

**FON**  
FR-6900-N-07

**Applications Due**  
03/20/2025



Organization Name Title

**Section 4 Capacity Building for Community Development and Affordable Housing**

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## BEFORE YOU BEGIN

If you believe you are a good candidate for this funding opportunity, register in the appropriate systems now and review the application package. If you are already registered, make sure your registration is active and up-to-date.

### **SAM.gov Registration**

You must have an active and up-to-date account with [SAM.gov](https://sam.gov), at the time of application and throughout the life of any award.

To register, go to [SAM.gov Entity Registration](https://sam.gov) and click Get Started. From the same page, you can also click on the Entity Registration Checklist for the information you will need to register.

It can take several weeks to register in [SAM.gov](https://sam.gov), so please get started now if you are planning to apply. [SAM.gov](https://sam.gov) also provides each organization with a unique entity identifier (UEI). A valid UEI is required to apply for funding.

### **Grants.gov Registration**

You must have an active [Grants.gov](https://grants.gov) registration. This requires a [Login.gov](https://login.gov) registration as well. See step-by-step instructions at the [Grants.gov Quick Start Guide for Applicants](https://grants.gov). You must apply for funding using [Grants.gov](https://grants.gov), unless HUD has approved your [waiver request](https://grants.gov).

See [Section VI.B](https://grants.gov). Submission Methods.

### **Find the Application Package**

Use the Grants Search at [Grants.gov](https://grants.gov) and search for opportunity number FR-6900-N-07 . The application package has all the online forms you need to apply. You also need to access the Download Instructions link and review the content before you apply.

If you have other technical difficulties using [Grants.gov](https://grants.gov), access the Support Center on [Grants.gov](https://grants.gov) for assistance.

To get updates on changes to this notice of funding opportunity (NOFO), click Subscribe from the View Grant Opportunity page for this NOFO on [Grants.gov](https://grants.gov).

### **Application Deadline**

Applications are due by 11:59:59 p.m. Eastern Time on 03/20/2025.

See [Section VI.A](https://grants.gov). of this NOFO.

### **HUD Listserv**

If you are interested in email notices about upcoming funding opportunities, subscribe to [HUD's Funding Opportunities listserv](https://grants.gov).

**Note:** To help you find what you need, this NOFO uses internal links. In Adobe Reader, you can go back to where you were by pressing Alt + Left Arrow (Windows) or Command + Left Arrow (Mac) on your keyboard.

## I. BASIC INFORMATION

This NOFO solicits applications for Section 4 Capacity Building for Community Development and Affordable Housing. Review the entire NOFO to understand the application requirements in full. HUD will not fund incomplete or ineligible applications.

### A. Summary

Through funding of national intermediaries, the Section 4 Capacity Building for Community Development and Affordable Housing program (Section 4) enhances the capacity and ability of Community Development Corporations (CDCs) and Community Housing Development Organizations (CHDOs) to carry out affordable housing and community development activities that benefit low- and moderate-income families and persons.

This NOFO makes available \$42,000,000 in FY 2024 funds to carry out eligible activities related to community development and affordable housing projects and programs for Section 4, of which at least \$5,000,000 shall be made available for rural capacity building activities. Additionally, Section 4 program grantees shall collectively invest not less than \$1,000,000 of FY 2024 funds in targeted capacity building activities to benefit Native Hawaiian, American Indian, and Alaska Native communities and populations in areas including, but not limited to, rural areas. This minimum investment is separate from the required investment for rural capacity building activities described above.

Enterprise Community Partners Inc., Local Initiatives Support Corporation and Habitat for Humanity International are the only eligible applicants for this NOFO.

#### 1. NOFO Summary

**Federal Agency Name:** United States Department of Housing and Urban Development (HUD)

**HUD Program Office:** Community Planning and Development

**Funding Opportunity Title:** Section 4 Capacity Building for Community Development and Affordable Housing

**Announcement Type:** Initial

**Funding Opportunity Number:** FR-6900-N-07

**Assistance Listing Number(s):** 14.252

**Paperwork Reduction Act Information:** Not Applicable

#### Key Dates:

Due Date for Application Submission: 11:59:59 PM Eastern Time on 03/20/2025

Due Date for Intergovernmental Review: See [Section VI.C.1](#).

Anticipated Award Date: 05/20/2025

#### 2. Funding Details

##### Type of Funding Instrument

G (Grant)

**Available Funds**

Funding of approximately **\$42,000,000** is available through this NOFO.

Additional funds may become available for award. Use of these funds is subject to statutory constraints. All awards are subject to the selection process contained in this NOFO.

HUD reserves the right to republish this NOFO with a new due date for the purpose of awarding additional funding.

[FY2024 Funding Details](#)

**Number of Awards**

HUD expects to make approximately 3 [awards](#) from the funds available under this NOFO.

**Period of Performance**

Estimated Project Start Date:

07/07/2025

Estimated Project End Date:

07/07/2029

Length of Project Periods:

48-month project period and budget period

Length of Periods Explanation:

**B. Agency Contact(s)**

See [Contact and Support](#) section of this NOFO.

## II. ELIGIBILITY

You are invited to apply if your organization is an eligible entity type and meets the funding conditions included in the NOFO. HUD will review applications from eligible applicants using the criteria in [Section V of this NOFO](#).

### A. Eligible Applicants

#### 1. Eligible Entity Types:

12 (Nonprofits having a 501(c)(3) status with the IRS, other than institutions of higher education)

25 (Others (see text field entitled "Additional Information on Eligibility" for clarification))

[Additional Information on Eligibility](#)

[Faith-based organizations](#) may apply on the same basis as any other organization.

Individuals are ineligible applicants.

[Section 1 A.](#)

#### 2. Restrictions

##### a. Statutory and Regulatory Requirements Affecting Eligibility

You must comply with the current [General Statutory and Regulatory Requirements Affecting Eligibility for HUD's Competitive Programs](#). HUD will review your eligibility before issuing an award. As part of this review, HUD uses [SAM.gov](#) and Department of Treasury data.

##### b. Application Eligibility

Your application is considered for funding if it satisfies the application review requirements in [Section V. of this NOFO](#).

Only the three organizations listed in Section I. A. of this NOFO are eligible for the Section 4 program. Any other applicants will be identified as ineligible.

Eligible applicants must be nonprofit organizations having 501 (c) (3) status with the IRS identified in Section 4 of the HUD Demonstration Act of 1993 (Public Law 103-120, 107 Stat. 1148, 42 U.S.C. 9816 note), as amended, and the FY 2024 Appropriations. Specifically, these three organizations are the only applicants eligible for this competition and are located at the following addresses:

- **Enterprise Community Partners, Inc.** 70 Corporate Center 11000 Broken Land Parkway, Suite 700 Columbia, MD 21044
- **Local Initiatives Support Corporation (LISC)** 501 Seventh Avenue, 7th Floor New York, NY 10018
- **Habitat for Humanity International** 121 Habitat Street Americus, GA 31709

Any other applicants will be identified as ineligible.

Affiliates and local offices of these organizations and their community partners are not eligible to compete either directly or independently for Section 4 funds under this notice but may seek funding from the above organizations.

## **B. Cost Sharing or Matching**

This Program requires [cost sharing or matching](#), or leverage, as described below.

In accordance with Section 4(c) of the HUD Demonstration Act of 1993, each dollar awarded must be matched by three dollars in cash or in-kind contribution obtained from private sources. The types of documentation accepted by HUD will be determined at the time the organization enters into a grant agreement. All match funds, including in-kind contributions, shall conform to the requirements of [2 CFR 200.306](#). Match funds must clearly be connected to the delivery of the proposed Section 4 program eligible activities or the resulting outputs of those activities.

In addition to the required matching funds, applicants are encouraged to secure leverage from private sector and/or public resources. Leverage funds are calculated over and above any match contributions.



## III. PROGRAM DESCRIPTION

### A. Purpose

The program enhances the capacity and ability of Community Development Corporations (CDCs) and Community Housing Development Organizations (CHDOs) to carry out community development and affordable housing activities that benefit low-income persons. Additionally, this program provides a set-aside for rural capacity building activities and a set aside to benefit Native Hawaiian, American Indian, and Alaska Native communities and populations in areas including, but not limited to, rural areas.

### B. Goals and Objectives

#### 1. Applicable Goals and Objectives from HUD's Strategic Plan

This NOFO supports HUD's mission and [HUD's Strategic Plan for Fiscal Years \(FY\) 2022-2026](#). The goals, objectives, and measures applicable to this NOFO are included in [Appendix I](#). These are in addition to increasing equity and improving customer experience - two overarching HUD priorities. Consider this information in your application and when tracking the success of your project, if selected for award. HUD will monitor compliance during the [award performance period](#).

#### 2. Civil Rights and Equity Goals

The Fair Housing Act requires HUD funding to create diverse neighborhoods, increase housing choice, reduce inequality, and eliminate discrimination. Executive Orders [13985](#) and [14091](#) direct HUD programs to reduce racial disparities. Your application must respond to these requirements in [Section V.B.3](#) of this NOFO. and if you receive this award, you must track and report your progress towards these goals.

#### 3. Other Program Goals

- Promote and enhance the capacity and ability of Community Development Corporations (CDCs) and Community Housing Development Organizations (CHDOs) by providing technical and financial assistance through National Organizations. These National Organizations will build the capacity of the CDC and CHDOs to provide affordable housing and community development that will benefit low -and- moderate income households and persons in urban, rural, and tribal communities.
- Prioritize fair housing that fosters inclusivity in communities across the nation, while addressing underserved communities, including segregated areas of poverty and ensuring civil rights and fair housing laws are maintained and in compliance.
- Increase the grantee participation with the Rural Partners Network to include collaborations with the 16 identified federal agencies and regional commissions through the Rural Prosperity Interagency Policy Council.
- Implement and document Affirmative Marketing narrative, that details the plans to affirmatively market housing services and benefits provided to beneficiaries in a manner that will increase opportunities for underserved person or communities, individuals with limited English proficiency, individuals with disabilities or families with children.
- Increase awareness of grantees promoting environmental justice by means of investing, remedying, developing, implementing, and enforcing laws and policies that advance

environmental equity for people in underserved, or overburdened communities, such as underserved communities, indigenous groups, and individuals with disabilities.

### C. Authority

The Section 4 program is authorized by Section 4 of the HUD Demonstration Act of 1993 (Public Law 103-120, 107 Stat. 1148, 42 U.S.C. 9816 note), as amended. Funding for this program is provided by the Consolidated Appropriations Act, 2024 (Public Law 118-42, approved on March 09, 2024).

### D. Unallowable Costs

#### **Prohibition on Fees or Profit.**

No fee or profit may be paid to any recipient or subrecipient of an award under this Section 4 NOFO.

**Contractor and Subrecipient Rate Determination:** Prior to beginning work on an activity, the grantee must have a contract with any hired contractors and subrecipients. In addition to the requirements laid out at [2 CFR 200.331](#), the contract with any contractor or subrecipient must clearly state the work expected to be performed, the expected performance outputs (deliverables) from that work, the period of performance for the contract, the expected number of hours of work, and the hourly rate of pay to be applied. The contract must establish if the hourly rate of pay is a “fully-loaded” or “unloaded” rate. “Fully-loaded” rates are rates that include the wage rate, fringe benefits, and overhead for the contractor or subrecipient as clearly stated in the contract, while “unloaded” rates only include the hourly wage rate.

**High Rate Contractors and Consultants.** Section 4 program funds may not be used, directly or indirectly, to pay or provide reimbursement for payment of the salary of a contractor or subrecipient at more than the “unloaded” hourly equivalent of the rate paid for the OPM General Schedule Grade 15, Step 10 (based on the locality of the consultant, contractor, or subrecipient’s primary work address) without prior written approval from HUD. For more information on OPM’s General Schedule, please see the Office of Personnel Management (OPM) website at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2024/general-schedule>

Additionally, Section 4 program funds may not be used, directly or indirectly, to pay or provide reimbursement for payment of the salary of a contractor or subrecipient at more than the “loaded” rate of \$150 an hour without prior written approval from HUD. If the grantee believes there is sufficient need or cause for hiring a contractor or subrecipient at a high rate, it may submit a request to HUD and a written justification for review and consideration, and it must receive HUD’s approval prior to commencing services with the high rate contractor, consultant, or subrecipient. In all cases, the grantee must receive approval from HUD before commencing any Section 4 program work with a high rate contractor or subrecipient.

### E. Indirect Costs

If you expect to charge [indirect costs](#) to the award, submit the Indirect Cost Information (HUD-426) with your application.

Applicants are required to provide documentation identifying the federally negotiated indirect cost rate from the cognizant agency that shows the approved rate, or provide an attachment that states that the de minimis rate of 15% Modified Total Direct Costs (MTDC) will be used.

## F. Program History

For more information on Section 4 and program history you may visit the following web resources below:

- [Section 4 and Rural Capacity Building | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)
- [Section 4 Capacity Building for Community Development and Affordable Housing Program - HUD Exchange](#)

## G. Other Information

**Eligible Activities and Priorities.** Funds may only be used to conduct the following activities:

**1. Training, education, support, and advice to enhance the technical and administrative capabilities of [CDCs](#) and [CHDOs](#).** This may include building the capacity of CDCs and CHDOs to:

- Participate in consolidated planning, fair housing planning and Continuum of Care programs to assist persons experiencing homelessness that help ensure community-wide participation in assessing area needs;
- Navigate the increased housing and community development resources provided by the Federal Government and assist in directing Federal investments to underserved communities;
- Consult broadly within the community;
- Cooperatively plan for the use of available resources in a comprehensive and holistic manner; and
- Assist in evaluating performance under these community planning and coordination efforts and in linking plans with neighboring communities to foster regional planning.

**2. Pass-through grants, loans, predevelopment assistance, or other financial assistance to [CDCs](#) and [CHDOs](#)** to increase their capacity to carry out community development and affordable housing activities that benefit low-income or low- and moderate-income families and persons.

**3. Such other activities as may be determined by the grantees in consultation with the Secretary or his or her designee.**

At this time, eligible program activities allowed under the third listed eligible activity only include HUD reviewed and approved reasonable administrative activities directly related to the grantee's management of its Section 4 program. Some examples of reasonable administrative activities specific to the management of the Section 4 program include the preparation of Section 4 action plans and activities, preparation of Section 4 program reports, and management of the implementation of the first and second eligible activities. For any other activities to qualify under the third listed eligible activity it must first be proposed in an action plan, and then reviewed and

approved by HUD through the action plan process after a grant award is made; thus, it should not be proposed through this application.

Any Section 4 funded activity that results in the creation of intangible property, including but not limited to the creation of curriculum, trainings, data or research findings is subject to the rules at [2 CFR 200.315](#). In accordance with 2 CFR 200.315, the Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

**Program Priorities.** Activities undertaken as part of, or as a result of, capacity building efforts described in this section should support the implementation of other HUD programs, including, but not limited to, the Community Development Block Grant Program, HOME Investment Partnerships, Housing Opportunities for Persons With AIDS (HOPWA), and the Continuum of Care program, in addition to issues related to sustainability and comprehensive neighborhood revitalization activities.

Through these activities, grantees are encouraged to align with and support projects that create opportunities for investments focused on job growth, economic recovery, and neighborhood revitalization. Additionally, grantees are encouraged to consider how CDCs and CHDOs may align investments with regional planning for sustainable economic development if such efforts are underway in the jurisdiction.

## IV. APPLICATION CONTENTS AND FORMAT

Applications must include three main elements: a) standard forms, assurances, and certifications; b) budget; and c) narratives and other attachments. The content, forms, and format for each element are included in this section.

You may use this section as a checklist to ensure you submit a complete application.

If you don't provide the required documents in the correct format, your application is incomplete.

Do not submit password protected or encrypted files.

1. **Page Limitation and Font Size.** The narrative addressing the Five Factors is limited to no more than 40 typed single spaced pages using a Times New Roman standard 12-point font (footnotes and endnotes may be presented in size 10 font). All applicants should include the applicant name, UEI number, and page number on each page of the narrative. HUD will not review more than 40 single spaced pages for all Five Factors and NOFO Preference Points combined. The page limit does not include the form HUD-50153 in support of Promise Zones Preference Points, Indirect Cost rate determination, HUD Form 4130 Multi-Year Budget, or any of the other required documents that are provided as attachments.
2. **Prohibition on Materials Not Required.** Materials other than what is requested in this NOFO are prohibited. Reviewers will not consider resumes, charts, letters, or any other documents attached to the application that are not specified or requested in this NOFO.
3. **Additional Information on the Section 4 program and Frequently Asked Questions.** HUD may provide a summary of Frequently Asked Questions. Please check the Section 4 program webpage on the HUD website at [https://www.hud.gov/program\\_offices/comm\\_planning/section-4](https://www.hud.gov/program_offices/comm_planning/section-4) for these possible references, for any other related updates, and to learn more about the Section 4 Capacity Building Program.

Element	Submission Form
Standard Forms, Assurances, and Certifications	Upload using each required form.
Budget	Use the required budget form.
Narratives and Other Attachments	Insert each in the Attachments form.

40

pages is the total maximum length of all narratives.

Double spaced 12-point Times New Roman font on letter sized paper (8 1/2 x 11 inches) with at least 1-inch margins on all sides.

Other

4. Applicants should include a one-page abstract with the application. The abstract should address the following:
  - Grantee Name

- Grantee Address
- Project Name
- Project Director
- Project Director Contact Information
- Purpose
- Activities to be performed
- SMART Goals (Program Level and Project Level)
- Expected Targets
- Deliverables and Expected Outcomes
- Subrecipient Activities
- Requested Amount
- Cost Share Match
- Leverage
- Approved Indirect Cost Rate
- Applicants intending to apply for the tribal set aside must provide a succinct narrative describing how the funds will be implemented. The page limit does not apply to the abstract. Information contained in the abstract will not be rated.

### A. Standard Forms, Assurances, and Certifications

You must properly complete and submit with your application the standard forms, assurances, and certifications identified below. You can find all forms in the application package or review them and their instructions at [Grants.gov Forms](#). You can also [read more about standard forms](#) on HUD’s Funding Opportunities page.

<b>Forms/Assurances/Certifications</b>	<b>Submission Requirement</b>	<b>Notes/Description</b>
Application for Federal Assistance (SF-424)	Required with the application	Page limit: Not applicable File name: SF-424
Applicant and Recipient Assurances and Certifications (HUD 424-B)	Required with the application	Page limit: Not applicable File name: HUD-424B
Applicant/Recipient Disclosure/Update Report (HUD 2880)	Required with the application and after award.	Page limit: Not applicable File name: HUD-2880
Certification Regarding Lobbying	Required with the application	Page limit: Not applicable. File name: Lobbying Certification form
Disclosure of Lobbying Activities (SF-LLL)	Required with the application	Page limit: Not applicable. File name: SF-LLL
Certification of Consistency with Promise Zone Goals and Implementation (HUD-50153)	Required with the application	Page limit: Not applicable File name: HUD-50153

		Form location: download instructions
Indirect Cost Rate Certification (HUD-426)	Required with the application and after award	Page limit: Not applicable File name: ICR Doc. Form location: download instructions

## B. Budget

You must submit a budget with your application to support your project narrative.

At a minimum, your budget must indicate direct and any indirect costs.

Applicants are required to provide documentation identifying the federally negotiated indirect cost rate from the cognizant agency that shows the approved rate, or provide an attachment that states that the de minimis rate of 15% Modified Total Direct Costs (MTDC) will be used. Refer to [Section III.E](#) Indirect Cost Rate, for full details on this requirement.

Budget Form/Document	Submission Requirement	Notes/Description
HUD Form 4130 Multi-Year Budget	Required with the application	Page limit: Not Applicable File Name: HUD Form 4130

## C. Narratives and Other Attachments

If applicable, you must upload narrative and other attachments in [Grants.gov](#) using the Attachments Form. When using the Attachments Form, you can upload PDF, Word or Excel formats.

Document	Submission Requirement	Notes/Description
Abstract	Required with the application	See <a href="#">Section IV. 4</a> File name: Abstract
Response to 5 Rating Factors	Required with the application	See <a href="#">Section V.B.1</a> File name: Rating Factor Narrative
Nonprofit Status – Documentation	Required with the application	Page limit: Not applicable File name: Nonprofit Doc. Acceptable Documents
Code of Conduct	If not included in <a href="#">HUD's eLibrary</a> , this document is	Page limit: Not applicable File name: Code

	required with the application	<a href="#">Acceptable Content</a>
Advancing Racial Equity (ARE) Narrative	Required with the application	Page limit: 1 page File name: Attachment A
Experience Promoting Racial Equity (EPRE) Narrative	Required with the application	Page limit: 1 page File Name: Attachment B
Affirmative Marketing and Outreach (AMO) Narrative	Required with the application	Page limit: 1 page File Name: Attachment C
Affirmatively Furthering Fair Housing (AFFH) Narrative	Required with the application	Page limit: 1 page File name: Attachment D

**D. Other Application Content**

The applicant must provide the following documents once the notification of the awards are made:

- A negotiated HUD Form 4130
- A signed Indirect Cost Form

Once the documents stated above are received from the applicant, HUD will then send the following forms to applicant for signature and processing:

- A signed HUD Form 1044
- A signed Grant Agreement



## V. APPLICATION REVIEW INFORMATION

### A. Threshold Review

HUD reviews each application to make sure it meets the following threshold requirements. If you meet all threshold requirements, your application will advance to a merit review. If you fail to meet one or more threshold requirements, your application is not eligible for HUD funding.

#### 1. Eligible Applicant

You must meet the applicant eligibility criteria in this NOFO. HUD will not fund applications from ineligible applicants.

Only the three organizations listed in Section I. A of this NOFO are eligible for the Section 4 program. All other applicants are not eligible for funding.

#### 2. Resolution of Civil Rights Matters

An application will not advance for merit review unless the application(s) resolves all outstanding civil rights matters before the application deadline.

a. An applicant is not eligible for funding if that applicant has any of the charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (1) – (5) that are not resolved to HUD’s satisfaction before or on the application deadline date for this NOFO

(1) Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex (including sexual orientation and gender identity), national origin, disability, or familial status;

(2) Status as a defendant in a Fair Housing Act lawsuit filed by the United States alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. § 3614(a);

(3) Status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act, Violence Against Women Act, or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to [affirmatively further fair housing](#);

(4) Receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; Violence Against Women Act; or the Americans with Disabilities Act; or

(5) Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

**b. HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the application deadline date will resolve the matter.**

Examples of actions that may be sufficient to resolve the matter include, but are not limited to:

- (1) Current compliance with a voluntary compliance agreement signed by all the parties;
- (2) Current compliance with a HUD-approved conciliation agreement signed by all the parties;
- (3) Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter;
- (4) Current compliance with a consent order or consent decree;
- (5) Current compliance with a final judicial ruling or administrative ruling or decision; or
- (6) Dismissal of charges.

### **3. Timely Submission of Applications**

Late applications are not eligible for funding. See deadlines in [Section VI of this NOFO](#).

### **4. Correct Funding Opportunity Number**

You must ensure that the Funding Opportunity Number in box 12 on your SF-424 matches the number associated with this NOFO. If the numbers do not match, your application is not eligible for HUD funding.

The current Funding Opportunity Number is FR-6900-N-07.

## **B. Merit Review**

The maximum number of points awarded for a Section 4 program application is 104, which includes a maximum of 100 points for Rating Factors 1 through 5 (Five Factors) and a maximum of four points for Preference Points. The minimum score for an application to be considered for funding is 75, excluding Preference Points. You are only eligible to receive Preference Points if they receive a rating score of 75 or more for the Five Factors. Only two Preference Points will be awarded for working with communities that have acquired [Promise Zones](#) status as well as two Preference Points for [Environmental Justice](#) as described in Section V. 2.

Points are assigned based on your narrative responding to the Five Factors. The narrative must present the activities that will be carried out with Section 4 funds during the four-year term of the FY 2024 grant agreement. Submissions should provide recent (within the last five years) and relevant (relative to the proposed activities to be carried out with this award) examples to support the proposal, where appropriate. Submissions should also be as specific as possible when describing the communities, populations, and organizations they propose to serve, and the specific outcomes expected as a result of the activities.

HUD expects to evaluate and score your application using the following merit criteria and process. Merit reviewers evaluate and score all applications that pass the threshold review.

Merit reviewers may include Federal and non-Federal persons. Reviewers receive a copy of your application to evaluate and score each application separately.

**Merit Review Summary**

**1. Rating Factors**

Your application must include a response to the following criteria.

<b>Criterion</b>	<b>Total number of points = 100 or 104</b>
Rating Factor 1	4
Rating Factor 2	13
Rating Factor 3	46
Rating Factor 4	10
Rating Factor 5	27
Rating Factor Total Points	100 points
Policy Initiative Preference Points	4 possible
Environmental Justice	2
Promise Zones	2
Total Points Possible	104 points

**Rating Factors Details**

<b>Criterion</b>	<b>Max points = 100</b>
<p><b>Rating Factor 1: Capacity of Applicant and Relevant Organizational Experience</b>            You must describe the capacity of the applicant and its organizational experience relevant to the Section 4 Capacity Building program. You should list position summaries of key principal staff that will manage the Section 4 Capacity Building program and funds, and of any persons and organizations firmly committed to the management of program delivery and applicable activities, including key contractors or sub-recipients, if applicable. Other than names and position titles, please do not use any Personally Identifiable Information (PII). See the definition of PII at <a href="#">2 CFR 200.1</a>.</p> <p>HUD will consider the extent to which the application demonstrates that the organization has sufficient management and financial capacity and experience in the form of:</p> <ol style="list-style-type: none"> <li>1. Knowledgeable organizational, management, and financial staff skilled in managing large federal grants;</li> <li>2. Knowledgeable staff, or the ability to procure qualified experts or professionals, with the knowledge, skills, and abilities to manage the delivery and scale of the proposed Section 4 eligible activities in the proposed service areas in a timely and effective manner;</li> </ol>	4 max points

<ol style="list-style-type: none"> <li>3. Experience in conducting Section 4 eligible capacity building activities to CDCs and CHDOs in both urban and rural settings; and</li> <li>4. Experience targeting capacity building activities and other housing and community development activities toward underserved communities; and</li> <li>5. Experience working with and knowledge of other Federal housing and community development programs at HUD and at other agencies.</li> <li>6. Knowledgeable staff, and experience and familiarity with federal nondiscrimination requirements, to include fair housing planning.</li> </ol>	
<p><b>Rating Factor 2: Need/Extent of the Problem</b></p> <p>You must describe their understanding of the capacity building needs of CDCs and CHDOs in the specific geographies where you plan to use Section 4 Capacity Building program funds, including both rural and urban areas. The narrative must explain the nature and extent of the need in relation to the eligible activities and priorities identified in <a href="#">Section III.G.</a> of this NOFO, and must support the description of the needs with credible, reliable, and quantitative information.</p> <p>HUD will consider the extent to which the application demonstrates that the organization has sufficient knowledge and understanding of the needs of CDCs and CHDOs by its explanation of:</p> <p><b>1. Need for Capacity Building (10 points).</b> Specifically, this sub-factor will be assessed on the applicant's identification and explanation of:</p> <ul style="list-style-type: none"> <li>• <i>The Needs of the Communities to Be Served:</i> Describe the general socioeconomic needs (which may include housing, economic, health, accessibility, education, infrastructure, etc.) of cities, towns, communities, families, and individuals in the areas you propose to serve, and describe how the proposed eligible activities and priorities will serve the fair housing needs of the communities, including how it will serve the needs of protected classes (e.g. race, national origin, disability, etc.). You may also discuss the needs of communities based on geography, such as differences between tribal, rural and urban communities and other geographic factors.</li> <li>• <i>The Needs of CDCs and CHDOs:</i> Explain the specific capacity building needs of CDCs and CHDOs, as related to their ability to successfully address the identified general community needs.</li> </ul> <p><b>2. Data Quality (3 points).</b> The explanation of community needs and CDC and CHDO needs must be supported by objective information and/or data. Some examples of quality sources include, but are not limited to, the most recent Census, (within 5 years) American Housing Surveys, local or state Consolidated Plans, HUD program reports available through the HUD Exchange or HUD USER websites, or other demonstrably relevant, recent, and reliable data sources. For the purpose of demonstrating the specific needs of CDCs and CHDOs, you may also use data collected through the organization's own valid, recent, reliable, and replicable means of collection. If you use your own created data source, it must provide a brief explanation of the research methods used for the data collection and analysis.</p>	<p>13 max points</p>
<p>Needs of Community/CDCs/CHDOs (10) Data Quality (3)</p>	

<p><b>Rating Factor 3: Soundness of Approach</b></p> <p>Applicants will be evaluated on the overall quality of the proposed approach to build the capacity of CDCs and CHDOs based on the needs identified in Factor 2. HUD will consider the connection between the specific identified capacity building need, the priorities and eligible activities of this program, the applicant's proposed activities, and the cost-effectiveness of those proposed activities. You must present your proposed plan for building the capacity of CDCs and CHDOs based on the needs identified in Factor 2. You should include activities and implementation process plans that address navigating the increased Federal housing and community development resources and helping direct those resources toward underserved communities. In particular, you should describe how your approach will advance equity in underserved communities.</p> <p>To assess this factor, HUD will consider the extent to which the application proposes a sound approach to building the capacity of CDCs and CHDOs. Specifically, your narrative must address the following sub-factors:</p> <p><b>1. Description of Activities (20 points):</b> You must describe the eligible activities you propose to conduct and address the capacity building needs of CDCs and CHDOs as identified under Rating Factor 2. The application must clearly describe:</p> <ul style="list-style-type: none"> <li><i>a. Strategic Plan</i> - Explain the strategic vision and plan for the proposed Section 4 Capacity Building program. You must clearly label the response in the narrative as the strategic plan for its Section 4 program, so HUD can clearly identify it.</li> <li><i>b. Proposed Activities</i> - You must explain its approach to capacity building by stating its proposed eligible activities (defined in <a href="#">Section III.G.</a> of this NOFO) and how those activities are feasible and meet the capacity building needs of CDCs and CHDOs. Be sure to identify how the proposed activities will be implemented. For example, if the applicant proposes to conduct a series of trainings, indicate if the trainings will be done in person or virtually, and if it will be recorded for later distribution. All trainings must be accessible to persons with disabilities. You should also identify and explain the extent to which they have coordinated or plan to coordinate (e.g., through memorandum of agreement or letters of participation) with other known partners, contractors, or subrecipients to directly lead any of the proposed work activities.</li> <li><i>c. Rationale and Effectiveness of Approach</i> - Describe how you determined that your proposed activities will be cost-effective and how the activities will enable your beneficiaries to carry out specific housing and community development activities. To receive full credit, you must explain why your proposed activities were selected for the FY 2024 Section 4 program and why they represent the best approach to meet the identified CDC and CHDO needs. You should explain how your proposed approach and activities differs from prior years(if applicable), how your proposal is responsive to performance metrics or evaluations of prior year Section 4 efforts, and how your proposal addresses any recent changes in the needs of CDCs, CHDOs, or the communities you serve.</li> </ul> <p><b>2. Implementation Process Plan to Conduct Activities (20 points):</b></p>	<p>46 max points</p>
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Describe a plan for how you will design, organize, implement, and manage the proposed capacity building activities, including how you will operate under the requirements of the Section 4 Capacity Building program. HUD will evaluate the extent to which you present and support a detailed and well-planned approach for conducting eligible program activities that address the capacity building needs of CDCs and CHDOs, as identified in Rating Factor 2.

To receive full credit, explain how you will implement and manage your proposed activities by describing:

a. *Implementation Process:*

- *Method and Process for Activity Delivery:* What is the method and process that will be used to implement the proposed activities, including an explanation for how you will determine where to direct Section 4 grant funds? For example, if you propose to run an internal Request for Proposal (RFP) process to select beneficiaries, then provide a summary of that plan and how it is connected to the proposed time frame.
- *Proposed Beneficiaries:* How will eligible beneficiaries (CDCs and CHDOs) be identified and selected? If you already know the eligible beneficiaries that you will serve, list them by name and geographic location. Explain how your criteria for selecting CDCs and CHDOs will allow you to target communities with the greatest need, including reaching underserved communities. You may also discuss why your proposed activities are best suited for the CDCs and CHDOs representing the targeted communities.
- *Geographic Area Determinations:* Explain the process and factors that you will use to determine the geographic locations where program funds will be allocated based on the identified needs in Factor 2. While you do not have to identify precise locations at application; however, if you have already determined the geographic areas where you will work, then you must indicate them in the narrative, and explain how and why they were selected. You may also provide broad geographic areas that you propose to target, if your areas have not already been pre-selected.

b. *Budget:* Provide a four-year budget using HUD Form-4130 showing the individual costs of managing and delivering the proposed FY 2024 Section 4 grant program. On the budget form, address the following areas, as applicable, for each year of the program:

- *Applicant Organization Administration Costs:* List applicable grant management administration costs related to Personnel (Direct Labor); Fringe Benefits; Travel (just for grant management administration); Equipment (only items > \$5,000 depreciated value); Supplies (only items < \$5,000 depreciated value); Contractors and Consultants for Administration; and Indirect Costs related to Administration.
- *Eligible Activities to Eligible Beneficiaries:* List applicable activity delivery costs related to the provision of the first and second eligible activities in [Section III.G](#) of this NOFO (training, financial assistance, etc.). You must provide a breakdown of the expected costs associated with each eligible activity. This should cover the direct labor costs from the applicant's staff; fringe benefits;

travel; contractors and consultants specific to the execution of the activity, to include sub-recipients and the estimated or known hourly rate; financial assistance to beneficiaries (as applicable); equipment (only items > \$5,000 depreciated value for each activity delivery); supplies (only items < \$5,000 depreciated value for each activity delivery); and indirect costs.

- *Match*: Section 4 program applicants must apply their expected match amounts to the budget in relation to each activity. You should put any other funding sources you intend to pursue, in your budget as "Other Funding Sources."
- *Grand Totals*: The HUD funding total must equal the requested amount.

*c. Budget Narrative* - The budget narrative must go beyond the detailed budget to explain the assumptions used to develop each budget line item and clearly connect the budget line items to the proposed program design and the individual activity costs. To receive full credit, all items listed on the budget form must be discussed.

To the extent possible, projected cost estimates from outside sources, including match and other funding sources, should be included in the budget and narrative

*d. Schedule* - Provide a schedule and description that shows how the plan and the proposed activities are expected to be completed each year of the four-year grant period. The distribution of work explained in the schedule must be consistent with the year-to-year budget provided in this application.

As a reminder, the schedule and the budget narrative are included in the 40-page limit for the written application narrative.

**3. Rural Geographic Coverage (4 point):** Identify the method and criteria you will use to select rural geographic areas where you expect to focus your proposed FY 2024 Section 4 Capacity Building rural program activities. If the exact rural locations are known, You must describe how you reviewed and selected these areas.

To receive full credit for this sub-factor, the narrative must include:

- A description of how you will determine the rural areas you will serve, and an explanation of how the selection process aligns with the rural needs discussed in Factor 2; or
- A list of the rural areas you will serve, if known, with an explanation of the selection process and how it aligns with the rural needs discussed in Factor 2.

**4. Compliance with Section 3 (1 point):** While the Section 4 program is a capacity building program that builds the capacity of CDCs and CHDOs, you must describe how you will comply with Section 3 of the Housing and Urban Development Act, and HUD's implementing rules at [24 CFR Part 75](#) (Section 3 Rule). The Section 3 Rule provides employment and training opportunities for low- and very low-income persons, as well as contracting and other economic opportunities for businesses that provide economic opportunities to low- and very low-income persons, if the applicant's proposed activities will directly result in construction or rehabilitation of housing or other public construction. You should also describe how you will build the capacity of Section 4 beneficiaries to comply with Section 3 requirements when and if they work on Section 3 projects.

HUD will consider the following in evaluating the quality of the Section 3 plan:



<ul style="list-style-type: none"> <li>• Types and amounts of employment, training, and contracting opportunities to be generated as a result of proposed grant activities;</li> <li>• specific actions to be taken to give <a href="#">Targeted Section 3 workers</a> and <a href="#">Section 3 business concerns</a> priority consideration for employment, training, contracting, and other economic opportunities in accordance with HUD's regulations at <a href="#">24 CFR part 75, subparts A and C</a>;</li> <li>• written criteria to be used for determining the respective eligibility of individuals and businesses as Targeted Section 3 workers and Section 3 business concerns;</li> <li>• written procedures to be used for notifying Targeted Section 3 workers and Section 3 business concerns about the availability of training, employment, and contracting opportunities;</li> <li>• methodology to be used for monitoring subrecipients and contractors to assure compliance with Section 3 requirements;</li> <li>• strategies for meeting or exceeding the Section 3 benchmarks that HUD may establish as provided by <a href="#">24 CFR 75.23</a>; and</li> <li>• contact information and qualifications for staff persons who will be responsible for the day-to-day implementation of Section 3.</li> </ul> <p><b>5. Rural Partners Network (1 point):</b> Identify and describe how you plan to participate with the Rural Partners Network and include how you will collaborate with any of the 16 identified federal agencies and regional commissions through the Rural Prosperity Interagency Policy Council. You should also describe how working with the Rural Partners Network will be impactful to your Section 4 program.</p>	
<p>Description of Activities (20); Plan to Conduct Activities (20); Rural Geographic Coverage (4); Section 3 (1); Rural Partners Network (1)</p>	
<p><b>Rating Factor 4: Leverage</b>  HUD will evaluate your ability to secure leverage from public and/or private sector resources other than Section 4 funding to perform eligible activities and to sustain your proposed Section 4 Capacity Building program. HUD will evaluate how you will acquire and apply private match dollars to meet the 3:1 statutory requirement. You must keep in mind that leveraged resources are considered additional resources above and beyond the statutorily required 3:1 match requirement and cannot be counted towards the statutory match requirement.</p> <p>The following sub-factors will be assessed:</p> <p><b>1. Leverage Ratio (3 points):</b> To receive three points, you should demonstrate an expected leverage ratio of at least ten-to-one. If you demonstrate a lesser ratio, you shall be awarded the points to your documented leverage. To demonstrate your ability to leverage for this NOFO, you should include your actual results in leveraging Section 4 Capacity Building assisted projects in Federal FY 2022-2023 (October 1, 2022 - September 30, 2023).</p> <p><b>2. Match Sources (3 points):</b> Describe the process for how match sources will be considered, explored, and pursued for the FY 2024 grant award(s).</p>	<p>10 max points</p>



<p><b>3. Use of Match Funds (4 points):</b> Explain how you and your beneficiaries will use the match funding to support their proposed Section 4 Capacity Building program activities and build the capacity of CDCs and CHDOs.</p>	
<p>Leverage Ratio (3); Match Sources (3); Use of Match Funds (4)</p>	
<p><b>Rating Factor 5 Achieving Results and Program Evaluation</b>  This factor addresses how you propose to achieve results and conduct program evaluation, and reflects HUD's goal to embrace high standards of ethics, performance management, and accountability for its grants programs.</p> <p>You must provide an effective plan to evaluate and measure the performance of its proposed Section 4 Capacity Building program activities. You must identify specific performance outputs and outcomes that show the improved capacity of CDCs and CHDOs. You are expected to consistently identify and maintain the distinction between outputs and outcomes as defined in this NOFO. Organizations awarded Section 4 funds will be accountable for producing the stated outputs from this application, and also for achieving positive outcomes for eligible beneficiaries who increase their organizational capacity to serve their communities.</p> <p>To assess this factor, HUD will consider the extent to which your performance plan is reasonable, consistent with the activities proposed in Factor 3, and demonstrates expected improved organizational development of eligible beneficiaries.</p> <p><b>1. Performance Plan with Expected Performance Outputs and Outcomes (8 points):</b>  You must provide a description of your performance plan. To receive full credit your performance plan must include the following:</p> <ol style="list-style-type: none"> <li>a. The overarching Section 4 program performance goals;</li> <li>b. Specific planned outputs with numeric goals;</li> <li>c. Specific planned outcomes, with numeric goals; and</li> <li>d. A timeline for the achievement of performance outputs and outcomes.</li> </ol> <p>Planned outputs and outcomes may be taken from the list of examples below, or applicants may propose other quantifiable output or outcome measures that apply to the activities proposed in Factor 3. The performance plan must clearly demonstrate how eligible beneficiaries improved skills, technical capabilities, and ability to undertake community development and affordable housing activities will be identified and measured.</p> <p><u>Possible Outputs from the Implementation of Section 4 Activities (not an exhaustive list)</u></p> <ul style="list-style-type: none"> <li>• General Outputs for all Activities: <ul style="list-style-type: none"> <li>○ Number of individuals served</li> <li>○ Number of CDCs/CHDOs, Tribes, and local governments served</li> <li>○ Number of organizations served (used in rare occasions like at an open training at a conference)</li> <li>○ Number of HUD Regions served</li> <li>○ Number of states served</li> </ul> </li> </ul>	<p>27 max points</p>

- Eligible Activity 1: Training and Education Output Possibilities
  - Number of engagements/trainings offered
  - Number of web-based engagements/trainings offered
  - Number of in-person engagements/trainings
  - Number of attendees at each engagement/training offered
  - Number of peer-to-peer learning events
  - Number of attendees at each peer-to-peer learning event
  - Number of publications created
  - Number of curricula developed
- Eligible Activity 2: Financial Assistance Output Possibilities:
  - Number of individuals receiving financial assistance to attend training
  - Dollar amount of financial assistance provided to individuals to attend training
  - Number of grants awarded
  - Dollar amount of grants awarded
  - Number of grant applications received
  - Number of loans made
    - Dollar amount of loans made
    - Number of loan applications received
  - Number of other financial assistance activities
    - Dollar amount invested in other financial activities
    - Number of paid jobs created within the beneficiary organization(s).

Possible Outcomes for Eligible Beneficiaries that Result from Receiving Section 4 Funding (not an exhaustive list)

- Number of new CDCs or CHDOs created
- Number of organizations newly accessing or expanding Federal funding
- Dollar amount of new or expanded Federal funding received
- Number of participants earning or renewing a licensure or certification in a discipline directly related to the management and work of the beneficiary organization
- Number of community development projects supported
  - Dollar amount invested into community development projects
  - Number of community programs supported
- Dollar amount invested into community programs
  - Number of new community programs and/ or partnerships developed
- Jobs
  - Number of jobs created from the beneficiary's work
- Housing
  - Number of housing units in the development process by the beneficiary
  - Number of new housing units created by the beneficiary
  - Number of housing units preserved, repaired, or rehabilitated by the beneficiary

- Business
  - Number of businesses assisted by the beneficiary
  - Number of businesses created through the beneficiary's work

**2. Performance Evaluation Plans (5 points):** This sub-factor of the performance plan assesses the extent to which you clearly describe how you will evaluate the effectiveness of the organization's Section 4 Capacity Building program. Your plan must include two types of evaluation:

*a. Internal Evaluation of the Applicant's Management of the Section 4 Capacity Building Program:* Describe how you will assess your own internal operations for managing the Section 4 Capacity Building program grant award.

*b. Evaluation of Section 4 Program Effectiveness and Delivery:* Describe how you will evaluate the effectiveness of your proposed program and the eligible activities presented in Factor 3 within the award's period of performance.

**3. Past Performance (14 points):** In rating this sub-factor, HUD will assess your past performance in administering other HUD Section 4 Capacity Building grants, including meeting all match requirements. In rating this sub-factor, HUD will also evaluate the timely commitment and disbursement of Section 4 Capacity Building program grant funds, to include the completion of the FY 2019 grant award, the return of any unspent FY 2019 funds or the extension of a FY 2019 grant award.

*a. Program Outcomes and Outputs Achieved.* HUD will evaluate the extent to which you demonstrated successful program performance within the last three years. Grant performance should have been timely, cost-effective, and resulted in positive outcomes for CDCs and CHDOs to improve their ability to provide affordable housing and community development. Using information available from the previous five Section 4 Capacity Building grant awards, describe how Section 4 Capacity Building program activities contributed to, or resulted in, the achievement of program outcomes using the list of quantifiable measures listed under element 1 of Factor 5 of this NOFO. You should include, as applicable, increases and improvements in affordable housing and community development program accomplishments as a result of building the capacity of CDCs and CHDOs.

*b. Past Administrative Performance.* HUD will evaluate your response to the following elements within this sub-factor:

- **Section 4 Program Grant and Organizational Management:** HUD will evaluate the extent to which you have demonstrated effective, sound, and responsible grant management of previous Section 4 grant awards. HUD will consider the past performance of current Section 4 Capacity Building grantees that includes, but is not limited to, financial, monitoring, and other information in HUD's files, and your past performance in meeting all match requirements.
- **Timely Expenditure and Disbursement of Section 4 Grant Funds.** You will describe the timeliness of expenditure and disbursement of Section 4 Capacity Building program funds for the FY 2019 through FY 2021 grant awards, using information that is collected from LOCCS no later than 30 days before the published due date of the FY 2024 Section 4 NOFO. The description must

<p>include the following information for each of the Section 4 Capacity Building program grants awarded for the Fiscal Years 2019-2021 awards:</p> <ul style="list-style-type: none"> <li>○ The amount of your Section 4 Capacity Building program grant awards from HUD for each of the previous three fiscal years;</li> <li>○ The amount and percentage of the Section 4 Capacity Building program funds committed to eligible activities as evidenced by a HUD-approved work plan for each grant award;</li> <li>○ The amount and percentage of Section 4 Capacity Building program funds disbursed, <i>as indicated in LOCCs no later than 30 days before the published due date of this FY 2024 Section 4 NOFO</i>, for each of the previous five fiscal year grant awards; and</li> <li>○ The balance of funds remaining undisbursed for each of your Section 4 Capacity Building program’s previous three fiscal year grant awards</li> </ul> <p>If you have previous awards, it is expected that you will have spent a portion of all the open grant awards, using the benchmark expectation of 25 percent of an award expended after each year of each award. To determine this rate, HUD will calculate the ratio of the amount of Section 4 Capacity Building program grant awarded each year to the amount of Section 4 Capacity Building program grant funds committed and disbursed.</p> <p>Maximum points will be assigned using the following schema:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Grant Year (s)</th> <th style="text-align: left;">Percent of funds expected to be drawdown from LOCCs</th> </tr> </thead> <tbody> <tr> <td><i>FY 2019</i></td> <td>100%</td> </tr> <tr> <td><i>FY 2020</i></td> <td>Greater than 75%</td> </tr> <tr> <td><i>FY 2021</i></td> <td>Greater than 50%</td> </tr> </tbody> </table>		Grant Year (s)	Percent of funds expected to be drawdown from LOCCs	<i>FY 2019</i>	100%	<i>FY 2020</i>	Greater than 75%	<i>FY 2021</i>	Greater than 50%
Grant Year (s)	Percent of funds expected to be drawdown from LOCCs								
<i>FY 2019</i>	100%								
<i>FY 2020</i>	Greater than 75%								
<i>FY 2021</i>	Greater than 50%								
Performance Plan with Expected Performance Outputs and Outcomes (8); Performance Evaluation Plans (5) ; Past Performance (14)									
<b>Total Possible Points</b>	100 max points								

**2. Policy Initiative Preference Points**

This NOFO supports the following policy initiatives, for which a maximum of four (4) preference points may be awarded.

Preference points are added to your overall application score. You do not need to address the policy initiatives in this section to receive an award. If you choose to address a policy initiative in your application, you must adhere to the information with any award.

**a. Environmental Justice**

You may receive up to two (2) points if your application supports actions to address Executive Orders [12898](#), [14008](#), and [14096](#) by advancing environmental justice for underserved communities or [overburdened communities](#) in one or more of the following ways:

- Reduce or remove exposure to environmental and health hazards. Hazards include industrial facilities, EPA superfund sites, brownfields and legacy pollution, and heat islands.

- Improve protection from and resilience to environmental harm (e.g., floodproofing and using fire-resistant materials).
- Expand environmental benefits (e.g., clean air and water, public transportation, and bike and walking paths).
- Overcome prior disinvestment in environmental infrastructure (e.g., drainage systems, green spaces, and pollution controls).

Your application must also describe how your activities are informed by input from affected communities. Affected communities should have a meaningful opportunity to participate in the design and implementation of your proposed activities. You should make key information available online and through other media, engage with community leaders, solicit public feedback, hold public meetings at a variety of times and platforms, and respond appropriately to community concerns.

## **b. Promise Zones**

You may receive up to two (2) points, if your proposed activities support the goals of a [Promise Zone](#). To receive points, you must complete and submit form HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation. An authorized office of the Promise Zone must certify the project meets the criteria included on the form.

This NOFO does not offer Underserved Rural Communities preference points.

## **2. Civil Rights and Equity Review**

### **a. Advancing Racial Equity**

Your application must describe your plans to advance racial equity, as required in Executive Orders [13985](#) and [14091](#), and Federal fair housing and civil rights laws. Specifically, your plan must describe how you:

- Analyze the racial composition of the persons or households who are expected to benefit, directly or indirectly, from your proposed award activities;
- Identify any potential barriers to persons or communities of color equitably benefiting from your proposed award activities;
- Detail the steps you will take to prevent, reduce, or eliminate these barriers; and
- Describe new or existing measures to track your progress and evaluate the effectiveness of your efforts to advance racial equity in your proposed award activities.

Any action must be consistent with Federal nondiscrimination requirements.

If the narrative is deemed insufficient, you will need to “fix errors” that are communicated to you through a notice of deficiency.

*Narrative:* Your application must sufficiently and completely address the requirements above in a separate narrative.

### **b. Experience Promoting Racial Equity**

In keeping with Executive Orders [13985](#) and [14091](#), as well as Federal fair housing and civil rights laws, your application must show that you have the experience and/or resources to meet

the needs of underserved communities, specifically Black and Brown communities. This may include:

- Experience successfully working directly with these communities;
- Experience designing or operating programs that equitably benefit these communities;
- Experience soliciting, obtaining, and applying input from such groups when designing, planning, or implementing programs and activities;
- Experience encouraging specific and authentic engagement with historically underserved neighborhoods and communities of color to guide policy outcomes; and/or
- Staff and volunteers who have lived experience and/or expertise to provide services in a culturally competent way or resources to hire such staff for your proposed award activities.

*Narrative:* Your application must sufficiently and completely address the requirements above in a separate narrative.

If the narrative is deemed insufficient, you will need to “fix errors” that are communicated to you through a notice of deficiency.

### **c. Affirmative Marketing and Outreach**

You must describe your plans to conduct affirmative marketing/outreach to underserved communities. As part of the plan, you must:

- Identify eligible demographic groups that would be unlikely or least likely to be aware of the benefits of a HUD award. Such demographic groups may include, for example, Black and Brown persons or communities, individuals with limited English proficiency, individuals with disabilities, or families with children.
- Broadly conduct outreach or marketing throughout the local area and nearby areas to the identified groups. The outreach/marketing goal is to reach any eligible persons in demographic groups that would be unlikely or least likely to be aware of the benefits of a HUD award absent such efforts, or entities that serve such groups.
- Describe strategies for affirmative marketing or outreach, including outreach through community contacts or service providers or at community centers serving the target population; and marketing on websites, social media channels, television, radio, and print media serving local members of the targeted group.

*Narrative:* Your application must sufficiently and completely address the requirements above in a separate narrative.

If the narrative is deemed insufficient, you will need to “fix errors” that are communicated to you through a notice of deficiency.

In the Affirmative Marketing and Outreach narrative, you should describe how you will market and/or conduct outreach to communities who would be unlikely to or least likely to apply or be aware of the benefits of this HUD award absent such efforts. This includes but is not limited to, your efforts to engage with communities who have large underserved populations. This narrative is mandatory and will not count toward the 40-page limit.

### **c. Affirmatively Furthering Fair Housing**

With some exceptions for Federally recognized Indian tribes and their instrumentalities, you must describe how you will carry out your proposed award activities in a manner that affirmatively furthers fair housing in compliance with the Fair Housing Act and its implementing regulations. You should describe how your proposed award activities will meaningfully:

- Address significant disparities based on protected class in unmet housing needs;
- Address disparities based on protected class in access to opportunity;
- Address segregation and promote integration;
- Transform racially or ethnically concentrated areas of poverty into well-resourced areas of opportunity without displacing existing residents; and/or
- Foster and maintain compliance with civil rights and fair housing laws.

*Narrative:* Your application must sufficiently address the requirements above in narrative. If your application is nonresponsive, HUD may request that you update your response before HUD decides funding for your application.

If the narrative is deemed insufficient, you will need to “fix errors” that are communicated to you through a notice of deficiency.

### **4. Other Factors**

Your application must respond to the following other additional criteria.

#### **a. Budget**

The panel will review but not score the budget. The panel will assess whether the budget aligns with planned program activities and objectives. Panel members will consider whether the budget and the requested performance period are fully justified and reasonable in relation to the proposed project.

## **C. Risk Review**

Before making an award, HUD will use the following criteria to determine each applicant’s risk of not implementing an award.

OMB-designated repositories of governmentwide data, as noted in [2 CFR 200.206\(a\)](#)

Other public sources such as newspapers, Inspector General or Government Accountability Office reports or findings, or other complaints that have been proven to have merit

Financial stability

Quality of management systems and ability to meet the management standards prescribed in 2 CFR part 200

History of performance. The applicant’s record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, failing to make significant progress in a timely manner, failing to meet planned activities in a timely manner, conformance to the terms and conditions of previous Federal awards, and, if applicable, the extent to which any previously awarded amounts will be expended prior to future awards

Reports and findings from audits performed under Subpart F—Audit Requirements of 2 CFR part 200 or the reports and findings of any other available audits

The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities

Capacity of the applicant, including staffing structures and capabilities

History of timely completion of activities and receipt and expenditure of promised matching or leveraged funds

Ability to promote self-sufficiency and economic independence

Ability to produce positive outcomes and results

- Timely set up in DRGR and obligation of all funds in a HUD approved action plan.
- The nature of and resolution of any monitoring findings; and
- The nature of and resolution of any publicly available audit findings.

HUD evaluates the integrity of the applicant as reflected in government-wide websites, information in HUD's files, the federal Do Not Pay portal, public information and information received during HUD's Name Check Review process and incorporates the risk assessment criteria laid out in [2 CFR 200.206](#). If this integrity evaluation results in an adverse finding, HUD reserves the right to take any of the remedies provided in 2 CFR 200.206 and HUD reserves the right to impose specific grant conditions in accordance with [2 CFR 200.208](#)

1. **Review Types.** Two types of reviews will be conducted. First, HUD will review each application to determine whether it meets threshold eligibility requirements. If an application does not meet threshold eligibility requirements, HUD will not assess the application with respect to the Five Factors for award. Second, HUD will review and assign scores to eligible applications using the Five Factors for Award noted under Criteria, Section V.A.
2. **Threshold Eligibility Requirements.** All applicants must be in compliance with the threshold requirements found in this NOFO and the eligibility requirements listed in Section III of this NOFO in order to be reviewed, scored, and ranked. Applications that do not meet these requirements and applications that were received after the deadline (see Section IV.D of this NOFO) will be considered ineligible for funding.
3. **Rating.** HUD will rate all eligible applications that meet the Threshold Requirements against the criteria in Rating Factors 1 through 5 and assign a rating score. The maximum total rating score for the five Rating Factors is 100 points. An applicant can receive up to 4 Preference Points if it scores a minimum of 75 points for the five Rating Factors. Thus, an applicant can receive a possible total of 104 points which includes Rating Factors 1 through 5 and 4 possible Preference Points.
4. **Minimum Rating Score.** Applicants must receive a total rating score of 75 points or more for Rating Factors 1 through 5 (without the addition of the Preference Points) to be eligible for funding. HUD will reject any application that does not meet the minimum rating score requirements.
5. **Ranked Order.** After adding any Preference Points, HUD will place eligible applications that meet the minimum rating score requirements in ranked order. Applicants scoring 75 or more points will be considered for funding in ranked order up to the amount requested,



or in a lesser amount if sufficient funds are not available. Meeting the minimum score of 75 points does not guarantee a funding award will be made. HUD reserves the right to adjust funding to meet urgent policy priorities.

6. **Grant Award Adjustments.** Successful applicants selected to receive a grant award that is less than they applied for are required to participate in the negotiation process to create an updated program budget and plan reflecting the actual award offer. In cases where HUD cannot successfully conclude negotiations on an updated program budget and plan, or if the selected applicant fails to provide HUD with requested information as part of the negotiation process in the required time frame, an award will not be made to that applicant. In such an instance, HUD may offer an award to and negotiate with another applicant.

HUD may use the results of the risk review to make funding decisions and to apply award conditions.

## D. Selection Process

When making funding decisions, HUD will consider:

- Eligibility requirements, including threshold review results.
- Merit review results.
- Risk review results.

HUD may:

- Fund applications in whole or in part.
- Fund applications at a lower amount than requested.
- Choose to fund no applications under this NOFO.
- Adjust funding for an application, to ensure funding diversity, geographic diversity, and alignment with program or administrative priorities.
- Withdraw an award offer and make an offer of funding to another eligible application, if terms and conditions are not finalized or met.
- Use additional funds made available after NOFO publication to either fully fund an application or fund additional applications.
- Correct HUD review and selection errors. If HUD commits an error that causes an applicant not to be selected, HUD may make an award to that applicant when and if funding is available.
- Release another NOFO, if funding is available and if HUD does not receive applications of merit.

## E. Award Notices

If you are successful, HUD will email an award notice to the authorized official representative from the SF-424. HUD will also notify unsuccessful applicants.

The award notice communicates the amount of the award, important dates, and the terms and conditions you need to follow. HUD may impose specific conditions on an award as provided under [2 CFR 200.208](#).

You agree to the award terms and conditions by either drawing funds from HUD's payment system or signing the agreement with HUD. If you do not agree to the award terms and conditions, HUD may select another eligible applicant.

HUD will send written notifications to both successful and unsuccessful applicants. Notifications will be sent by email to the person listed as the Authorized Representative in item 21 of the SF-424.

A notification sent to a successful applicant is not an authorization to begin performance or to incur costs. Successful applicants will receive notification of the preliminary award decision and must submit a revised budget and plan for any amount offered that is less than original request, and they must receive final approval for an updated budget and plan (according to the deadlines set in the award notification). HUD will send the successful applicant a signed award package to be signed and returned.

Once the award notice is signed, the grantee must submit to HUD an action plan with specific activities and budgets for each initiative it proposes to implement, based on its final approved budget and plan. *Section 4 work and program activities cannot commence unless approved as an activity in an action plan.* The action plan and activities will show when and how the federal funds and matching funds will be used. The action plan and activities must be sufficiently detailed for monitoring purposes and must identify the performance goals and objectives to be achieved. HUD will approve the action plan and activities or notify the grantee of matters that need to be addressed prior to approval. Multiple action plan activities may be submitted for each grant; as such, action plan activities may be developed for less than the full dollar amount and term of the award, but *no HUD-funded costs may be incurred for any work until the action plan activity is approved by HUD.* All activities are also subject to the environmental requirements in [Section VII. A.28](#) of this NOFO.

Consistent with the web resources provided in [Section III.F](#) of this NOFO and the requirements at 2 CFR 200.112 and 200.318, after selection, but prior to award, applicants selected for funding will be required to provide HUD with an up-to-date copy of their written Code of Conduct. An applicant who previously submitted an application and included a copy of its Code of Conduct will not be required to submit another copy if the applicant is listed in HUD's library of the Code of Conducts for HUD Grant Programs located at [https://www.hud.gov/program\\_offices/spm/gmomgmt/grantsinfo/conductgrants](https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants) unless the information has been revised.

Frequently Asked Questions for this Notice of Funding Opportunities (NOFO) will be located at [https://www.hud.gov/program\\_offices/spm/gmomgmt/grantsinfo/fundingopp](https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopp).

The executed award notice is not intended as and does not constitute a contract. There are no monetary remedies for the grant recipient under the award notice.

## VI. SUBMISSION REQUIREMENTS AND DEADLINES

You must apply electronically. See [Find the Application Package](#) to make sure you have everything you need to apply online. See [Application Waiver](#) if you qualify to submit a paper application.

Make sure you are current with [SAM.gov](#) and UEI requirements before applying for the award. See the [Before You Begin](#) section of this NOFO.

### A. Deadlines

#### 1. Application submission deadline:

The application deadline is 11:59:59 PM Eastern time on:

03/20/2025

HUD must receive your application by the deadline. Applications received after the deadline are late. Late applications are not eligible for HUD funding.

If HUD receives more than one application from you, HUD will review only the last submission.

HUD may extend an application due date based on emergency situations such as Presidentially-declared natural disasters. Improper or expired registration and password issues are not causes to allow HUD to accept applications after the deadline date.

#### 2. Grace Period for Grants.gov Submissions

If [Grants.gov](#) rejects your application before the deadline, you have up to 24 hours after the application deadline to correct and resubmit your application. Any application submitted during the grace period but not received and validated by Grants.gov will not be considered for funding. There is no grace period for paper applications.

### B. Submission Methods

#### 1. Electronic Submission

You must register and submit your application through [Grants.gov](#). See [Before You Begin](#).

For instructions on how to submit in [Grants.gov](#), see the [Quick Start Guide for Applicants](#). Make sure that your application passes the [Grants.gov](#) validation checks or we may not get it.

[Grants.gov](#) will record the date and time of your application submission. HUD will use this information to determine timely applications.

**Need Help?** See the [Contact and Support](#) section of this NOFO.

You may request a waiver from the requirement to submit your application electronically. The request must show good cause and detail why you are technologically unable to submit electronically. An example of good cause may include: a validate power or internet service disruption in the area of your business office. Lack of [SAM.gov](#) registration is not good cause.

Use the information in the [Contact and Support](#) section of this NOFO to submit a written request to HUD. You must **submit your waiver request at least 15 calendar days before the application deadline.**

## C. Other Submissions

### 1. Intergovernmental Review

This NOFO is not subject to Executive Order [12372](#). No action is needed.

### 2. Technical Application Errors

HUD may contact you to fix a technical error with your timely application after the due date. Technical errors that you may fix are not submitted to satisfy merit review criteria. And you may not fix technical errors related to threshold review except eligibility entity documentation. Examples of technical errors include: inconsistencies in funding requests; improper signature on a form; a missing or incomplete form; and nonprofit status documentation.

HUD will send notice to the authorized organization representative from the SF-424 to fix a technical error.

Your application is not eligible for funding, if you fail to fix the error to HUD's satisfaction and by the due date in HUD's notice. HUD will not review information submitted after the application due date in HUD's notice.

#### a. Fix Errors in Electronic Applications

To fix an error in response to a HUD notice, you must email the corrections to HUD at [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov). The subject line of the email to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) must state "Technical Fix" and include the [Grants.gov](#) application tracking number (e.g., Subject: Technical Fix - GRANT123456). If you do not email [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) or if you do not include the appropriate subject line, HUD may mark your application as ineligible.

HUD allows no less than 48 hours and no more than 14 calendar days from the date of the HUD notice to fix an error. If the due date to fix an error falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters office in Washington, DC is closed, then the due date is the next business day.

#### b. Fix Errors in Paper Applications

You must fix an error in your paper application, in accordance with HUD's notice. If your paper application includes an incorrect UEI, HUD will request you supply the correct UEI.

## D. False Statements

By submitting an application, you acknowledge your understanding that providing false or misleading information during any part of the application, award, or performance phase of an award may result in criminal, civil or administrative sanctions, including but not limited to: fines, restitution, and/or imprisonment under 18 USC 1001, 18 USC 1012, 18 USC 1010, 18 USC 1014, or 18 USC 287; treble damages and civil penalties under the False Claims Act, 31 USC 3729 et seq.; double damages and civil penalties under the Program Fraud Civil Remedies Act, 31 USC 3801 et seq.; civil recovery of award funds; suspension and/or debarment from all federal procurement and non-procurement transactions, FAR Part 9.4 or 2 CFR Part 180; and other remedies including termination of active HUD award.

## VII. POST-AWARD REQUIREMENTS AND ADMINISTRATION

Standard post-award requirements are available online at:  
[https://www.hud.gov/program\\_offices/comm\\_planning/section-4](https://www.hud.gov/program_offices/comm_planning/section-4) .

### A. Administrative, National and Departmental Policy Requirements, and General Terms and Conditions

You must follow the applicable provisions in the [Administrative, National & Departmental Policy Requirements and Terms for HUD Financial Assistance – 2025](#). You must comply with these applicable provisions:

1. The Fair Housing Act ([42 USC 3601-3619](#)) and implementing regulations at [24 CFR part 100 et seq.](#)
2. Title VI of the Civil Rights Act of 1964, [42 USC 2000d-2000d-4](#), Nondiscrimination in Federally Assisted Programs, and implementing regulations at [24 CFR part 1](#)
3. The Age Discrimination Act of 1975 ([42 USC 6101-6107](#)) and implementing regulations at [24 CFR part 146](#)
4. Section 504 of the Rehabilitation Act of 1973 ([29 USC 794](#)) and implementing regulations at [24 CFR part 8](#)
5. Titles II and III of the Americans with Disabilities Act, [42 USC 12101 et seq.](#) and implementing regulations at 28 CFR part 35 and 28 CFR part 36
6. Affirmatively Furthering Fair Housing (AFFH) requirements, ([42 USC § 3608\(e\)\(5\)](#)) and implementing regulations at [24 CFR 5.150 et seq.](#)
7. Economic Opportunities for Low-and Very Low-income Persons ([12 USC 1701u](#)) requirements, including those listed at [24 CFR part 75](#)
8. Improving Access to Services for Persons with Limited English Proficiency (LEP) requirements, including those listed within [72 Fed. Reg. 2732 \(Jan. 22, 2007\)](#) (also see [HUD's webpage](#))
9. Accessible Technology requirements, ([29 USC § 794d](#), 29 USC 794, 42 USC 12131-12165) and implementing regulations at 36 CFR part 1194 (Section 508 regulations), [24 CFR § 8.6](#) (Section 504 effective communication regulations), 28 CFR part 35, subpart H (DOJ Web Access Rule), and [28 CFR part 35, subpart E](#) (DOJ's Title II communications regulations) (see also [HUD's Policy on Section 508 of the Rehabilitation Act and Accessible Technology](#))
10. HUD's rule to provide Equal Access to housing regardless of sexual orientation, gender identity, or marital status requirements, [24 CFR 5.105\(a\)\(2\)](#) and [5.106](#)
11. Ensuring the Participation of Small Disadvantaged Business, and Women-Owned Business requirements at [2 CFR 200.321](#)
12. Energy Efficient and Sustainable by Design
13. Uniform Relocation Assistance and Real Property Acquisition Policies Act ([42 USC § 4601 et seq.](#)) (URA) requirements, [49 CFR part 24](#), and applicable program regulations

14. Participation in HUD-Sponsored Program Evaluation
15. OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ([2 CFR part 200](#))
16. Drug-Free Workplace requirements ([2 CFR part 2429](#))
17. HUD requirements related to safeguarding resident/client files (e.g., [2 CFR 200.303\(e\)](#))
18. The Federal Funding Accountability and Transparency Act of 2006 ([2 CFR part 170](#)) (FFATA), as amended
19. Eminent Domain
20. Accessibility for Persons with Disabilities requirements ([29 USC § 794](#)) and implementing regulations at [24 CFR parts 8](#) and [100](#); [28 CFR part 35](#)
21. Applicable Violence Against Women Act requirements in the Housing Chapter of VAWA ([34 USC § 12491-12496](#)) [24 CFR part 5, subpart L](#), and program-specific regulations.
22. Conducting Business in Accordance with Ethical Standards/Code of Conduct, including [2 CFR 200.317](#), [2 CFR 200.318\(c\)](#) and other applicable conflicts of interest requirements
23. [Build America, Buy America \(BABA\) Act](#) procurement requirements
24. System for Award Management and Universal Identifier Requirements at [2 CFR part 25](#)
25. [Section 106\(g\) of the Trafficking Victims Protection Act of 2000 \(TVPA\), as amended \(22 USC § 7104\(g\)\)](#) and implementing regulations at [2 CFR part 175](#)
26. Award Term and Condition for Recipient Integrity and Performance Matters (see [Appendix XII to 2 CFR part 200](#))
27. Suspension and Debarment regulations ([2 CFR part 2424](#) and [2 CFR part 180](#))
28. Environmental justice requirements that apply in accordance with [24 CFR part 50](#) or [part 58](#), Executive Orders [12898](#) and [14008](#), and OMB Memorandum [M-21-28](#), which implements the *Justice40 Initiative*, section 223 of Executive Order [14008](#).
29. [HUD Secretary Fudge’s April 12, 2022 memorandum](#) “Eliminating Barriers That May Unnecessarily Prevent Individuals with Criminal Histories from Participation in HUD Programs”
30. Equity requirements, including racial equity and underserved communities and LGBTQ+ requirements that apply in accordance with Executive Orders [13985](#), [13988](#), and [14091](#).
31. [41 USC § 4712](#), which includes informing your employees in writing of their rights and remedies, in the predominant native language of the workforce. Under [41 U.S.C. § 4712](#), employees of a contractor, subcontractor, grantee, subgrantee, and personal services contractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. (See [Federal Contractor or Grantee Protections | Office of Inspector General, Department of Housing and Urban Development \(hudoig.gov\)](#))

32. Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment (41 USC § 3901 note prec., 2 CFR 200.216) and Executive Orders [14091](#) and [14110](#), which includes the prohibition on the use of HUD funds to purchase or fund any form of facial or biometric recognition technology for the purpose of surveillance or any other use that may adversely impact equitable access to housing.

33. Unless prohibited by law and to the extent permitted under the Freedom of Information Act (FOIA), your application content may be released to the public in response to FOIA requests, except to the extent that certain information contained in the application may be withheld under a FOIA exemption ([5 USC § 552\(b\)](#); [24 CFR 15.107\(b\)](#)). HUD may also share your application information within HUD or with other Federal agencies if HUD determines that sharing is relevant to the respective program's objectives.

## **B. Environmental Requirements**

### **1. Environmental Review**

You must follow these environmental review requirements, including regulations at:

[24 CFR part 50](#)

Administrative expenses, technical assistance, training, education, support, and advice to beneficiaries are excluded from environmental review under National Environmental Policy Act (NEPA) and the laws and authorities at 24 CFR 50.4 in accordance with 24 CFR 50.19 (b)(3) and (b) (9). However, acquisition of real property, when authorized by HUD, is subject to environmental review under 24 CFR part 50. Individual project sites to be funded by awards under this NOFO may not be known when the individual grant agreements are awarded and also may not be known when some of the individual sub-grants are made. Selection for funding does not constitute approval of individual project sites. After selection for funding, HUD will perform an environmental review of individual sites in accordance with 24 CFR part 50, as applicable, when the sites are identified. Therefore, in accordance with 24 CFR 50.3(h), the applicant's signature on the application constitutes an assurance to HUD that the applicant agrees to assist HUD in complying with 24 CFR part 50, and will: 1) supply HUD with all available, relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50; 2) carry out mitigating measures required by HUD or select alternate eligible property; and 3) not acquire, rehabilitate, convert, lease, repair, demolish or construct property nor commit or expend HUD or non-HUD funds for these program activities regarding any eligible property, until HUD has completed the environmental review and HUD approval of the property is received.

### **2. National Environmental Policy Act (NEPA)**

This NOFO has no significant impact related to the environment. HUD has made a Finding of No Significant Impact (FONSI) as required by HUD regulations at [24 CFR part 50](#), which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 USC § 4332(2)(c)). To learn more about this FONSI, go to [HUD's Funding Opportunities](#) web page.

### **3. Lead-Based Paint Requirements**

You must follow the lead-based paint rules below if you fund any pre-1978 housing work. This includes buying, leasing, support services, operating, or work that disturbs painted surfaces.



- [HUD’s rules](#) (Lead Disclosure Rule; and Lead Safe Housing Rule).
- EPA’s rules ([Renovation, Repair and Painting Rule](#), and [Lead Abatement, Inspection and Risk Assessment Rule](#)).

When providing training, education, support, and advice on education or counseling on buying or renting housing that may include pre-1978 housing, grantees must inform beneficiaries of the requirements under the Lead Disclosure Rule ([24 CFR part 35, subpart A](#)), and, if the focus of the education or counseling is on rental or purchase of HUD-assisted pre-1978 housing, the Lead Safe Housing Rule (subparts B, R, and, as applicable, F - M).

### C. Remedies for Noncompliance

HUD may terminate all or a part of your award as described under 2 CFR 200.340-200.343.

Refer to **Terminating an Award** as outlined in [2 CFR 200.340](#). Additionally, [2 CFR 200.339](#) addresses remedies for noncompliance to convey the full range of available remedies HUD can take if a non-Federal entity fails to comply with federal statutes, regulations, or terms of an award.

### D. Reporting

HUD requires recipients to submit the following performance and financial reports.

Report	Description	When
Federal Funding Accountability and Transparency Act (FFATA)	<ul style="list-style-type: none"> <li>• Awards equal to or greater than \$30,000</li> <li>• See details at <a href="#">2 CFR part 170</a></li> <li>• Submit via <a href="#">FSRS.gov</a>; then data available on <a href="#">USASpending.gov</a></li> </ul>	Subaward reported by the end of each month.
Reporting on Recipient Integrity and Performance Matters	<ul style="list-style-type: none"> <li>• Total value of all current Federal awards exceeds \$10,000,000 for any period of time during the period of performance of this Federal award</li> <li>• See details at <a href="#">Appendix XII to 2 CFR 200</a></li> <li>• Submit via <a href="#">SAM.gov</a></li> </ul>	3/31 and 9/30 during the performance period of the grant
Progress Report	<ul style="list-style-type: none"> <li>• Summary of progress status</li> <li>• Work to be performed during the next reporting period</li> <li>• Any anticipated risks and plans to mitigate those risks</li> </ul>	3/31 and 9/30 during the performance period of the grant
Financial Report	<ul style="list-style-type: none"> <li>• Semi Annual Review</li> <li>• SF 425</li> </ul>	3/31 and 9/30 during the performance period of the grant



Race, Ethnicity, and Other Data Reporting	<ul style="list-style-type: none"> <li>Recipients that provide HUD-funded program benefits to individuals or families, must report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households funded by this program</li> </ul>	3/31 and 9/30 during the performance period of the grant
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## VIII. CONTACT AND SUPPORT

Individuals who are deaf or hard of hearing, as well as individuals who have speech or communication disabilities may use a relay service. To learn more about how to make an accessible telephone call, visit the webpage for the [Federal Communications Commission](#).

### A. Agency Contact

#### 1. Program and Application Requirements

Name: La Ticia Wilson

Phone: 202-402-5890

Email: [capacitybuilding@hud.gov](mailto:capacitybuilding@hud.gov)

Note: HUD's assistance is limited by the standards at [24 CFR 4.26](#).

#### 2. Paper Application Waiver Request

Name: Monica Wallace

Email: [capacitybuilding@hud.gov](mailto:capacitybuilding@hud.gov)

Phone: 202.402.2187

HUD Organization: Community Planning and Development

Street: 451 7th Street, Room 7140

City: Washington

**State:**

DC DISTRICT OF COLUMBIA

**Zip:**

20410

**HUD Reform Act.** HUD is prohibited from disclosing [covered selection information](#) during the selection process. The selection process includes NOFO development and publication, and concludes with the announcement of selected recipients of financial assistance. HUD will not assist you with completing your application.

### B. Grants.gov

Grants.gov provides 24/7 support. You can call 800-518-4726 or email [support@grants.gov](mailto:support@grants.gov). Hold on to your ticket number.

### C. SAM.gov

If you need help, you can call 866-606-8220 or live chat with the [Federal Service Desk](#).

### D. Debriefing

After public announcement of awards, HUD will debrief you on your application upon your written request. Submit your written request to the [agency contact for program and application requirements](#) in this NOFO. HUD may limit the information provided to protect the integrity of the competition.

For a period of at least 120 calendar days, beginning 30 calendar days after the public announcement of awards under this NOFO, if requested, HUD will provide a debriefing related to their application. The Authorized Organization Representative (AOR) or the AOR's successor must submit a written request for debriefing via mail or email to the POC in Section VIII Agency Contact(s) of this NOFO. Information provided during a debriefing may include the applicant's final score for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

### **E. Applicant Experience Survey**

You are encouraged to provide feedback on your application experience by completing our [Applicant Experience Survey](#). Your feedback is optional; you are not required to provide personal information. HUD may use your feedback to improve future NOFOs. Your feedback has no impact on funding decisions.

### **F. Other Online Resources**

You are encouraged to review the [online resources](#) for context on some of the NOFO requirements.

## APPENDIX

### Appendix I. HUD Strategic Goals

**Strategic Goal 1: Support Underserved Communities.** Fortify support for underserved communities and support equitable community development for all people.

Objective Title	Objective Description	Success Measure(s)
1A: Advance Housing Justice	Fortify support for vulnerable populations, underserved communities, and Fair Housing enforcement.	Measured by affirming marketing and outreach efforts.
1C: Invest in the Success of Communities	Promote equitable community development that generates wealth-building for underserved communities, particularly for communities of color.	Measured by promoting racial equity efforts.

**Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing.** Ensure housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people.

Objective Title	Objective Description	Success Measure(s)
2A: Increase the Supply of Housing	Enhance HUD's programs that increase the production and supply of housing across the country.	Demonstrated by Beneficiary partnerships.
2B: Improve Rental Assistance	Improve rental assistance to address the need for affordable housing.	Demonstrated by Grantee/Beneficiary relations.

#### **Strategic Goal 3: Promote Homeownership**

Promote homeownership opportunities, equitable access to credit for purchase and improvements, and wealth-building in underserved communities.

Objective Title	Objective Description	Success Measure(s)
3A: Advance Sustainable Homeownership	Advance the deployment of tools and capital that put sustainable homeownership within reach.	Measured by the outcome of capacity building for potential home buyers.

#### **Strategic Goal 4: Advance Sustainable Communities**

Advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing's role as essential to health.

Objective Title	Objective Description	Success Measure(s)
4B: Strengthen Environmental Justice	Reduce exposure to health risks, environmental hazards, and substandard housing, especially for low-income households and communities of color.	Measured by technical assistance and capacity

		building in identified communities.
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## Appendix II. Definitions

### 1. Standard Definitions

For standard definitions not listed below, refer to [2 CFR 200.1](#).

**Affirmatively Furthering Fair Housing (AFFH)** has the same meaning as [24 CFR 5.151](#) - means taking meaningful actions, in addition to combating discrimination, to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Taken together, these meaningful actions should address significant disparities in housing needs and in access to opportunities, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all program participant’s activities and programs relating to housing and urban development.

**Authorized Organization Representative (AOR)** is the official within your organization with the legal authority to: give assurances, make commitments, submit your application to HUD, enter into agreements, and execute such documents on behalf of your organization. The AOR is not necessarily the Project Director. The AOR has [defined privileges](#) within Grants.gov.

**Consolidated Plan** has the same meaning as defined at [24 CFR part 91](#).

**E-Business Point of Contact (E-Biz POC)** is [defined at Grants.gov](#).

**Eligibility requirements** are mandatory requirements for an application to be considered for funding.

**Environmental Justice** means investing in environmental improvements, remedying past environmental inequities, and developing, implementing, and enforcing laws and policies to advance environmental equity. It requires meaningful involvement of people and communities that have been environmentally underserved or overburdened, such as low-income communities, Black and Brown communities, Tribal Nations and Indigenous groups, rural communities, and individuals with disabilities. This definition does not alter the requirements under HUD’s regulations at [24 CFR 58.5\(j\)](#) and [24 CFR 50.4\(l\)](#) implementing Executive Orders [12898](#) and [14096](#). E.O. [12898](#) requires consideration of how Federally assisted projects may have disproportionately high and adverse human health or environmental effects on minority and/or low-income populations. For additional information on environmental review compliance, refer to: [https://www.hud.gov/program\\_offices/comm\\_planning/environment\\_energy/regulations](https://www.hud.gov/program_offices/comm_planning/environment_energy/regulations).

**Equity** has the meaning given to that term in Section 2(a) of Executive Order [13985](#) and means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual,

transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

**Grants.gov** is the website serving as the Federal government’s central portal for searching and applying for federal financial assistance.

**Primary Point of Contact (PPOC)** is the person HUD may contact with questions about the application submitted. The PPOC is listed in item 8F on the SF-424.

**Promise Zones (PZs)** are [designated high poverty areas in select urban, rural and tribal communities](#). The communities prioritize: increasing economic activity, improving educational opportunities, leveraging private investment, reducing violent crime, enhancing public health and addressing other priorities identified by the community.

**Racial Equity** is the elimination of racial disparities and is achieved when race can no longer predict opportunities, distribution of resources, or outcomes – particularly for Black and Brown persons.

**Small business** is defined as a privately-owned corporation, partnership, or sole proprietorship that has fewer employees and less annual revenue than regular-sized business. The definition of “small”—in terms of being able to apply for government support and qualify for preferential tax policy—varies by country and industry. The U.S. Small Business Administration defines a small business according to a set of standards based on specific industries. See [13 CFR part 121](#).

**System for Award Management (SAM)** has the same meaning as [2 CFR 25.100\(b\)](#).

**Threshold Requirements** are eligibility requirements you must meet before HUD advances to a merit review of your application.

**Underserved Communities** has the meaning given to that term in Section 2(b) of Executive Order [13985](#) and refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the definition of “equity” above.

**Unique Entity Identifier (UEI)** has the same meaning as [2 CFR 25.100\(a\)](#).

## **2. Program Definitions.**

### **Capacity Building:**

Capacity building is support, investment, or training used to bring an eligible beneficiary to the next level of operational, programmatic, financial, or organizational maturity, so it may more effectively and efficiently implement its mission. It is a process in which eligible beneficiaries improve and retain skills, knowledge, tools, and other resources needed to serve low- and moderate- income households in local communities with increased or improved affordable housing and community development. It is not a one-time effort to improve short-term effectiveness, but a continuous improvement strategy with the eligible beneficiary toward the creation of a sustainable and effective organization that serves its community.

### **Community Development Corporation (CDC):**

1. A CDC is a nonprofit organization that undertakes eligible Section 4 program activities, as defined in this NOFO and that meets these qualifications:

1. Is organized under Federal, State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation;
  2. Is governed by a board of directors composed of community residents, business and civic leaders;
  3. Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low income;
  4. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization;
  5. Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1);
  6. Has standards of financial accountability that conform to 2 CFR Part 200.302, "Financial Management" and 2 CFR Part 200.303, "Internal Controls";
  7. Is not an agency or instrumentality of a State or local government; and
  8. "Community" may be a neighborhood or neighborhoods, town, village, county or multi-county area (but not the entire State or territory).
2. An organization that does not qualify under paragraphs (a) through (h) may also be determined to qualify as an eligible entity if:
1. It is a Small Business Administration (SBA) approved Section 501 State Development Company- or an SBA Certified Section 503 Company- under the Small Business Investment Act of 1958, as amended (P.L. 85-699); or
  2. The recipient demonstrates to the satisfaction of HUD, through the provision of information regarding the organization's charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those entities qualifying under paragraphs (a) through (h) of this definition; or
  3. It is a State or locally chartered organization; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of the State or local government entity chartering the organization. Board members appointed by the State or local government may not appoint the remaining two-thirds of the board members.

**Community Housing Development Organization (CHDO):**

A CHDO is defined in the HOME Investment Partnerships Program (HOME Program) regulation at 24 CFR 92.2. The HOME Program is authorized by the HOME Investment Partnerships Act at title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, 42 U.S.C. 12701 et seq.

**Consultant:** An individual who is tasked with providing valuable and pertinent advice generally drawn from a high degree of broad administrative, professional, or technical knowledge or experience. The grantee must determine whether a consultant is a subrecipient or a contractor in accordance with 2 CFR 200.331.

**Family:** Family refers to the definition of "family" in 24 CFR 5.403. Family includes, but is not

limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

1. A single person, who may be an elderly person, displaced person, person with a disability, near-elderly person, or any other single person; or
2. A group of persons residing together, and such group includes, but is not limited to:
  - a. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
  - b. An elderly family;
  - c. A near-elderly family;
  - d. A family with one or more members who is a person with a disability;
  - e. A displaced family; and
  - f. The remaining member of a tenant family.

**Household:** Household means all the persons occupying a housing unit. The occupants may be a family as defined in 24 CFR 5.403; two or more families living together, or any other group of related or unrelated persons who share living arrangements, regardless of actual or perceived sexual orientation, gender identity, or marital status.

**Key individual:** Key individual means the principal officer of the organization's governing body (for example, chairman, vice chairman, treasurer and secretary of the board of directors or board of trustees); the principal officer and deputy principal officer of the organization (for example, executive director, deputy director, president, vice president); the program manager; and any other person with significant responsibilities for administration of the activities or resources, such as key personnel.

**Key personnel:** Key personnel means individuals who identified for approval as part of their substantial involvement, contribution to the development and/or execution of a project in a substantive, measurable way, whether or not they receive salaries or compensation under the grant. Consultants may be considered senior/key personnel if they meet this definition.

**Low- and moderate-income household:** Low- and moderate-income household means a household having an income equal to or less than the Section 8 low-income limit established by HUD, which means a household whose income does not exceed 80 percent of the Area Median Income (AMI).

**Low- and moderate-income person:** Low- and moderate-income person means a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD, which means an individual whose income does not exceed 80 percent of the AMI. Unrelated individuals will be considered as one-person families for this purpose.

**Low-income household:** Low-income household means a household having an income equal to or less than the Section 8 very low-income limit established by HUD, which means a household whose income does not exceed 50 percent of the AMI.

**Low-income person:** Low-income person means a member of a family that has an income equal to or less than the Section 8 very low-income limit established by HUD, which means an



individual whose income does not exceed 50 percent of the AMI. Unrelated individuals shall be considered as one-person families for this purpose.

**Outcomes:** Results achieved, or benefits derived from the capacity building activity conducted, typically demonstrated by the eligible beneficiary. Some examples include, but are not limited to, an ability to maintain a full-time paid staff person, increased amount of affordable homes in a beneficiary's portfolio, or success in building the beneficiary's loan portfolio to conduct community development.

**Outputs:** Deliverables such as products, grants made, individuals served, or trainings delivered that are usually quantified by number produced, number delivered, number of attendees, etc. Outputs do not measure a change in a beneficiary's capacity or capabilities.

**Revolving Loan Fund** means a separate fund (with a set of accounts that are independent of other program accounts) established for the purpose of carrying out specific activities which, in turn, generate payments to the fund for use in carrying out the same activities.

**Rural area:** A rural area is a statistical geographic entity delineated by the Census Bureau that does not meet the definition of an urbanized area. An urbanized area is a statistical geographic entity delineated by the US Census Bureau, consisting of densely settled census tracts and blocks and adjacent densely settled territory that together contain at least 50,000 people. As of the 2010 decennial census, the United States contained 486 urbanized areas with an additional 11 in Puerto Rico. For more information about urbanized areas, including maps, FAQs, and reference manuals, please refer to this Census Bureau website - <https://www.census.gov/geo/reference/webatlas/uas.html>.

To demonstrate that a beneficiary complies with the rural area requirement, grantees will be expected to implement a review process to confirm that the proposed rural beneficiary is physically located within an eligible rural area or, as a result of Section 4 assistance, will be commencing or expanding service in an eligible rural area. HUD has created a mapping tool for grantees to utilize in assessing a beneficiary's compliance with the rural area definition. The mapping tool is posted on HUD's Section 4 grant program webpage - [https://www.hud.gov/program\\_offices/comm\\_planning/section-4](https://www.hud.gov/program_offices/comm_planning/section-4)