 17, 2014 to be approved by the relevant designating agency (HUD or USDA).

33. Could there potentially be multiple Promise Zones designations within a single city?

If a Promise Zone designated in Round 1 is located within a UGLG in which a new application is being made, the applicant is directed to include an explanation of how, if a second Promise Zone designation is made, the UGLG plans to work with all of the Promise Zones designees at the same time and sustain the level of effort, resources, and support committed to each Promise Zone under its respective Promise Zones plan for the full term of each designation.

34. Where can I get information about the application process?

The urban, rural, and tribal application guides are available at: <https://www.hud.gov/promisezones/>. Additional information regarding application webcasts and responses to public comment are also available on the website. To get the most current information, please join the Promise Zone mailing list at: <https://www.hud.gov/promisezones/>.

35. What is the protocol for letters of support?

Congressional letters of support should be submitted directly to the Secretary of the U.S. Department of Housing and Urban Development for **urban** applications. In addition, a copy of the congressional letter of support should be emailed to: promisezones@hud.gov.

If a State plans to be an implementation partner, a letter of support would be relevant to the application review. If not acting in that capacity, general letters of support should be submitted to the Secretary of the U.S. Department of Housing and Urban Development with a copy emailed to: promisezones@hud.gov.

Congressional letters of support should be submitted directly to the Secretary of the U.S. Department of Agriculture for **rural/tribal** applications. In addition, a copy of the congressional letter of support should be emailed to: promisezones@hud.gov.

36. At what point does the lead organization along with the implementation partners provide signatures in the Memorandum of Understanding (MOU)? Does the applicant need to provide signatures in the preliminary MOU that is submitted with the application or in the final MOU upon designation?

The lead applicant and the implementation partners should provide signatures in the preliminary MOU included in the application. Upon designation, the lead applicant and the implementation partners will need to sign the final MOU.

37. What are the page requirements for the application and supporting materials?

The application should not exceed 25 pages. Any pages beyond this will not be reviewed. HUD and USDA will not consider the information on any excess pages, which may result in a lower score.

In addition supporting materials should not exceed 35 pages. These can include: Letters of Support, a preliminary MOU, and additional maps. Any pages beyond this will not be reviewed. HUD and USDA will not consider the information on any excess pages, which may result in a lower score.

38. Are footnotes and hyperlinks in the application, appendices, and Goals and Activities section permitted? Should footnotes follow the formatting requirements spelled out in the application?

Applicants are encouraged to include citations when necessary, however all footnotes/appendices will count toward the 25 page narrative or the 35 page additional documentation, depending upon where the applicant chooses to include it. All elements of the narrative section must comply with the formatting requirements: Calibri font, 12 point, double-spaced and one inch margins. Any additional information included via hyperlink will not be considered.

39. What if I have additional questions?

Additional questions on how to apply and for eligibility should be directed by email to: PromiseZones@hud.gov.

OVERVIEW

40. What are Promise Zones and what do they aim to achieve?

Promise Zones are high poverty communities where the federal government will partner with and invest in high-poverty urban, rural, and tribal communities to create jobs, increase economic activity, improve educational opportunities, leverage private investment, and reduce violent crime.

41. How many designations will be made in this round of designations?

HUD intends to designate six urban communities and USDA intends to designate at least one rural and at least one tribal community. HUD will coordinate urban Promise Zone efforts and activities. USDA will coordinate rural and tribal Promise Zone efforts and activities.

42. How does the Promise Zones initiative relate to “Ladders of Opportunity”?

The Promise Zones Initiative is part of President Obama’s “Ladders of Opportunity” agenda, which holds that there’s a basic bargain in America. It says that no matter who you are or where you’re from, if you’re willing to work hard and play by the rules, you should be able to find a good job, feel secure in your community, and support a family. President Obama has fought for the middle class, and has made historic investments in making sure that there are ladders of opportunity for those working hard to make it to the middle class.

The President’s “Ladders of Opportunity” Plan:

- Partners with some of the nation’s most distressed communities to help them rebuild by putting people back to work and creating pathways of upward mobility for their youth; the Administration has begun to partner with Promise Zones across the country to help get them back on their feet.
- Rewards hard work by raising the minimum wage: The President’s plan raises the minimum wage, which would directly boost wages for 15 million workers and reduce poverty and inequality.
- Provides high-quality preschool for every child: The President’s plan partners with states to expand high-quality preschool to every child, and to invest in early learning opportunities for our youngest children—birth through age three—by expanding Early Head Start, child care, and other health and education programs.
- Creates pathways to jobs for all Americans: The President’s plan offers incentives to companies that hire Americans who’ve got what it takes to fill a job opening, but have been out of work so long that no one will give them a chance anymore.
- Strengthens families: The President has proposed to remove financial deterrents to marriage for low-income couples; as well as continuing to support the critical role that fathers play in enhancing the well-being of their sons and daughters.

43. What communities are designated Promise Zones?

On January 9, 2014, President Obama announced the first urban, rural, and tribal Promise Zones in a ceremony at the White House. They are located in: San Antonio (Eastside Neighborhood), Philadelphia (West Philadelphia), Los Angeles (Neighborhoods of Pico Union, Westlake, Koreatown, Hollywood, and East Hollywood), Southeastern Kentucky (Kentucky Highlands), and the Choctaw Nation of Oklahoma.

To receive a Promise Zone designation, a community must submit a high quality application that meets the eligibility criteria and demonstrates strong local commitment, a compelling strategy, and high need. A total of 20 Promise Zone designations will be made by the end of calendar year 2016.

44. How many public comments did HUD receive regarding the proposed selection process and criteria for the second round?

The public comment period closed on June 16, 2014. HUD received 95 public comments. Comments were submitted by members of Congress, mayors, city council members, local government officials, city housing authorities, think tanks, nonprofit organizations and the general public. Responses to public comments are available at: <https://www.hud.gov/promisezones/>.

45. Can a new applicant view the winning applications of the five previous Promise Zone designees?

There are designee fact sheets that provide summaries of each designees' partners and strategies. Applications will not be shared or posted.

46. Is the Promise Zones Initiative the same as Promise Neighborhoods program run by the Department of Education?

No. Promise Neighborhoods is a discretionary grant program offered by the U.S. Department of Education that takes a comprehensive, cradle-to-career approach to ensuring that children have strong systems of support in their neighborhood with great schools at the center. The purpose of Promise Neighborhoods is to significantly improve the educational and developmental outcomes of children and youth in our most distressed communities. Promise Zones is a new interagency initiative headquartered at the U.S. Department of Housing and Urban Development and the U.S. Department of Agriculture. Through the Promise Zones initiative, the federal government will partner with and invest in high-poverty urban, rural, and tribal communities to create jobs, increase economic activity, improve educational opportunities, leverage private investment, and reduce violent crime.

47. Are Promise Zones for rural and tribal communities the same as USDA's StrikeForce Initiative for Rural Growth and Opportunity?

No. USDA's StrikeForce Initiative for Rural Growth and Opportunity works with local partners to bring USDA specific resources and support directly to 770 rural communities experiencing chronic poverty. A Promise Zone designation enables communities to build strong local partnerships to leverage a full range of federal support.

BENEFITS

48. How long will Promise Zone designations last?

The Promise Zone designation will have a term of ten years and may be extended as necessary to capture the full term of availability of the Promise Zone tax incentives, if enacted by Congress.

49. What federal resources will be available to Promise Zones? Is there funding associated with becoming a Promise Zone?

The Promise Zones designation commits the Federal government to partner with local leaders who are addressing multiple community revitalization challenges in a collaborative way and have demonstrated a commitment to results. Further, Promise Zones will be assigned Federal staff to help navigate the array of Federal assistance and programs already available to them. In addition, eligible applicants in Promise Zones will receive any available (a) preference for certain competitive Federal programs and (b) technical assistance. Subject to enactment by Congress, businesses investing in Promise Zones or hiring residents of Promise Zones will be eligible to receive tax incentives. Altogether, this package of assistance will help local leaders accelerate efforts to revitalize their communities.

The Promise Zones designation will be for a term of 10 years, and may be extended as necessary to capture the full term of availability of the Promise Zones tax incentives, pending the enactment of tax incentives by Congress. During this term, the specific benefits made available to Promise Zones will vary from year to year, and sometimes more often than annually, due to changes in the agency policies and changes in appropriations and authorizations for relevant programs. All assistance provided to Promise Zones is subject to applicable regulations, statutes, and changes in Federal agency policies, appropriations, and authorizations for relevant programs. The current list of opportunities includes:

- *Department of Agriculture:* Community Facilities Direct Loan and Grant Program; Community Food Projects; Farmers Market Promotion Program; Housing Preservation Grants; Local Food Promotion Program; Rural Community Development Initiative; Self-Help Section 523 Technical Assistance Grants
- *Department of Commerce:* Economic Development Assistance Program
- *Corporation for National and Community Service:* AmeriCorps VISTA; Social Innovation Fund
- *Department of Education:* Charter Schools Program Replication and Expansion Grant; Full Service Community Schools Grant; GEAR UP; Project Prevent Grants; School Climate Transformation Grants
- *Department of Health and Human Services:* Assets for Independence; Community Economic Development Program; Community Economic Development Program – Healthy Food Financing Initiative Program; Community Health Centers; Healthy Start; Teen Pregnancy Prevention Program
- *Department of Housing and Urban Development:* Choice Neighborhoods Implementation Grant; Choice Neighborhoods Planning Grant; Community Development Block Grant (ICDBG) Program for Indian Tribes and Alaska Native Villages
- *Department of Justice:* Byrne Criminal Justice Innovation Program; COPS Hiring Program
- *Department of Labor:* Reintegration of Ex-Offenders; Trade Adjustment Assistance Community College and Career Training Initiative; YouthBuild
- *Small Business Administration:* HUBZone; Micro Entrepreneurship Initiative; Office of Native American Affairs and Technical Assistance; Women’s Business Center
- *U.S. Department of the Treasury:* New Markets Tax Credit Program

Please note that funding opportunities are open to all eligible communities. More information on each opportunity can be found at agency websites and www.grants.gov.

50. How would the proposed Promise Zones tax credits work?

If Congress enacts the Obama Administration’s Promise Zones tax incentive proposal, private businesses will receive tax incentives for employing and investing in Promise Zones, thereby attracting additional private investments. The tax incentives would be available to businesses employing Promise Zone residents or investing in a geographic area encompassing the Promise Zones as described in the Administration’s FY15 revenue proposals (<http://www.treasury.gov/resource-center/tax-policy/Documents/General-Explanations-FY2015.pdf>). The maximum population of the area in which a

Promise Zones tax incentive can be claimed is two hundred thousand. Under the Administration's proposal, the Promise Zones tax incentives will remain available to businesses for ten years

51. Is the lead applicant the only entity that receives the benefits of Promise Zones designation, such as tax incentives, technical assistance, and future application preference points to an array of grant programs?

Partners actively working in support of the strategic plan for which the Promise Zones was competitively selected are eligible to receive Promise Zone benefits. To qualify for this benefit, the lead organization of the Promise Zones will need to work with partners to provide documentation certifying involvement with the Promise Zones. Funding announcements and other information regarding federal benefits targeted to Promise Zones will provide more specific instructions regarding the documentation required to indicate that a partner has been certified by the lead organization (e.g., a letter of support or partnership agreement).

52. Will there be a Promise Zones finalist designation in this round? What benefits do finalists receive?

The participating federal agencies may also choose to name some applicants as "Promise Zones Finalists" as a result of this selection process. The purpose of selecting Promise Zones Finalists will be to recognize communities whose applications reflect high-quality strategies under the criteria set forth in the *Application Guide*, but are not selected as Promise Zone designees. The participating federal agencies will seek to expand national knowledge about Promise Zones Finalist communities and their revitalization strategies by posting information submitted in the Finalists' applications on agency websites, and the participating federal agencies will communicate regularly with Finalists about opportunities for relevant funding or technical assistance that may become available, although no preference points, or other Promise Zone designation advantages will be awarded as a result of Finalist status. Promise Zones Finalists will not be precluded from applying for Promise Zones designation in a possible future round of the Promise Zones initiative.

53.

- a. Will Urban Promise Zones designees have an opportunity to determine and choose the level and types of support and/or technical assistance needed to address its specific project goals?**
- b. Who will be the federal liaison responsible for supporting Promise Zone designees? How will the quality of support provided to Promise Zone designees be monitored?**

For communities designated, the federal government will partner to help the Promise Zones access the resources and expertise they need. The designee will determine the types and level of supports needed to revitalize their community.

A federal liaison will be assigned to help each Promise Zone in navigating federal resources. HUD and USDA are tracking the use of federal programs and available preferences by Promise Zone designees. Current designees are also providing regular feedback to federal partners to ensure that community needs are addressed.

54. How can I verify details on which competitive grants programs provide preference points and priority consideration to Promise Zone communities and what those preferences are?

Twelve federal agencies offer benefits to Promise Zone designees . For a current list of funding and technical opportunities, please visit <https://www.hudexchange.info/promise-zones/federal-partner-funding-and-technical-assistance-opportunities/>

Please note that funding and technical assistance opportunities are open to all eligible communities. The specific benefits made available to Promise Zones will vary from year to year, and sometimes more often than annually, due to changes in the agency policies and changes in appropriations and authorizations for relevant programs. All assistance provided to Promise Zones is subject to applicable regulations, statutes, and changes in federal agency policies, appropriations, and authorizations for relevant programs.

More information on each opportunity can be found at agency websites and www.grants.gov.

THIRD ROUND SELECTION PROCESS

55. In the 2015 round of applications, how many urban communities will HUD designate?

We will designate 20 total Promise Zones by the end of 2016. Five have been designated already, and a total of at least eight (including six urban) will be designated in the second round. Up to seven will be designated in the third round. The allocation of designations among urban, rural and tribal categories will in part depend upon the number of competitive applications in each category in the second round.

56. When will the 2015 round of applications open?

We will move quickly after the second round reviews to capture lessons and make improvements to the application materials so that third round applicants benefit from the agencies' experience with the first two rounds. However we cannot provide a firm timeframe at this point.

MISCELLANEOUS

57. How often will the Promise Zone FAQ be updated?

The Promise Zones FAQ will be updated periodically as questions arise. To receive an email notification when the FAQ document is updated, please subscribe to our mailing list at: <https://www.hudexchange.info/maillinglist/>.

58. Will feedback/recommendations be provided on our Letters of Intent?

The letter of Intent is optional and for informational purposes. No feedback or recommendations will be provided.