

# SECTION 3

## HOPE VI REVITALIZATION GRANT IMPLEMENTATION

# HOPE VI REVITALIZATION GRANTS

September 10, 1999

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
<b>Albany</b> Housing Authority 4 Lincoln Square Albany, NY 12202-1698 Phone: 518-445-0711 Fax: 518-445-0725	Edwin Corning Homes	98	28,852,200
<b>Alexandria</b> Redevelopment and HA 600 North Fairfax Street Alexandria, VA 22314 Phone: 703-549-7115 x 218 Fax: 703-549-8709	Samuel Madden Homes	98	6,716,259
<b>Allegheny County</b> HA 341 Fourth Avenue Pittsburgh, PA 15222 Phone: 412-355-2150 Fax: 412-471-8884	McKees Rocks Terrace	97	15,847,160
	Homestead Apartments	98E	2,549,392
HA of the City of <b>Atlanta</b> 739 West Peachtree St. NE Atlanta, GA 30365 Phone: 404-817-7200 Fax: 404-815-4070	Techwood/Clark Howell/ Centennial Place	93	42,562,635
	Perry Homes	96	20,000,000
	Carver Homes	98	34,669,400
	Joel Chandler Harris Homes	99	35,000,000
<b>Atlantic City</b> Housing Authority and Urban Redevelopment Agency 227 Vermont North Atlantic City, NJ 08404 Phone: 609-344-1107 Fax: 609-347-1015	Shore Park Shore Terrace	99	35,000,000
Housing Authority of <b>Baltimore City</b> 417 East Fayette Street Room 1346 Baltimore, MD 21202 Phone: 410-396-3232 Fax: 410-396-4943	Lafayette Courts	94	49,663,600
	Lexington Terrace	95(2)	22,702,000
	Hollander Ridge	96	20,000,000
	Murphy Homes Julian Gardens	97	31,325,395
	Flag House Courts	98	21,500,000
	Broadway Homes	99	21,362,223

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
HA of the <b>Birmingham</b> District 1826 Third Avenue South Birmingham, AL 35233 Phone: 205-521-0620 Fax: 205-521-7787	Metropolitan Gardens	99	34,957,850
<b>Boston</b> Housing Authority 52 Chauncey Street Boston, MA 02111-2375 Phone: 617-988-4124 Fax: 617-988-4133	Mission Main	93	49,992,350
	Orchard Park	95(2)	30,000,000
HA of the City of <b>Bradenton</b> 1300 5th Street West Bradenton, FL 34205 Phone: 941-748-5568 Fax: 941-747-8063	GD Rogers and Addition	99	21,483,332
<b>Buffalo</b> Housing Authority 300 Perry Street Buffalo, NY 14204 Phone: 716-855-6711 Fax: 716-855-6761	Lakeview Homes Lower West Side	97	28,015,038
<b>Cambridge</b> Housing Authority 675 Massachusetts Avenue Cambridge, MA 02139 Phone: 617-520-6229 Fax: 617-547-9821	John F. Kennedy Apartments	98E	5,000,000
<b>Camden</b> Housing Authority 1300 Admiral Wilson Blvd. Camden, NJ 08105 Phone: 609-968-6107 Fax: 609-966-1306	McGuire Gardens	94	42,177,229
HA of the City of <b>Charlotte</b> 1301 South Boulevard Charlotte, NC 28203 Phone: 704-336-5221 Fax: 704-336-7767	Earle Village	93	41,740,155
	Dalton Village	96	24,501,684
	Fairview	98	34,724,570
Housing Authority of <b>Chester City</b> 1010 Madison Street Chester, PA 19013 Phone: 610-876-5561 Fax: 610-876-0304	Lamokin Village	96	14,949,544
	McCafferey Village	98	9,751,178

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
<b>Chester County</b> Housing Authority 222 North Church Street West Chester, PA 19380 Phone: 610-436-9238 Fax: 610-436-9203	Oak Street	97	16,434,200
<b>Chicago</b> Housing Authority 626 West Jackson Blvd. Chicago, IL 60661-5601 Phone: 312-791-8401 Fax: 312-627-0346	Cabrini-Green	94	50,000,000
	Henry Horner	96	18,435,300
	Robert Taylor	96	25,000,000
	ABLA Brooks Extension	96	24,483,250
	ABLA	98	35,000,000
<b>Cincinnati</b> Housing Authority 16 West Central Parkway Cincinnati, OH 45210 Phone: 513-977-5660 Fax: 513-977-5616	Lincoln Court	98	31,093,590
	Laurel Homes	99	35,000,000
<b>HA of the City of Columbia, SC</b> 1917 Harden Street Columbia, SC 29204 Phone: 803-376-6103 Fax: 803-376-6114	Saxon Homes	99	25,843,793
<b>Columbus</b> Metropolitan HA 960 East Fifth Avenue Columbus, OH 43201 Phone: 614-421-4400 Fax: 614-421-4505	Windsor Terrace (Rosewind)	94	42,053,408
<b>Cuyahoga</b> Metropolitan HA 1441 West 25th Street Cleveland, OH 44113-3101 Phone: 216-348-5911 Fax: 216-348-4925	Outhwaite Homes King Kennedy Estate South	93	50,000,000
	Carver Park	95(2)	21,000,000
	Riverview	96	29,733,334
<b>Dallas</b> Housing Authority 3939 North Hampton Road Dallas, TX 75212 Phone: 214-951-8300 Fax: 214-951-8492	Lakewest	94	26,600,000
	Roseland	98	34,907,186

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
<b>Dayton</b> Metropolitan HA 400 Wayne Avenue Dayton, OH 45410 Phone: 937-222-6989 Fax: 937-222-3990	Edgewood Court Metro Gardens Metro Annex	99	18,311,270
<b>Decatur</b> Housing Authority 1808 East Locust Street Decatur, IL 62521 Phone: 217-423-7711 Fax: 217-423-7771	Longview Place	99	34,863,615
<b>HA of the City and County of Denver</b> 110 West Colfax Avenue Denver, CO 80204 Phone: 303-534-0821 Fax: 303-825-2969	Quigg Newton Homes	94	26,489,288
	Curtis Park Arapahoe Courts	98	25,753,220
<b>Detroit</b> Housing Commission 2211 Orleans Detroit, MI 48207 Phone: 313-877-8639 Fax: 313-877-8805	Jeffries Homes	94	49,807,342
	Parkside Homes	95(1)	47,620,227
	Herman Gardens	96	24,224,160
<b>HA of the City of El Paso</b> 1600 Montana Avenue El Paso, TX 79902 Phone: 915-542-0758 Fax: 915-542-3149	Kennedy Brothers	95(1)	36,224,644
<b>HA of the City of Elizabeth</b> 688 Maple Avenue Elizabeth, NJ 07202-2690 Phone: 908-965-2401 Fax: 908-965-0026	Pioneer Homes Migliore Manor	97	28,903,755
<b>HA of the City of Gary</b> 578 Broadway Gary, IN 46402 Phone: 219-883-0387 Fax: 219-881-6414	Duneland Village	99	19,847,454
<b>Greensboro, NC</b> Housing Authority P.O. Box 21287 Greensboro, NC 27420 Phone: 336-275-8501 Fax: 336-278-1307	Morningside Homes	98	22,987,722

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HA of the City of <b>Greenville, SC</b> 511 Augusta Scott Towers Greenville, SC 29603 Phone: 864-467-4299 Fax: 864-467-3088	Woodland Homes Pearce Homes	99	21,075,322
<b>Helena</b> Housing Authority 812 Abbey Street Helena, MT 59601 Phone: 406-442-7970 Fax: 406-442-0574	Enterprise Drive	97	1,124,300
HA of the City of <b>High Point, NC</b> 500 East Russell Avenue High Point, NC 27260 Phone: 336-887-2661 Fax: 336-887-2414	Springfield Townhouses	99	20,180,647
<b>Holyoke</b> Housing Authority 475 Maple Street Holyoke, MA 01040-3775 Phone: 413-539-2220 Fax: 413-539-9145	Jackson Parkway	96	15,000,000
<b>Houston</b> Housing Authority PO Box 2971 Houston, TX 77252-2971 Phone: 713-260-0502 Fax: 713-260-0805	Allen Parkway Village	93	36,602,761
		97	21,286,470
<b>Indianapolis</b> Housing Authority 5 Indiana Square Indianapolis, IN 46204 Phone: 317-327-8103 Fax: 317-327-8181	Concord Village Eagle Creek	95(1)	29,999,010
<b>Jacksonville</b> Housing Authority 1300 Broad Street Jacksonville, FL 32202 Phone: 904-366-3453 Fax: 904-630-3888	Durkeeville	96	21,552,000
HA of the City of <b>Jersey City</b> 400 U.S. Highway 1 Jersey City, NJ 07306 Phone: 201-547-6750 Fax: 201-547-6709	Curries Woods	97	32,173,532

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Housing Authority of <b>Kansas City</b> 712 Broadway Kansas City, MO 64106 Phone: 816-842-2440 Fax: 816-221-4964	Guinotte Manor	93	47,579,800
	Theron B. Watkins Homes	96	13,000,000
	Heritage House	97	6,570,500
		98E	3,429,500
<b>Knoxville's</b> Community Development Corporation 901 Broadway NE Knoxville, TN 37927 Phone: 423-594-8806 Fax: 423-594-8791	College Homes	97	22,064,125
HA of the City of <b>Lakeland, FL</b> 430 South Hartsell Avenue Lakeland, FL 33815 Phone: 941-687-2911 Fax: 941-682-1226	Washington Ridge	99	21,842,801
<b>Lexington-Fayette</b> Urban County HA 300 West New Circle Road Lexington, KY 40505 Phone: 606-281-5060 Fax: 606-281-5055	Charlotte Court	98	19,331,116
HA of the City of <b>Los Angeles</b> 2600 Wilshire Blvd Los Angeles, CA 90057 Phone: 213-252-1810 Fax: 213-252-2742	Pico Gardens Aliso Apartments	93	50,000,000
	Aliso Village	98	23,045,297
Housing Authority of <b>Louisville</b> 420 South Eighth Street Louisville, KY 40203 Phone: 502-574-3423 Fax: 502-574-1348	Cotter and Lang Homes	96	20,000,000
<b>Memphis</b> Housing Authority 700 Adams Avenue Memphis, TN 38103 Phone: 901-544-1102 Fax: 901-544-1218	LeMoyne Gardens	95(1)	47,281,182
<b>Miami-Dade</b> Housing Agency 1401 NW 7th Street Miami, FL 33125 Phone: 305-541-6716 Fax: 305-644-5100	Ward Towers	98E	4,697,750
	Scott Homes Carver Homes	99	35,000,000

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
HA of the City of <b>Milwaukee</b> 809 North Broadway P.O. Box 324 Milwaukee, WI 53202 Phone: 414-286-5666 Fax: 414-286-5447	Hillside Terrace	93	45,689,446
	Parklawn	98	35,000,000
<b>Mobile</b> Housing Board 151 South Claiborne Street Mobile, AL 36602 Phone: 334-434-2201 Fax: 334-434-2373	Central Plaza Towers	98E	4,741,800
Metropolitan Development and Housing Agency - <b>Nashville</b> 701 Sixth Street PO Box 846 Nashville, TN 37202 Phone: 615-252-8410 Fax: 615-252-3677	Vine Hill Homes	97	13,563,876
	Preston Taylor Homes	99	35,000,000
<b>New Bedford</b> Housing Authority 134 South Second Street New Bedford, MA 02741 Phone: 508-997-4800 Fax: 508-997-4807	Caroline Street Apartments	98E	4,146,780
HA of the City of <b>New Brunswick</b> 71 Neilsen Street New Brunswick, NJ 08901 Phone: 732-745-5147 Fax: 732-214-8805	New Brunswick Homes	98	7,491,656
HA of the City of <b>New Haven</b> 360 Orange Street New Haven, CT 06511 Phone: 203-946-2802 Fax: 203-946-2894	Elm Haven Terrace	93	45,331,593
Housing Authority of <b>New Orleans</b> 918 Carondelet Street New Orleans, LA 70130 Phone: 504-582-7776 Fax: 504-526-5848	Desire	94	44,255,908
	St. Thomas	96	25,000,000
<b>New York City</b> Housing Authority 250 Broadway, Room 904 New York, NY 10007 Phone: 212-306-3434 Fax: 212-306-3823	Arverne Homes	95(1)	47,700,952
	Edgemere Homes	96	20,000,000
	Prospect Plaza	98	35,000,000



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HA of the City of <b>Newark</b> 57 Sussex Avenue Newark, NJ 07103-3992 Phone: 973-430-2201 Fax: 973-624-1242	Archbishop Walsh Homes	94	49,996,000
	Stella Wright Homes	99	35,000,000
<b>Oakland</b> Housing Authority 1619 Harrison Street Oakland, CA 94612 Phone: 510-874-1661 Fax: 510-874-1674	Lockwood Gardens Lower Fruitvale	94	26,510,020
	Chestnut Court	98	12,705,010
	Westwood Gardens	99	10,053,254
HA of the City of <b>Orlando</b> 300 Reeves Court Orlando, FL 32801 Phone: 407-894-1500 Fax: 407-895-0820	Colonial Park	97	6,800,000
HA of the City of <b>Paterson</b> 60 Van Houten Street Paterson, NJ 07505-1998 Phone: 973-345-5650 Fax: 973-977-9085	Christopher Columbus	97	21,662,344
<b>Peoria</b> Housing Authority 100 South Sheridan Road Peoria, IL 61605 Phone: 309-676-8736 Fax: 309-676-0603	Colonel John Warner Homes	97	16,190,907
<b>Philadelphia</b> Housing Authority 2012 Chestnut Street Philadelphia, PA 19103-4497 Phone: 215-684-4174 Fax: 215-684-4160	Richard Allen Homes	93	50,000,000
	Schuylkill Falls	97	26,400,951
	Martin Luther King Plaza	98	32,997,462
<b>Pittsburgh</b> Housing Authority 200 Ross Street, 8th Floor Pittsburgh, PA 15219-2068 Phone: 412-456-5012 Fax: 412-456-5068	Allequippa Terrace	93	31,564,190
	Manchester	95(2)	7,500,000
	Bedford Additions	96	26,592,764
<b>Portsmouth</b> Redevelopment and HA 339 High Street Portsmouth, VA 23704 Phone: 757-399-5261 Fax: 757-399-8697	Ida Barbour	97	24,810,883

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<b>Puerto Rico</b> Housing Administration PO Box 363188 San Juan, PR 00936-3188 Phone: 787-274-2647 Fax: 787-763-2484	Cristantemos y Manuel A. Perez	94	50,000,000
HA of the City of <b>Raleigh</b> 600 Tucker Street Raleigh, NC 27602 Phone: 919-831-6416 Fax: 919-831-6160	Halifax Court	99	29,368,114
<b>Richmond</b> Redevelopment and HA 901 Chamberlayne Parkway PO Box 26887 Richmond, VA 23261-6887 Phone: 804-780-4283 Fax: 804-649-0659	Blackwell	97	26,964,118
City of <b>Roanoke</b> Redevelopment and Housing Authority 2624 Salem Turnpike, NW Roanoke, VA 24017 Phone: 540-983-9241 Fax: 540-983-9229	Lincoln Terrace	98	15,124,712
<b>St. Louis</b> Housing Authority 4100 Lindell Boulevard St. Louis, MO 63108 Phone: 314-286-4371 Fax: 314-531-0184	Darst-Webbe	95(1)	46,771,000
HA of the City of <b>St. Petersburg</b> 3250 Fifth Avenue North St. Petersburg, FL 33713 Phone: 813-323-3171 Fax: 813-323-3226	Jordan Park	97	27,000,000
<b>San Antonio</b> Housing Authority 818 South Flores San Antonio, TX 78204 Phone: 210-220-3210 Fax: 210-271-3645	Springview	94	48,810,294
	Mirasol	95(1)	48,285,500
City and County of <b>San Francisco</b> Housing Authority 440 Turk Street San Francisco, CA 94102 Phone: 415-554-1296 Fax: 415-241-1024	Bernal Plaza East	93	49,992,377
	Hayes Valley North and South	95(2)	22,055,000
	North Beach	96	20,000,000
	Valencia Gardens	97	23,230,641

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
<b>Seattle</b> Housing Authority 120 Sixth Avenue North Seattle, WA 98109-5003 Phone: 206-615-3500 Fax: 206-615-3504	Holly Park	95(1)	48,116,503
	Roxbury	98	17,020,880
	Rainier Vista Garden	99	35,000,000
HA of the City of <b>Spartanburg</b> 325 South Church Street Spartanburg, SC 29304-2828 Phone: 864-598-6000 Fax: 864-598-6155	Tobe Hartwell Tobe Hartwell Extension	96	14,620,369
<b>Springfield</b> Housing Authority 200 North Eleventh Street Springfield, IL 62703 Phone: 217-753-5757 Fax: 217-753-5799	John Hay Homes	94	19,775,000
HA of the City of <b>Stamford</b> 22 Clinton Avenue Stamford, CT 06902 Phone: 203-977-1400 x 3304 Fax: 203-977-1419	Southfield Village	97	26,446,063
HA of the City of <b>Tampa</b> 1514 Union Street Tampa, FL 33607 Phone: 813-253-0551 Ext. 113 Fax: 813-251-4522	Ponce de Leon College Hill	97	32,500,000
<b>Tucson</b> Public Housing Authority 1501 North Oracle Road Tucson, AZ 85726-7210 Phone: 520-791-4171 Fax: 520-791-5407	Connie Chambers	96	14,600,000
HA of the City of <b>Tulsa</b> P.O. Box 6369 Tulsa, OK 74148-0369 Phone: 918-581-5777 Fax: 918-582-0645	Osage Hills	98	28,640,000
<b>District of Columbia</b> HA 1133 North Capitol Street NE Washington, DC 20002-7599 Phone: 202-535-1500 Fax: 202-535-2573	Ellen Wilson Homes	93	25,075,956
	Valley Green, Skytower	97	20,300,000
	Frederick Douglass Homes Stanton Dwellings	99	29,972,431

PHA NAME	DEVELOPMENT NAME	FY AWARDED	AMOUNT
HA of the City of <b>Wheeling, WV</b> 11 Community Street Wheeling, WV 26003 Phone: 304-242-4447 Fax: 304-242-4495	Grandview Manor Lincoln Homes	99	17,124,895
<b>Wilmington, DE</b> Housing Authority 400 North Walnut Street Wilmington, DE 19801 Phone: 302-429-6701 x 22 Fax: 302-429-6868	Eastlake	98	16,820,350
HA of the City of <b>Wilmington, NC</b> P. O. Box 899 Wilmington, NC 28402 Phone: 910-341-7700 Fax: 910-341-7760	Robert S. Jervay Place	96	11,620,655
HA of the City of <b>Winston-Salem</b> 901 Cleveland Avenue Winston-Salem, NC 27101 Phone: 910-727-8502 Fax: 910-727-8507	Kimberly Park Terrace	97	27,740,850

Total Grants: 131

Total Housing Authorities: 81



## HOPE VI ELIGIBLE ACTIVITIES AND PROGRAM REQUIREMENTS

In the absence of program Regulations, each HOPE VI grant is governed by the NOFA under which the grant was awarded, and the Grant Agreement executed between the Grantee and HUD. For FY 1998 grants, eligible activities are those eligible under the Appropriations Acts for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, for the Fiscal Years 1993, 1994, 1995, 1997, 1998 and 1999; and the Omnibus Consolidated Rescissions and Appropriations Act of 1996. In addition, eligible HOPE VI activities are those included in the 1937 Act, including Section 24 of the 1937 Act, as amended by Section 535 of the Quality Housing and Work Responsibility Act of 1998 (Pub.L. 105-276, 112 Stat. 2461, approved October 21, 1998) (QHWRA).

In addition, the administration of grant and sub-grant funds is subject to all applicable rules, regulations, and policies issued by the Office of Management and Budget (OMB), the General Accounting Office (GAO) and HUD, and to other applicable state and Federal laws and regulations.

The following is a list of eligible HOPE VI activities and the corresponding HUD regulations that apply. Other activities may also be eligible with HUD approval. If a Grantee uses HOPE VI Revitalization funds for any of the following activities, it must conduct them in accordance with the following program requirements unless HUD has provided written approval to follow other requirements.

1. **Total or partial demolition of buildings.** Section 24 of the 1937 Act provides that severely distressed public housing demolished in conjunction with a revitalization plan with HOPE VI funds is not subject to Section 18 of the 1937 Act or regulations at 24 CFR Part 970. Instead, HUD will use information in selected FY 1998 applications to determine whether the proposed demolition can be approved. This provision is retroactive, and Grantees with prior year Revitalization grants that include demolition of public housing not yet approved for demolition under part 970 may be required to provide additional evidence of severe distress.
2. **Disposition** of property, in accordance with Section 18 of the 1937 Act and regulations at 24 CFR part 970.
3. Public housing development through the **acquisition of land**, or acquisition of off-site units with or without rehabilitation to be used as public housing, in accordance with 24 CFR part 941.
4. Major **rehabilitation** and other physical improvements of housing and community facilities primarily intended to facilitate the delivery of self-sufficiency, economic development, or other community and supportive service opportunities for residents of the targeted development, in accordance with 24 CFR 968.112(b), (d), (e), and (g)-(o), 24 CFR 968.130, and 24 CFR 968.135(b) and (d);

5. **Construction** of replacement rental housing, both on-site and off-site, and community facilities primarily intended to facilitate the delivery of self-sufficiency, economic development, or other supportive services for residents of the targeted development and off-site replacement housing, in accordance with 24 CFR part 941, including mixed-finance development in accordance with subpart F.
6. **Homeownership** activities, including:
  - a. Development of replacement homeownership units that meet the regulatory requirements of the Section 5(h) Program at 24 CFR part 906;
  - b. Development of replacement homeownership units that meet the statutory requirements of the HOPE II program (42 U.S.C. 12871-80; Pub. L. 101-625, secs. 421-31; 104 Stat. 4079, 4162-72);
  - c. Development of replacement homeownership units that meet the statutory requirements of the HOPE III program (42 U.S.C. 12891-98; Pub.L. 101-625, secs. 441-48; 104 Stat. 4079, 4172-80);
  - d. Replacement homeownership units that are made available through housing opportunity programs for construction or substantial rehabilitation of homes meeting essentially the same eligibility requirements as the Nehemiah Program; and
  - e. Other appropriate replacement homeownership activities, including downpayment assistance for displaced residents and the provision of closing costs.
7. **Management improvements** for the reconstructed development.
8. The **administration** and operation of units must be in accordance with all existing public housing rules and regulations. Fees and costs must be specifically approved by HUD.
9. **Planning** costs, as approved by HUD.
10. **Technical assistance** costs, as approved by HUD.
11. Well-integrated **Community and Supportive Services** programs designed to assist residents to attain educational excellence, gain employment, and become self-sufficient, and related support programs such as day care, after school activities, etc.
12. Supportive Services to meet the needs of the **elderly**, as appropriate.
13. **Economic development** activities, including the costs of infrastructure and site improvements associated with developing retail/commercial facilities, but excluding hard development costs.

14. **Leveraging** other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the project that will benefit future residents of the site.
15. **Relocation**, conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and government-wide implementing regulations at 49 CFR part 24. Temporary relocation assistance in accordance with 24 CFR 968.108.24 CFR 970.5 (demolition) or 24 CFR 968.108 (rehabilitation), as appropriate.
16. FY 1993 - 1995 grantees must also implement a **community service program**.





## HOPE VI REVITALIZATION GRANT TIMELINE

### A. Making the Award

1. The PHA submits a HOPE VI application on the deadline date specified in the year's Notice of Funding Availability (NOFA), as published in the Federal Register. The application includes a HOPE VI Budget (Form HUD 52825-A), on which the applicant requests funds by broad categories called Budget Line Items (BLIs).
2. HUD reviews the application, assigns a score, and checks for completeness. HUD may revise the total budget amount downward, as permitted by the NOFA.
3. HUD reserves the funds to be awarded.
4. HUD notifies the successful applicant of the amount awarded.

### B. Orientation

1. A HUD Headquarters Grant Manager is assigned to each new grant.
2. At a Business Meeting held in Washington, HUD provides each successful applicant with:
  - a. a HOPE VI Grant Agreement
  - b. HUD Form 1044 (Assistance Award/Amendment), which is the cover/signature page for the Grant Agreement
  - c. The HOPE VI Guidebook, which includes:
    - (1) Grantee financial instructions necessary to enable the Grantee to access grant funds
    - (2) Grantee reporting requirements
    - (3) the Community and Supportive Services Work Plan
    - (4) HOPE VI budget guidance
    - (5) other guidance on such topics as relocation, and resident involvement, and mixed-finance development
3. The Grantee, HUD Grant Manager, Partners, City officials, HUD Field Office staff, and other interested parties conduct an on-site meeting to discuss the merits of the application, ways it can be improved, and next steps in the implementation process.

**C. Grant Execution**

1. The Executive Director of the PHA signs and returns four copies of the Form 1044 to HUD.
2. The HUD Field Office, the Grantee, the State, or some other qualified party performs an environmental review of the proposed site.
3. The HUD executes the 1044s and HUD's Office of Finance and Accounting obligates the total amount of the grant funds. The date of HUD's signature is the effective date of the Grant agreement.
4. HUD sends each Grantee a copy of the executed 1044 for its files.
5. HUD places all funds into BLI 2000, which is a holding BLI that the Grantee cannot access.

**D. Predevelopment**

1. As provided in the Grant Agreement, the Grantee may request predevelopment funds to be made available for drawdown. To request funds, the authorized PHA LOCCS User places a call to the Voice Response System, requesting that grant funds be wire transferred from the U.S. Treasury to the Grantee's designated bank account. Funds are deposited within three business days of the request.
2. The Grantee procures partners in compliance with the requirements of 24 CFR part 85.
3. The Grantee prepares a Revitalization Plan (RP), as required by the requirements of the Grant Agreement. The requirements of the RP will vary from grant to grant, and are provided to each Grantee by the HUD Grant Manager.
4. The HUD Grant Manager reviews the RP and works with the Grantee to make any needed changes or additions.
5. HUD approves the RP via a letter to the Grantee.
6. Within 18 months from the date of RP approval, a general contractor's (or equivalent) agreement must be executed and construction activities commenced.

**E. Proposal**

1. For each phase of construction the Grantee submits to HUD a Mixed Finance Proposal ("Proposal") in accordance with 24 CFR 941 subpart F. HUD, the Grantee, and its Partners work together to resolve any issues raised, including eligible uses of funds, appropriate roles and responsibilities among the Partners, etc. Revised drafts of the Proposal may be submitted as these issues are resolved.
2. Upon approval of the Proposal, the Grantee and its Partners use it as the basis for conversations with lenders, equity investors, and other Participating Parties to leverage other funds. As a result of these conversations, the Proposal may have to be revised to accommodate investor needs. HUD reviews and provides written approval of significant changes to the Proposal as needed.
3. The Grantee and its partner/developer develop documents required by the Mixed Finance ACC Amendment that controls the use of funds that are used for development. The Mixed Finance ACC Amendment lists evidentiary materials that will become Exhibits to the ACC Amendment when finalized. The Mixed Finance ACC Amendment include a detailed budget (Exhibit F; Exhibit F-1 for the first phase) that indicates all of the activities that are approved and how the HOPE VI funds will be spent. Exhibit G of the Mixed Finance ACC Amendment indicates the ratio of HOPE VI funds to other funds to be spent. All funds must be drawn down in that ratio.
4. HUD reviews the evidentiary materials and pre-approves them as they are submitted.
5. A Closing is held on the financial transaction between Grantee, its Partners and investors for the current phase. All documents are signed between the Grantee, its Partners and investors. Parties to transaction may negotiate some issues at the last minute, changing pre-approved evidentiary materials.
6. The Mixed Finance ACC Amendment may be signed before, during, or after Closing. Since some evidentiary materials may change at Closing, the Mixed Finance ACC Amendment may not be able to be executed until after Closing. If certain aspects of the Mixed Finance ACC Amendment are changed after the document is executed, HUD must approve the changes in writing.

**F. Construction**

1. Construction begins for current phase.
2. The Grantee requests HUD funds through LOCCS according to the ratio set forth in the approved Mixed Finance ACC Amendment. Once the funds have been received by the Grantee, the PHA may pay for incurred expenses directly, or make a payment to a designated escrow agent, who will collect payments from all sources and make disbursements to contractors.
3. For each subsequent phase, the Grantee submits a new Proposal or amendment to the existing Mixed Finance Full Proposal which indicates changes from one phase to the other (e.g., the identification of partners in Exhibit B of the Mixed Finance ACC Amendment, the budget breakout in Exhibit F, the draw ratio in Exhibit G).
4. Evidentiary materials are prepared for each new phase.
5. HUD and the Grantee execute a subsequent Mixed Finance ACC Amendment or an amendment to the existing document.
6. A Closing is held with other funders.
7. HUD spreads the HOPE VI funds associated with the next phase from BLI 2000 into the appropriate BLIs, making them available for drawdown by the Grantee.
8. Construction must be completed within 48 months from the approval of the RP.

**G. Reporting**

1. Every quarter, the Grantee provides HUD with a Quarterly Report which provides detailed information about the progress of the grant, expenditures made, and residents served.
2. Once construction is completed, the Grantee provides HUD with required documentation for closeout. After audit, any unspent portion of the grant is recaptured.

## HOPE VI TDC POLICY

### Background and Authority

Total Development Costs (TDC) is a statutory provision that determines the means by which costs limits for the construction of Public Housing are to be determined. Section 6(b)(2) of the U.S. Housing Act of 1937 states, "The Secretary shall determine the total development cost by multiplying the construction cost guideline for the project (which shall be determined by averaging the current construction costs, as listed by not less than two nationally recognized residential construction cost indices, for publicly bid construction of a **good and sound quality**) by (A) in the case of elevator type structures, 1.6; and (B) in the case of non elevator type structures, 1.75."

HUD had been using Boeck and Marshall & Swift "average" indices to determine the TDC for approximately eight years. However, HUD encouraged liberal exceptions to TDC when applied to HOPE VI projects. The initial HOPE VI Revitalization grant agreements read:

A grantee is permitted, with HUD approval, to exceed 100 percent of the published total development costs for the developments under HOPE VI, where justified as necessary to meet the standards articulated in Article IX. (Article IX states that HOPE VI units are expected to be sustainable over the long term. HUD does not expect the grantee to adhere to standards of design and construction which have prevailed in the past, but instead will evaluate each revitalization for cost reasonableness in light of the new standards set forth in the HOPE VI program.)

Over the years HUD has issued exceptions to the TDC limits for approximately one-third of approved HOPE VI revitalization plans.

### Development of New Policy

The Department's effort to revise TDC policy was spurred by concern expressed by Congress and the broader public about HOPE VI costs. In order to respond to these concerns and assure fiscal responsibility, the Department saw that it was critical to put cost controls in place. Rather than continue to provide exceptions to current TDC Policy on a case-by-case basis, the Department undertook an extensive effort to set a TDC policy that will produce the desired product while also controlling cost.

The Department's draft TDC policy was circulated to Congress, PHAs, public interest groups and Mayors. The Department received letters from the U.S. Conference of Mayors, Enterprise Foundation, LISC, CLPHA, and NAHRO, among others, expressing their concern that the policy was overly restrictive and would jeopardize the integrity of the program.

The Secretary informed all parties that he would consider modifications of the proposed policy if so instructed by Congress. On May 22, 1998, HUD received a letter from the Senate and House Appropriations leadership (Senators Bond and Mikulski and Congressmen Lewis and Stokes) requesting modifications.

On the basis of this letter, the Department has issued its final TDC policy, HUD Notice PIH 99-17, which is consistent with the recently-enacted Quality Housing and Work Responsibility Act.

### Applicability of TDC Notice 99-17

The applicability of HUD's new TDC policy is shown in the following chart. For HOPE VI grants awarded after FY 1999, HUD will issue a Proposed Rule for public comment.

Funding Source	Applicable Notice	Exceptions Considered
HOPE VI funds awarded in FY 97 - 99	Notice 99-17	No
HOPE VI funds awarded in FY 93 - 96	Notice 99-17	Yes for TDC and HCC, but will only be granted under extraordinary circumstances
Development and MROP funds (all awarded prior to FY 96)	Notice 99-17	Yes for TDC and HCC, but will only be granted under extraordinary circumstances
Comp Grant and CIAP funds approved for development thru Notice 96-56	Notice 99-17	No

### Exceptions to TDC Policy

All projects that have not received a TDC exception are covered by the new notice. While a PHA with a grant awarded in FY 96 or earlier may request an exception to exceed the HCC and TDC limits, it is extremely unlikely that HUD will grant any exceptions.



05102

Office of Public and Indian Housing

Special Attention of:

**Notice** PIH 99-17 (HA)

Issued: March 15, 1999

Expires: March 31, 2000

Cross References:

Secretary Representatives;  
State and Area Coordinators;  
Public Housing Directors;  
Public Housing Agencies

Subject:

Public Housing Development Total Development Cost (TDC) and Cost Control Policy

1. Purpose. The purpose of this Notice is to transmit the Department's newly established policy with regard to Total Development Costs for the development of public housing consistent with the Quality Housing and Work Responsibility Act of 1998. The Notice also transmits the updated schedule of unit TDC limits which will be effective for public housing projects developed with funds awarded under the HOPE VI Program in FYs 1997, 1998 and 1999 for public housing projects developed in FY 1998 and 1999 and with other public housing capital funds. This Notice also provides further guidance with respect to the new TDC policy and project funds allocation controls for HUD Field Offices and PHAs in connection with the development of public housing. It is the Department's intent to publish a rule relative to TDC for FY 2000 and forward.
2. Applicability. This Notice is applicable to the development of public housing and other eligible replacement housing under a HOPE VI Grant Agreement between HUD and a PHA chosen to participate in the HOPE VI program and/or under an ACC for public housing development.
3. Points of Contact. The points of contact are:  
  
Headquarters - Office of Public Housing Investments  
  
Field Office - Office of Public Housing

Public Housing HUBs and Program Centers

PT : Distribution : W-3-1, R-6, R-7, 138-2, R-3-1(PIH)



#### 4. Background.

##### Statutory Requirement:

Section 6(b) of the United States Housing Act of 1937 (Act) requires the Department to establish TDC limits by multiplying the construction cost guideline for the project (which shall be determined by averaging the current construction costs, as listed in not less than 2 nationally recognized residential construction cost indices, for publicly bid construction of a good and sound quality), by 1.6 for elevator type structures and by 1.75 for non-elevator type structures.

##### Housing Indices:

PIH Notice 98-23 (HA), which is being superseded by this Notice, established the TDC limits using Boeckh and Marshall and Swift indices of average quality. There has been criticism of the indices used by HUD to determine TDC as being inconsistent with the intent of the statute. Therefore, in order to establish reasonable cost guidelines consistent with section 6(b)(2) of the Act, in this Notice the Department is using R.S. Means "average" and Marshall and Swift "good" indices to establish TDC.

##### Purpose of New TDC Policy & Cost Allocations:

In order to establish reasonable cost guidelines and cost controls, the Department is issuing this Notice to explain the Department's policy with respect to statutory TDC requirements, and to institute other controls over development costs and project funds allocations. In order to better understand and control the actual costs involved in the development of a project, the project fund allocation policy announced in this Notice separates the costs of development into three sub-allocations. This will enable the Department to identify the actual costs associated with the different aspects of the whole development program -- (1) the costs and funds allocated to construct the dwelling units, (2) the costs and funds allocated to renewal of the community and (3) the costs and funds allocated to provide services to the residents.

#### 5. The Policy for Total Development Costs.

Construction Indices: As indicated above, the statutory TDC is determined by multiplying the construction cost guideline for a project (which is determined by averaging the current construction costs as listed in two nationally recognized construction indices for publicly bid construction of good

and sound quality for specific unit sizes and structure types) by 1.6 for elevator buildings and 1.75 for non-elevator construction then adding the resulting amounts for all the units in the development. This calculation determines the amount of public housing capital funding that may be used to pay for the costs of development of a public housing project. In this Notice, HUD is changing the construction indices that will be used in calculating TDCs. From now on R.S. Means "average" and Marshall & Swift "good" housing indices will be used to establish TDC.

#### TDC Limits on Public Housing Funds Only:

The TDC limit, as determined above, applies to the costs of development of public housing that are paid from Public Housing funds. Unless noted otherwise in this Notice, the term "Public Housing funds" is defined to include public housing development funds, modernization funds converted to development purposes, and HOPE VI funds. In order to determine whether a public housing project satisfies the TDC limit, HUD will consider all HUD-approved costs for planning (including proposal preparation), administration, site acquisition, relocation, demolition, site remediation, and site costs (except as noted below), the dwelling unit hard costs, including construction and equipment, interest and carrying charges, builder's overhead and profit, on-site streets and utilities from the street, off-site facilities including community buildings, finish landscaping, a contingency allowance, insurance premiums and any initial operating deficit. This calculation will also include costs attributable to Davis-Bacon wage rates, as applicable.

#### Demolition, Site-Remediation, and Extraordinary Site Costs:

With respect to demolition, site-remediation, and extraordinary site costs, HUD has determined that these costs are not purely development related costs since they would need to be incurred by the PHA whether or not the site of the demolished public housing project is being redeveloped for public housing. Therefore, the Department has determined to include in the TDC calculation the costs of demolition and site remediation, as approved by HUD, pro-rated with respect to the number of new public housing units being developed on the site. For example, if a PHA is demolishing a 300 unit public housing project and putting only 100 new public housing units back on site, only one-third of the costs of demolition and site remediation will be used in calculating whether the public housing development costs are within the TDC limit. Typical site costs will be included within the TDC. The Department will exclude extraordinary site costs from the TDC calculation. Examples of such costs include, but are not limited to, removal or replacement of extensive underground utility

systems, extensive rock and/or soil removal and replacement, construction of extensive street and other public improvements, dealing with unusual site conditions such as slopes, terraces, water catchments, lakes, etc., and dealing with flood plain and other environmental corrective issues. The costs of demolition, site remediation and extraordinary site costs must be verified by an independent certified engineer, and approved by HUD.

No Exceptions:

Although the statute authorizes the Secretary to approve a higher TDC for a project, the Department will grant no exceptions to the TDC limit for any projects funded from Public Housing funds awarded from FY 1997 forward. This includes any FY 1997 funds awarded under the HOPE VI NOFA, and modernization funds provided to the PHA in FY 1997 and prior years and subsequently approved for conversion to development purposes under PIH Notice 96-56. For Public Housing funds awarded in FY 1996 and prior years, the PHA will be subject to the TDC requirements in effect at the time the funding was provided to the PHA by HUD for any public housing development project in which a PHA is combining Public Housing funds from different years, the TDC and other costs and project funds allocation controls will be governed in accordance with the requirements applicable to the funding most recently provided to the PHA. For purposes of this Notice, in addition to public housing development, HUD will apply the TDC policy and the funds allocation assessment set out below to the development of any replacement housing using Public Housing funds, e.g., eligible homeownership replacement housing.

6. Project Funds Allocation Categories.

For purposes of HUD's project funds allocation assessment, HUD must review and approve all funds going into the development of the public housing project with respect to three distinct categories: Housing, Community Renewal, and Community and Supportive Services. All costs related to Housing and Community Renewal which are to be paid out of Public Housing funds must be within the TDC limit. Within the TDC limit, the PHA can determine the Public Housing funds allocation for Housing costs and the Public Housing funds allocation for Community Renewal Costs; provided that the amount of funds allocated for Housing cannot exceed the Housing cost cap described below. The allocation of funds for Community and Supportive Services is outside of the TDC calculation, but HUD is capping the amount that a PHA can pay for Community and Supportive Services from any public housing funds at 15% of the grant.

**Housing Cost Cap** - Public Housing funds may not be used to pay for housing construction costs in excess of the amount derived by averaging, for a particular market area, the R.S. Means "average" residential construction cost index and the Marshall & Swift "good" residential cost index for specific unit sizes and structure types, and adding the resulting amount for all units in the project. This formula is the same as used in determining the project TDC, with the exception that the multipliers are not applied to the average of the two construction indices. In determining whether housing costs are within this limit, HUD will consider housing unit hard costs; builder's overhead and profit; utilities from the street; finish landscaping; including Davis-Bacon wage rates, as applicable. A PHA may exceed the housing cost cap, as described above, using non-Public Housing funds, such as CDBG funds, HOME funds, low-income housing tax credits, private donations, and private financing.

**Community Renewal** - The project funds allocation for Community Renewal, as pro-rated for demolition and site remediation costs as discussed above, are the balance of funds remaining within the TDC limit after the allocation of Housing costs is subtracted from the TDC limit. While there is no separate cap on the project funds allocation for Community Renewal costs, the project allocation of Public Housing funds for these purposes when added to the allocation of Public Housing funds for Housing purposes must be within the TDC limit.

**Exceptions to TDC Policy** - For FY 1997, 1998 and 1999. funds, i.e., HOPE VI funds awarded in FY 1997, 1998 and 1999, modernization funds approved by HUD for conversion to public housing development purposes in FY 1997 or subsequently, no exceptions to TDC will be provided.

A PHA may exceed the TDC limit with non-Public Housing funds, i.e., a community may provide CDBG or other HUD funds eligible for use for such purposes, and/or non-HUD funds for eligible costs insofar as the costs bring a project over the TDC limit.

**Subsidy Layering** - The HUD Reform Act's Subsidy Layering requirements are applicable to all PHA development projects. In addition, any costs above TDC paid from other sources for project improvements and/or amenities cannot result in substantially increased operating and maintenance costs, or other increased costs to be covered by the PHA.

Community and Supportive Services Funds Allocation Cap-  
While not related to the TDC calculation, the Department has determined to limit the amount of any public housing funds that a PHA may use for community and supportive services programs to 15% of the grant. Such funds are to provide community and supportive services both to current residents who will reside in the redeveloped housing, new residents, and residents who are provided Section 8 certificates and vouchers as replacement housing.

Eligible Community and Supportive Services include but are not limited to:

- job training activities
- day care
- transportation to and from job training/employment and or supportive service activities
- educational activities
- case management
- section 8 counseling
- after school programs for youth focusing on education advancement and self esteem.
- health programs

All Community and Supportive Services shall be performance based with quantifiable results and sustainability after expenditure of HOPE VI funds.

7. Non-HUD and Non-Public Housing Funds.

A PHA may exceed the Housing Cost allocation established above, provided the excess Housing Costs are paid for with non-Public Housing funds.

There is no cap on non-Public Housing funds for community renewal and/or community and supportive services purposes.

TDC Policy Chart & Illustration

The attached HOPE VI TDC Policy chart illustrates the policy graphically; the TDC Policy Illustration chart provides examples of how PHAs might choose to allocate their Public Housing and other HUD funds.

8. Futher Cost Controls

PHAs are urged to scrutinize all fees and other soft costs to assure that they are kept to the minimum.

In order to further control costs and tighten the overall management of the program, in consultation with others, HUD has undertaken an effort to streamline grant processing and procedures; set cost limits for PHA administration, developer, legal, consultant, and other fees; implement data collection and management reporting systems; and establish a construction inspection protocol. Further guidance will be forthcoming as a Notice.

Attachments - TDC Housing Cap Limits for FY 1999





# TDC Policy Explanation

- HUD *limits* the amount of Public Housing funds for housing and community renewal to TDC
- HUD *limits* the amount of Public Housing funds for the house to the housing cost cap.
- HUD does *not limit* non-Public Housing funds for the house, community renewal, or Community and Supportive Services.

Example: TDC = \$148,750

Housing Cost Cap - \$85,000

## HOUSING

## COMMUNITY RENEWAL

## TDC

### Example A

House at \$60,000 of PH Funds +Community Renewal at \$88,750 of PH Funds	
\$20,000 of HOME	
\$ 5,000 of CDBG	
Total	\$85,000

= TDC of \$148,750

### Example B (Homeownership Example)

House at \$ 60,000 of PH Funds +Community Renewal at \$ 88,750 of PH Funds	
\$ 40,000 of Private	
Total	\$100,000

= TDC of \$148,750

### Example C

House at \$ 65,000 of PH Funds +Community Renewal at \$ 83,750 of PH Funds	
\$ 20,000 of HOME	
\$ 25,000 of LIHTC	
Total	\$110,000

= TDC of \$148,750





# HOPE VI TDC POLICY CHART

(Applies to 1997 Grants forward)

## TDC Cap

### I. Housing Allocation

Housing unit hard costs, utilities from the street, finish landscaping, builder's overhead and profit with Davis-Bacon wage rates.

*Cap Public Housing funds at Housing Cost Cap*

*No Cap on Non-Public Housing funds*

### II. Community Renewal Allocation

PHA administration; all development costs; planning; infrastructure and other site improvements; community and economic development facilities; acquisition, relocation, demolition and remediation of units to be replaced on-site.

Demolition, remediation and extraordinary site costs associated with on-site units not replaced through revitalization may be granted.

*No cap on non-Public Housing funds*

## NOFA Grant Cap

### III. Community and Supportive Services

Cap Community and Supportive Services at \$5,000 per family for Public Housing funds.

*No cap on non-Public Housing funds*



# Housing Hard Cost Cap

## RS Means “Average”; Marshall and Swift “Good”

1999 Housing Cost Cap - \$87,839 (National Average)

Below are the basic components of a three bedroom new construction row house upon which the cost cap is based

- (2) story, three (3) bedroom row house
- Exterior brick veneer on front
- Vinyl siding exterior on rear with wrapped aluminum fascia and vinyl soffit
- 1,200 square feet
- Three (3) bedrooms
- One (1) bath with ceramic tile
- HVAC/electric heat pump with air conditioning
- Wall-to-wall carpet with vinyl sheet goods in kitchen, bath, and laundry area
- Twelve (12) linear feet of kitchen cabinetry, plastic laminate countertops
- Unfinished basement; **or** 1/2 bath plus appliances: 30” range with range hood, electric water heater, dishwasher, garbage disposal, and refrigerator
- Standard builder’s general conditions, overhead and profit
- Davis-Bacon labor rates

