



U.S. Department of Housing and Urban Development

Community Planning and Development

Section 4 Capacity Building for Community Development and Affordable Housing

FR-6700-N-07

11/13/2023

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Community Planning and Development

Funding Opportunity Title:

Section 4 Capacity Building for Community Development and Affordable Housing

Funding Opportunity Number:

FR-6700-N-07

Assistance Listing Number (formerly CFDA Number):

14.252

Due Date for Applications:

11/13/2023

OVERVIEW

The U.S. Department of Housing and Urban Development (HUD) issues this Notice of Funding Opportunity (NOFO) to invite applications from eligible applicants for the program and purpose described within this NOFO. You, as a prospective applicant, should carefully read all instructions in all sections to avoid sending an incomplete or ineligible application. HUD funding is highly competitive. Failure to respond accurately to any submission requirement could result in an incomplete or noncompetitive proposal.

In accordance with [Title 24 part 4, subpart B](#) of the Code of Federal Regulations (CFR), during the selection process (which includes HUD's NOFO development and publication and concludes with the award of assistance), HUD is prohibited from disclosing covered selection information. Examples of impermissible disclosures include: 1) information regarding any applicant's relative standing; 2) the amount of assistance requested by any applicant; and 3) any information contained in the application. Prior to the application deadline, HUD may not disclose the identity of any applicant or the number of applicants that have applied for assistance.

For further information regarding this NOFO, direct questions regarding the specific requirements of this NOFO to the agency contact identified in section VII.

Paperwork Reduction Act Statement. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501- 3520) (PRA), the Office of Management and Budget (OMB) approved the information collection requirements in this NOFO. HUD may not conduct or sponsor, and a person is not required to respond to a collection of information unless the collection displays a valid OMB control number. This NOFO identifies its applicable OMB control number, unless its collection of information is excluded from these requirements under [5 CFR part 1320](#).

OMB Approval Number(s):

Not applicable

I. FUNDING OPPORTUNITY DESCRIPTION

A. Program Description

1. Purpose

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 \$83,000,000 (\$41,000,000 in FY 2022 funds and \$42,000,000 in FY 2023 funds) to carry out eligible activities related to community development and affordable housing projects and programs for the Section 4, of which at least \$10,000,000 (\$5,000,000 for each FY) 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 2023 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.

2. HUD and Program-Specific Goals and Objectives

This NOFO supports [HUD's Strategic Plan for Fiscal Years \(FY\) 2022-2026](#) to accomplish HUD's mission and vision. Each of the five goals in the [Strategic Plan](#) include what HUD hopes to accomplish, the strategies to accomplish those objectives, and the indicators of success. However, of the five goals only those applicable to this NOFO are identified below.

You are expected to align your application to the applicable strategic goals and objectives below. Use the information in this section to describe in your application the specific goals, objectives, and measures that your project is expected to help accomplish. If your project is selected for funding, you are also expected to establish a plan to track progress related to those goals, objectives, and measures. HUD will monitor compliance with the goals, objectives, and measures in your project.

Applicable Goals and Objectives from HUD's Strategic Plan

1. Strategic Goal 1: Support Underserved Communities

Fortify support for underserved communities and support equitable community development for all people.

2. 1A: Advance Housing Justice

Fortify support for vulnerable populations, underserved communities, and Fair Housing enforcement.

3. 1C: Invest in the Success of Communities

Promote equitable community development that generates wealth-building for underserved communities, particularly for communities of color.

4. 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.

5. Strategic Goal 3: Promote Homeownership

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

6. 3A: Advance Sustainable Homeownership

Advance the deployment of tools and capital that put sustainable homeownership within reach.

7. 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.

8. 4B: Strengthen Environmental Justice

Reduce exposure to health risks, environmental hazards, and substandard housing, especially for low-income households and communities of color.

3. Changes from Previous NOFO

The following changes are included in this FY 2022-2023 Section 4 program NOFO since publication of the previous, FY 2021 NOFO:

1. **Section I.A. Program Description** – This section is updated to include HUD Strategic Plan goals and objectives, to ensure NOFOs are explicitly aligned. Programs may also include objectives, strategies and measures related to program-specific goals and expectations for applicants. Furthermore, this section includes new definitions: Cooperative Agreement, Environmental Justice, Equity, Minority-Serving Institutions, Racial Equity, Resilience, and Underserved Communities. The following definition have been removed: DUNS, Opportunity Zone.
2. **Section III.D. Threshold Eligibility Requirements** – Affirmatively Furthering Fair Housing (AFFH) is removed. However, AFFH remains an application requirement under section IV.G. of the NOFO.
3. **Section III.E. Statutory and Regulatory Requirements Affecting Eligibility** – This section is updated to include applicable eligibility requirements. The NOFO supplemental document is also updated and posted on [HUD's Funding Opportunity webpage](#).
4. **Section III.F. Program-Specific Requirements** – This section is updated to emphasize two requirements, to support the priorities in HUD's FY2022-FY2026 Strategic Plan: (1) Applicants are required to submit with their applications narrative response to requirements for Advancing Racial Equity and Affirmative Marketing: (2) Program Priorities: A Tribal set aside award shall collectively invest not less than \$1,000,000 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 of not less than \$10,000,000.
5. **Section IV.G. Other Submission Requirements** – This section is updated to include additional submission requirements, AFFH.
6. **Section V.A. Review Criteria** – This section is updated to include preference points for Minority-Serving Institutions. Also updated to expand the review criteria for Environmental Justice. Rating Factor 3: Soundness of Approach subsection Plan to Conduct Activities now has a 5-point reduction; while subsection Underserved Communities and Fair Housing has been added with a 5 point allocation.
7. **Section V.B. Review and Selection Process** – This section is updated to include a new requirement to ensure applicants have Experience Promoting Racial Equity.

Other changes: Federal Relay Service – The Federal Relay Service contract expired in February 2022. HUD no longer uses the service. The NOFO is updated to include the use of Federal Communications Commission (FCC) relay services for individuals who are deaf or hard of hearing as well as individuals with speech or communication disabilities. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an

accessible telephone call, please visit

<https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

To improve your chance of success, please be sure to read this announcement fully and carefully and respond to all the elements in each factor.

4. Definitions

a. Standard Definitions

Affirmatively Furthering Fair Housing (AFFH) 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. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, 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.

Assistance Listing number refers to the unique number assigned to each Federal assistance program publicly available in the Assistance Listing, which is managed and administered by the General Services Administration. The Assistance Listing number was formerly known as the Catalog of Federal Domestic Assistance (CFDA) number.

Authorized Organization Representative (AOR) is a person authorized to legally bind your organization and submit applications via Grants.gov. The AOR is authorized by the E-Business Point of Contact (E-Biz POC) in the System for Award Management (see E-Biz POC definition). An AOR may include an Expanded AOR and/or a Standard AOR.

Expanded Authorized Organization Representative is a user in Grants.gov who is authorized by the E-Biz POC to perform the functions of a Standard AOR, initiate and submit applications on behalf of your organization, and is allowed to modify organization-level settings and certifications in Grants.gov.

Standard Authorized Organization Representative is a user in Grants.gov who is authorized by the E-Biz POC to initiate and submit applications in Grants.gov. A Grants.gov user with the Standard AOR role can only submit applications when they are a Participant for that workspace.

Consolidated Plan is the document submitted to HUD that serves as the comprehensive housing affordability strategy, community development plan, and submission for funding under any of the Community Planning and Development formula grant programs (e.g., CDBG, ESG, HOME, and HOPWA). This Plan is prepared in accordance with the process described in [24 CFR part 91](#). This plan is completed by engaging in a participatory process to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions with funding from formula grant programs. (See [24 CFR part 91](#) for HUD's requirements regarding the Consolidated Plan and related Action Plan).

Contract means, for the purpose of Federal financial assistance, a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a federal award. For additional information on contractor and subrecipient determinations, see [2 CFR 200.331](#).

Contractor means an entity that receives a contract as defined above and in [2 CFR 200.1](#).

Cooperative agreement has the same meaning defined at [2 CFR 200.1](#).

Deficiency, with respect to the making of an application for funding, is information missing or omitted within a submitted application. Examples of deficiencies include missing documents, missing or incomplete information on a form, or some other type of unsatisfied information requirement. Depending on specific criteria, a deficiency may be either Curable or Non-Curable.

*A **Curable Deficiency*** is missing or incomplete application information that may be corrected by the applicant with timely action. To be curable, the deficiency must:

- Not be a threshold requirement, except for documentation of applicant eligibility;
- Not influence how an applicant is ranked or scored versus other applicants; and
- Be remedied within the time frame specified in the notice of deficiency.

*A **Non-Curable Deficiency*** is missing or incomplete application information that cannot be corrected by an applicant after the submission deadline. A non-curable deficiency is a deficiency that is a threshold requirement, or a deficiency that, if corrected, would change an applicant's score or rank versus other applicants. If an application includes a non-curable deficiency, the application may receive an ineligible determination, or the non-curable deficiency may otherwise adversely affect the application's score and final funding determination.

E-Business Point of Contact (E-Biz POC) is an organization applicant who is responsible for the administration and management of grant activities for his or her organization. The E-Biz POC is likely to be an organization's chief financial officer or authorizing official. The E-Biz POC authorizes representatives of their organization to apply on behalf of the organization (see Authorized Organization Representative definition). There can only be one E-Biz POC per unique entity identifier (see definition of Unique Entity Identifier below).

Eligibility requirements are mandatory requirements for an application to be eligible for funding.

Environmental Justice means investing in environmental improvements, remedying past environmental inequities, and otherwise developing, implementing, and enforcing laws and policies in a manner that advances environmental equity and provides meaningful involvement for people and communities that have been environmentally underserved or overburdened, such as Black and Brown communities, indigenous groups, 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 Order 12898](#). E.O. 12898 requires a 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.

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.

Federal Award, has the meaning, depending on the context, in either paragraphs (1) or (2) of this definition:

(1)

(a) The Federal financial assistance that a recipient receives directly from a Federal awarding agency or a subrecipient receives indirectly from a pass-through entity, as described in [2 CFR 200.101](#); or

(b) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a federal awarding agency or indirectly from a pass-through entity, as described in [2 CFR 200.101](#).

(2) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (2) of the definitions of Federal financial assistance in [2 CFR 200.1](#), and this NOFO, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.

(3) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal Government owned, contractor operated facilities (GOCOs).

(4) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement in [2 CFR 200.1](#).

Federal Financial Assistance has the same meaning defined at [2 CFR 200.1](#).

Grants.gov is the website serving as the Federal government's central portal for searching and applying for Federal financial assistance throughout the Federal government. Registration on Grants.gov is required for submission of applications to prospective agencies unless otherwise specified in this NOFO.

Historically Black Colleges and Universities (HBCUs) are any historically Black college or university that was established prior to 1964, whose principal mission was, and is, the education of Black Americans, and that is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation. [A list of accredited HBCUs can be found at the U.S. Department of Education's website.](#)

Minority-Serving Institutions (MSIs) are

(1) a part B institution (as defined in [20 U.S.C. 1061](#));

(2) a Hispanic-serving institution (as defined in [20 U.S.C. 1101\(a\)\(5\)](#));

- (3) a Tribal College or University (as defined in [20 U.S.C. 1059c](#));
- (4) an Alaska Native-serving institution or a Native Hawaiian-serving institution (as defined in [20 U.S.C. 1059d\(b\)](#));
- (5) a Predominantly Black Institution (as defined in [20 U.S.C. 1059e](#));
- (6) an Asian American and Native American Pacific Islander-serving institution (as defined in [20 U.S.C. 1059g](#)); or
- (7) a Native American-serving nontribal institution (as defined in [20 U.S.C. 1059f](#)).

Non-Federal Entity (NFE) means a state, local government, Indian tribe, Institution of Higher Education (IHE), or non-profit organization that carries out a federal award as a recipient or subrecipient.

Primary Point of Contact (PPOC) is the person who may be contacted with questions about the application submitted by the AOR. The PPOC is listed in item 8F on the SF-424.

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, which includes Black, Latino, indigenous, Native American, Asian, Pacific Islander, and other persons of color.

Promise Zones (PZs) are high poverty areas in select urban, rural and tribal communities designated from 2014-2016 where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, reduce violent crime, enhance public health and address other priorities identified by the community. [See Promise Zones.](#)

Recipient means an entity, usually but not limited to non-Federal entities, that receives a federal award directly from HUD. The term recipient does not include subrecipients or individuals that are beneficiaries of the award.

Resilience is a community’s ability to minimize damage and recover quickly from extreme events and changing conditions.

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](#).

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a federal award but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

System for Award Management (SAM) is the Federal Repository into which an entity must provide information required for the conduct of business as a recipient. Registration with SAM is required for submission of applications via Grants.gov. You can access the website at <https://www.sam.gov/SAM/>. There is no cost to use SAM.

Threshold Requirements are eligibility requirements that must be met for an application to be reviewed, rated, and ranked. Threshold requirements are not curable, except for documentation of applicant eligibility, which are listed in Section III.D., Threshold Eligibility Requirements. Similarly, there are eligibility requirements under Section III.E., Statutory and Regulatory Requirements Affecting Eligibility.

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) means the identifier assigned by SAM to uniquely identify business entities. As of April 4, 2022, the Federal government has transitioned from the use of the DUNS Number to the use of UEI, as the primary means of entity identification for Federal awards government-wide.

b. 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 program activities, as defined in this NOFO and that meets these qualifications:
 - a. 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;
 - b. Is governed by a board of directors composed of community residents, business and civic leaders;
 - c. 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;
 - d. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization;
 - e. 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);

- f. Has standards of financial accountability that conform to 2 CFR Part 200.302, “Financial Management” and 2 CFR Part 200.303, “Internal Controls”;
- g. Is not an agency or instrumentality of a State or local government; and
- h. “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:

- a. 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
- b. 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
- c. 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 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 Area Median Income (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

B. 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, 2022 (Public Law 117-103, approved on March 15, 2022), and the Consolidated Appropriations Act, 2023 (Public Law 117-328, approved on December 29, 2022).

II. AWARD INFORMATION

A. Available Funds

Funding of approximately **\$83,000,000** is available through this NOFO.

Additional funds may become available for award under this NOFO consistent with Section VI.A.2.e., Adjustments to Funding. Use of these funds is subject to statutory constraints. All awards are subject to the funding restrictions contained in this NOFO.

B. Number of Awards

HUD expects to make approximately 3 awards from the funds available under this NOFO.

C. Minimum/Maximum Award Information

Estimated Total Funding:

\$83,000,000

Minimum Award Amount:

\$1,000,000

Per Project Period

Maximum Award Amount:
\$41,000,000
Per Project Period

D. Period of Performance

Estimated Project Start Date:
04/22/2024
Estimated Project End Date:
04/22/2028
Length of Project Periods:
Other

Length of Periods Explanation of Other:
48-month period of performance for project and budget periods.

E. Type of Funding Instrument

Funding Instrument Type:
G (Grant)

III. ELIGIBILITY INFORMATION

A. Eligible Applicants

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

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 2022 and FY2023 Appropriations. Specifically, these three organizations are: Enterprise Community Partners, Inc. (formerly The Enterprise Foundation), the Local Initiatives Support Corporation (LISC), and Habitat for Humanity International. Specifically, the only applicants eligible for this competition are the three organizations 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

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.

Faith-based organizations

(1) Faith-based organizations may apply for this award on the same basis as any other organization, as set forth at [24 CFR 5.109](#), and subject to the protections and requirements of 42

U.S.C. 2000bb et seq., HUD will not, in the selection of recipients, discriminate against an organization based on the organization's religious character, affiliation, or exercise.

(2) A faith-based organization that participates in this program will retain its independence and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law, including the Free Speech and Free Exercise Clauses of the Constitution, 42 U.S.C. 2000bb et seq., 42 U.S.C. 238n, 42 U.S.C. 18113, 42 U.S.C. 2000e-1(a) and 2000e-2(e), 42 U.S.C. 12113(d), and the Weldon Amendment, among others. Religious accommodations may also be sought under many of these religious freedom and conscience protection laws, particularly under the Religious Freedom Restoration Act.

(3) A faith-based organization may not use direct financial assistance from HUD to support or engage in any explicitly religious activities except where consistent with the Establishment Clause and any other applicable requirements. Such an organization also may not, in providing services funded by HUD, discriminate against a beneficiary or prospective program beneficiary on the basis of religion, religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

B. Ineligible Applicants

By law, there are only three eligible applicants for the Section 4 program. The competition is limited to the organizations 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.

C. Cost Sharing or Matching

This Program requires cost sharing or matching 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 200.29, 2 CFR 200.306 and 2 CFR 200.96. 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.

D. Threshold Eligibility Requirements

Applicants who fail to meet any of the following threshold eligibility requirements are deemed ineligible. Applications from ineligible applicants are not rated or ranked and will not receive HUD funding.

1. Resolution of Civil Rights Matters

Outstanding civil rights matters must be resolved before the application submission deadline. Applicants with unresolved civil rights matters at the application deadline are deemed ineligible. Applications from ineligible applicants are not rated or ranked and will not receive HUD funding.

a. An applicant is ineligible for funding if the 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. Eligible Organizations - Only the three organizations listed in Section III. A of this NOFO are eligible for the Section 4 program. Any other applicants will be identified as ineligible.

2. Timely Submission of Applications

Applications submitted after the deadline stated within this NOFO that do not meet the requirements of the grace period policy are marked late. Late applications are ineligible and are not considered for funding. See Section IV. D. Application Submission Dates and Times.

E. Statutory and Regulatory Requirements Affecting Eligibility

Eligibility Requirements for Applicants of HUD's Financial Assistance Programs

The following requirements affect applicant eligibility. Detailed information on each requirement is found in the [“Eligibility Requirements for Applicants of HUD's Financial Assistance Programs” document on HUD's Funding Opportunities page.](#)

- Universal Identifier and System for Award Management (SAM.gov) Requirements
- Outstanding Delinquent Federal Debts
- Debarments or Suspensions, or both
- Mandatory Disclosure Requirement
- Pre-selection Review of Performance
- Sufficiency of Financial Management System
- False Statements
- Prohibition Against Lobbying Activities

In addition, each applicant under this NOFO must have the necessary processes and systems in place to comply with the Award Term in Appendix A of [24 CFR part 170](#) if the applicant receives an award, unless an exception applies as provided in [2 CFR170.110](#).

F. Program-Specific Requirements

Purpose. Through funding of national intermediaries, the Section 4 program 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.

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 homeless assistance efforts 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 tasks 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.

In response to the increased level of Federal investments provided for housing and community development purposes in recent years, the FY 2022-2023 Section 4 NOFO identifies the additional priority of building the capacity of CDCs and CHDOs to navigate these new resources and assist in directing program investments to underserved communities. This priority aims to advance equity by helping ensure that populations that have been systematically denied a full opportunity to participate in aspects of economic, social and civic life are able to benefit today from increased Federal investments in their communities. Section 4 grantees are encouraged to develop new capacity building services that meet advance priority, such as trainings, guidebooks, convenings, and consultations.

The FY 2022-2023 Section 4 NOFO allocates a Tribal set aside award that shall collectively invest not less than \$1,000,000 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 of not less than \$10,000,000.

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.

Advancing Racial Equity

In accordance with Executive Order [13985](#), *Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, and federal fair housing and civil rights laws, you must submit a narrative demonstrating the following:

- You analyzed the racial composition of the persons or households who are expected to benefit from your proposed grant activities;
- You identified any potential barriers to persons or communities of color equitably benefiting from your proposed grant activities;
- You detailed the steps you will take to prevent, reduce or eliminate these barriers; and
- You have measures in place to track your progress and evaluate the effectiveness of your efforts to advance racial equity in your grant activities.

Note that any actions taken in furtherance of this section must be consistent with federal nondiscrimination requirements.

Applicants should submit their narrative addressing all four bullets above. Applicants will submit this narrative, as Attachment A in accordance with the instructions in Section IV.B. This will not count toward the 40-page limit. This is a mandatory requirement. This narrative will be evaluated for sufficiency and will not change the applicant's score or rank as compared to other applicants. If the narrative is deemed insufficient, it will be a "Curable Deficiency" that will be communicated to the applicant for correction with a notice of deficiency. Attachment A shall be limited to 1 page.

Affirmative Marketing

You must submit a narrative demonstrating that the housing, services, or other benefits provided under this grant will be affirmatively marketed broadly throughout the local area and nearby areas to any demographic groups that would be unlikely or least likely to apply absent such efforts. 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. Such activities may include 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. Documentation for this factor consists of a narrative describing the activities that will fulfill the factor requirements.

Applicants will submit this narrative, as Attachment B, in accordance with the instructions in Section IV.B. This narrative will be evaluated for sufficiency and will not change the applicant's score, or rank as compared to other applicants. If the narrative is deemed insufficient, it will be a "Curable Deficiency" that will be communicated to the applicant for correction with a notice of deficiency. Attachment B shall be limited to 1 page.

In the Affirmative Marketing narrative, applicants should describe what efforts they will make to market this planning to communities that would be least likely to apply, including but not limited to, communities with large Black, Brown or Native American populations. This Affirmative Marketing narrative is mandatory and will not count toward the 40-page limit.

G. Criteria for Beneficiaries.

Eligible Beneficiaries are limited to the CDCs and CHDOs specified in Section III. A.

IV. APPLICATION AND SUBMISSION INFORMATION

A. Obtain an Application Package

Instructions for Applicants

All application materials, including the Application Instructions and Application Package, are available through Grants.gov. You must access and review all available application materials. You must submit your application electronically via Grants.gov under the Funding Opportunity Number cited within this NOFO. Your application must list the applicable Funding Opportunity Number.

You can request a waiver from the requirement for electronic submission, if you demonstrate good cause. An example of good cause may include: a lack of available Internet access in the geographic area in which your business offices are located. However, lack of SAM registration or valid UEI is not a good cause. If you cannot submit your application electronically, you must ask in writing for a waiver of the electronic grant submission requirements. HUD will not grant a waiver if you fail to submit to HUD in writing or via email a request for a waiver at least 15 calendar days before the application deadline. If HUD grants a waiver, a paper application must be received before the deadline for this NOFO. To request a waiver, you must contact:

Name:

La Ticia Wilson

Email:

capacitybuilding@hud.gov

HUD Organization:

CPD

Street:

451 7th Street SW

City:

Washington

State:

DC DISTRICT OF COLUMBIA

Zip:

20410

B. Content and Form of Application Submission

You must verify that boxes 11, 12, and 13 on the SF-424 match the NOFO for which you are applying. If they do not match, you have downloaded the wrong Application Instruction and Application Package.

Submission of an application that is otherwise sufficient, under the wrong Assistance Listing and

Funding Opportunity Number is a Non-Curable Deficiency, unless otherwise stated under the Threshold requirements section.

1. Content

Forms/Assurances/Certifications	Submission Requirement	Notes/Description
Application for Federal Assistance (SF-424)	Review section IV.G. of this NOFO for detailed submission requirements.	
Applicant and Recipient Assurances and Certifications (HUD 424-B)	Review section IV.G. of this NOFO for detailed submission requirements.	
Applicant/Recipient Disclosure/Update Report (HUD 2880)	Review section IV.G. of this NOFO for detailed submission requirements	
Disclosure of Lobbying Activities (SF-LLL)	Review section IV.G. of this NOFO for detailed submission requirements.	Federally recognized Indian tribes and tribally designated housing entities (TDHEs) established by federally recognized Indian tribes as a result of the exercise of the tribe’s sovereign power are excluded from coverage of the Byrd Amendment, but state-recognized Indian tribes and TDHEs established only under state law shall comply with this requirement.
Standard Form 424A (SF-424A):	Applicants must provide a complete and detailed budget for the total performance period of the expected award through the	For the budget recorded on form SF-424A, provide a breakdown of the aggregate numbers detailing their allocation to each activity. The budget must also include a yearly breakdown of costs for each activity. In addition to the

Forms/Assurances/Certifications	Submission Requirement	Notes/Description
	<p>submission of the SF-424A. The data submitted on the SF-424A form will inform the expected financial assistance award for this NOFO.</p>	<p>SF-424A form instructions available on grants.gov, applicants should use Appendix I. HUD’s Guidance for Preparing a Budget Request in this NOFO, to complete the SF-424A.</p>
<p>Indirect cost rate documentation.</p>	<p>Documentation is required.</p>	<p>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 10% Modified Total Direct Costs (MTDC) will be used. Refer to Section IV.F Funding Restrictions, Indirect Cost Rate, for full details on this requirement.</p>
<p>Certification of Consistency with Promise Zone Goals and Implementation (Form HUD 50153)</p>	<p>Required for consideration for the Promise Zones Preference Point.</p>	<p>To receive Promise Zones Preference Points, this form must be signed and dated (the date must fall within the NOFO application period) by the Promise Zone Official authorized to certify that the proposed Section 4 project meets the criteria to receive preference points.</p>
<p>Multi-Year Grant Budget Form (HUD-4130)</p>	<p>Required for review of Factor 3 of this NOFO.</p>	<p>Please refer to the Instructions attached to the form, and within Section V.A, Factor 3, of this NOFO. The Form HUD-4130 must be submitted with the NOFO application as an</p>

Forms/Assurances/Certifications	Submission Requirement	Notes/Description
		attachment and does not count toward the 40-page maximum.
Federal Assistance Assurances	Review section IV.G.2. of this NOFO for detailed submission requirements.	
Attachment A	Narrative addressing Advancing Racial Equity is required	Please refer to the Instructions attached to the form, and within Section IV.B, of this NOFO. Attachment A must be submitted with the NOFO application does not count toward the 40-page maximum.
Attachment B	Narrative addressing Affirmative Marketing is required	Please refer to the Instructions attached to the form, and within Section IV.B, of this NOFO. Attachment B must be submitted with the NOFO application does not count toward the 40-page maximum.

A complete written narrative that addresses all the elements in Factors 1 through 5 (Five Factors) in Section V.A. of this NOFO must be submitted. The narrative for the Five Factors will be reviewed as a whole narrative, however applicants are advised to address the specific requirements of each Rating Factor within the narrative section specific to each Rating Factor so that information is not missed during the review process.

Applicants should include a one-page abstract with the application. The abstract should include 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
- Tribal Set Aside Requested Amount (Optional)
- Cost Share Match
- Leverage
- Approved Indirect Cost Rate
- The applicant should identify and describe participation with the Rural Partners Network to include collaboration with any of the 16 identified federal agencies and regional commissions through the Rural Prosperity Interagency Policy Council.
- 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.

2. Format and Form

Narratives and other attachments to your application must follow the following format guidelines. Do not submit password protected or encrypted files.

40 Pages maximum length of narratives

Other

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 enter the applicant name, UEI number, and page number on each page of 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 résumés, charts, letters, or any other documents attached to the application that are not specified or requested in this NOFO.
3. ***Checklist for Application Submission.***

The following checklist is provided as a guide to help ensure that applicants submit all the required elements. All forms required for application submission can be found in the application and instruction downloads on [Grants.gov](https://www.hud.gov/Grants).

- Application for Federal Assistance (SF-424);
- Standard Form 424A (SF-424A)
- Applicant and Recipient Assurances and Certifications (HUD 424-B);
- Applicant/Recipient Disclosure/Update Report (Form HUD2880);

- Disclosure of Lobbying Activities (SF-LLL) (if applicable);
- Narrative addressing the Five Factors;
- Indirect Cost Rate Documentation;
- Certification of Consistency with Promise Zone Goals and Implementation (Form HUD 50153) (required for Preference Points); and
- HUD Form 4130 Multi-Year Budget
- Attachment A; Advancing Racial Equity narrative (see Section III.F)
- Attachment B; Affirmative Marketing narrative (see Section III.F)

4. 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 for these possible references, for any other related updates, and to learn more about the Section 4 Capacity Building Program.

C. System for Award Management (SAM) and Unique Entity Identifier (UEI)

1. SAM Registration Requirement

You must register with <https://www.sam.gov> before submitting their application. You must maintain current information in SAM on immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a federal contract or grant within the last three years, if applicable. Information in SAM must be current for all times during which you have an active Federal award or an application or plan under consideration by HUD.

2. UEI Requirement

As of April 4, 2022, entities doing business with the federal government must use the UEI created in SAM.gov. Also, you must provide a valid UEI, registered and active at www.sam.gov in the application. For more information, see: <https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update>.

3. Requirement to Register with Grants.gov

Anyone planning to submit applications on behalf of an organization must register at Grants.gov and be approved by the E-Biz POC in SAM to submit applications for the organization. Registration for SAM and Grants.gov is a multi-step process and can take four (4) weeks or longer to complete if data issues arise. Applicants without a valid registration cannot apply through Grants.gov. Complete registration instructions and guidance are provided on Grants.gov.

D. Application Submission Dates and Times

1. Application Due Date Explanation

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

11/13/2023

Submit your application to Grants.gov unless a waiver has been issued allowing you to submit a paper application. Instructions for submitting your paper application will be contained in the waiver of electronic submission.

“Received by Grants.gov” means the applicant received a confirmation of receipt and an application tracking number from Grants.gov. Grants.gov then assigns an application tracking number and date-and timestamp each application upon successful receipt by the Grants.gov system. A submission attempt not resulting in confirmation of receipt and an application tracking number is not considered received by Grants.gov.

Applications received by Grants.gov must be validated by Grants.gov to be received by HUD.

“Validated by Grants.gov” means the application has been accepted and was not rejected with errors. You can track the status of your application by logging into Grants.gov, selecting “Applicants” from the top navigation, and selecting “Track my application” from the dropdown list. If the application status is “rejected with errors,” you must correct the error(s) and resubmit the application before the 24-hour grace period ends. Applications in “rejected with errors” status after the 24-hour grace period expires will not be received by HUD. Visit Grants.gov for a complete description of processing steps after applying.

HUD strongly recommends you submit your applications at least **48 hours before the deadline** and during regular business hours to allow enough time to correct errors or overcome other problems.

2. Grants.gov Customer Support

Grants.gov provides customer support information on its website at <https://www.grants.gov/web/grants/support.html>. If you have difficulty accessing the application and instructions or have technical problems, contact Grants.gov customer support center by calling (800) 518-GRANTS (this is a toll-free number) or by sending an email to support@grants.gov. The customer support center is open 24 hours a day, seven days per week, except Federal holidays. Individuals who are deaf or hard of hearing, or who have speech and other communication disabilities may use a relay service to reach Grants.gov Customer Support. To learn more about how to make an accessible telephone call, visit the [webpage for Federal Communications Commission](#).

3. Grants.gov Application Submission

You can verify the contents of your submitted application to confirm Grants.gov received everything you intended to submit. To verify the contents of your submitted application:

- Log in to Grants.gov.
- Click the Check Application Status link, which appears under the Grant Applications heading in the Applicant Center page. This will take you to the Check Application Status page.
- Enter search criteria and a date range to narrow your search results.
- Click the Search button. To review your search results in Microsoft Excel, click the Export Data button.
- Review the Status column. To view more detailed submission information, click the Details link in the Actions column.
- To download the submitted application, click the Download link in the Actions column.

Take note of the Grants.gov tracking number, as it is needed by the Grants.gov customer support center should you seek their assistance.

HUD may extend the application deadline for any program if Grants.gov is offline or not available to applicants for at least 24 hours immediately prior to the deadline date, or the system is down for 24 hours or longer and impacts the ability of applicants to cure a submission deficiency within the grace period.

HUD may also extend the application deadline upon request if there is a presidentially declared disaster in the applicant's area.

If these events occur, HUD will post a notice on its website establishing the new, extended deadline for the affected applicants. HUD will also publish the extension on Grants.gov.

In determining whether to grant a request for an extension based on a presidentially declared disaster, HUD will consider the totality of the circumstances including the date of an applicant's extension request (how closely it followed the basis for the extension), whether other applicants in the geographic area are similarly affected by the disaster, and how quickly power or services are restored to enable the applicant to submit its application.

NOTE: Busy servers, slow processing, large file sizes, improper registration or password issues are not valid circumstances to extend the deadline dates or the grace period.

4. Amending or Resubmitting an Application

Before the submission deadline, you may amend a validated application through Grants.gov by resubmitting a revised application containing the new or changed material. The resubmitted application must be received and validated by Grants.gov by the applicable deadline.

If HUD receives an original and a revised application for a single proposal, HUD will evaluate only the last submission received by Grants.gov before the deadline.

5. Grace Period for Grants.gov Submissions

If your application is received by Grants.gov before the deadline, but is rejected with errors, you have a grace period of 24 hours after the application deadline to submit a corrected, received, and validated application through Grants.gov. The date and time stamp on the Grants.gov system determines the application receipt time. 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.

6. Late Applications

An application received after the NOFO deadline date that does not meet the Grace Period requirements will be marked late and will not be reviewed by HUD for funding

consideration. Improper or expired registration and password issues are not sufficient causes to allow HUD to accept applications after the deadline date.

7. Corrections to Deficient Applications

HUD will not consider information from applicants after the application deadline except for curable deficiencies.

HUD will uniformly notify applicants of each curable deficiency. See curable deficiency definition in section I.A of this NOFO. Examples of curable (correctable) deficiencies include

inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

When HUD identifies a curable deficiency, HUD will notify the authorized organization representative identified on the SF-424 Application for Federal Assistance via email. This email is the official notification of a curable deficiency.

You must email corrections of Curable Deficiencies to applicationsupport@hud.gov within the time limits specified in the notification. The time allowed to correct deficiencies will be no less than 48 hours and no more than 14 calendar days from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open.

The subject line of the email sent to applicationsupport@hud.gov must state: Technical Cure and include the Grants.gov application tracking number or the GrantSolutions application number (e.g., Subject: Technical Cure - GRANT123456 or Technical Cure - XXXXXXXXXXXXX). If this information is not included, HUD cannot match the response with the application under review and the application may be rejected due to the deficiency.

Corrections to a paper application must be sent in accordance with and to the address indicated in the notification of deficiency. HUD will treat a paper application submitted in accordance with a waiver of electronic application containing the wrong UEI as having a curable deficiency. Failure to correct the deficiency and meet the requirement to have a UEI and active registration in SAM will render the application ineligible for funding.

8. Authoritative Versions of HUD NOFOs

The version of this NOFO posted on Grants.gov includes the official documents HUD uses to solicit applications.

9. Exemptions

Parties that believe the requirements of the NOFO would impose a substantial burden on the exercise of their religion should seek an exemption under the [Religious Freedom Restoration Act](#) (RFRA).

E. Intergovernmental Review

This program is not subject to [Executive Order 12372, Intergovernmental Review of Federal Programs](#).

F. Funding Restrictions

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 in 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/salarytables/pdf/2020/DCB.pdf>.

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.

Indirect Cost Rate

Normal indirect cost rules under [2 CFR part 200, subpart E](#) apply. If you intend to charge indirect costs to your award, your application must clearly state the rate and distribution base you intend to use. If you have a Federally negotiated indirect cost rate, your application must also include a letter or other documentation from the cognizant agency showing the approved rate. Successful applicants whose rate changes after the application deadline must submit the new rate and documentation to assure the award agreement incorporates the applicable rate.

G. Other Submission Requirements

1. Standard Application, Assurances, Certifications and Disclosures

Standard Form 424 (SF-424) Application for Federal Assistance

The SF-424 is the government-wide form required to apply for Federal assistance programs, discretionary Federal grants, and other forms of financial assistance programs. You must complete and submit the form with the other required forms and information as directed in this NOFO.

By signing the forms in the SF-424 either through electronic submission or in paper copy submission (for those granted a waiver), you and the signing authorized organization representative affirm that you both have reviewed the certifications and assurances associated with the application for Federal assistance and (1) are aware the submission of the SF-424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which

HUD will rely when making an award to the applicant. If it is later determined the signing authorized organization representative to the application made a false certification or assurance, caused the submission of a false certification or assurance, or did not have the authority to make a legally binding commitment for the applicant, the applicant and the individual who signed the application may be subject to administrative, civil, or criminal action. Additionally, HUD may terminate the award to the applicant organization or pursue other available remedies. Each applicant is responsible for including the correct certifications and assurances with its application submission, including those applicable to all applicants, those applicable only to Federally recognized Indian tribes, or Alaskan native villages and those applicable to applicants other than Federally recognized Indian tribes, or Alaskan native villages.

Assurances (HUD 424-B)

By submitting your application, you provide assurances that, if selected to receive an award, you will comply with U.S. statutory and other requirements, including, but not limited to civil rights requirements. All recipients and subrecipients of the award are required to submit assurances of compliance with federal civil rights requirements. *See, e.g.*, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments Act of 1972, Section 504 of the Rehabilitation Act of 1973, Violence Against Women Act, and the Age Discrimination Act of 1975; *see also* [24 C.F.R. §§ 1.5; 3.115; 8.50](#); and [146.25](#). HUD accepts these assurances in the form of the HUD 424-B, which also require compliance with HUD Reform Act requirements and all general federal nondiscrimination requirements in the administration of the federal assistance award.

Applicant Disclosure Report Form 2880 (HUD 2880)

The form HUD 2880 is required if you are applying for assistance within the jurisdiction of HUD to any project subject to Section 102(d) of the [HUD Reform Act](#). Assistance is provided directly by HUD to any person or entity, but not to subrecipients. It includes assistance for the acquisition, rehabilitation, operation, conversion, modernization, renovation, or demolition of any property containing five or more dwelling units that is to be used primarily for residential purposes. It includes assistance to independent group residences, board and care facilities, group homes and transitional housing but does not include primarily nonresidential facilities such as intermediate care facilities, nursing homes and hospitals. It also includes any change requested by a recipient in the amount of assistance previously provided, except changes resulting from annual adjustments in Section 8 rents under Section 8(c)(2)(A) of the United States Housing Act of 1937 ([42 U.S.C. 1437f](#)). [See HUD Reform Act regulation for additional information.](#)

Code of Conduct

Both you, as the award recipient, and all subrecipients must have a code of conduct (or written standards of conduct). The code of conduct must comply with the requirements included in the “Conducting Business in Accordance with Ethical Standards” section of the [Administrative, National and Department Policy Requirements and Terms for HUD Financial Assistance Awards](#), as well as any program-specific requirements. These requirements include ethical standards related to conflicts of interest for procurements in [2 CFR 200.318\(c\)](#) and [2 CFR 200.317](#), as well as HUD-specific conflict of interest standards. HUD maintains a list of organizations that have previously submitted written standards of conduct on its [Code of Conduct for HUD Grant Programs webpage](#). But it is your responsibility to ensure that the standards are compliant with the noted requirements and that HUD has the latest version of the

written standards. Updated written standards should be submitted with the application. Any updates to your written standards, after the application period, should be submitted as directed by the HUD program contact for this NOFO.

Affirmatively Furthering Fair Housing

With some exceptions for Federally recognized Indian tribes and their instrumentalities, the application must discuss how the applicant will carry out the proposed activities in a manner that affirmatively furthers fair housing in compliance with the Fair Housing Act and its implementing regulations, and how applicants will meet the requirements of the definition of AFFH at 24 CFR 5.151. Applicants may propose activities that are consistent with their jurisdiction's Analysis of Impediments (AI), an Assessment of Fair Housing (AFH), or other means of fair housing planning that meaningfully supports their AFFH certification.

If the applicant will carry out proposed activities in a jurisdiction with an AFH, the proposed activities should be consistent with the AFH's fair housing goals and with fair housing strategies specified in the jurisdiction's Consolidated Plan or Public Housing Agency Plan.

Applicants will submit a response to these requirements under Rating Factor 3: Underserved Communities and Fair Housing

2. Other Program-Specific Requirements

Standard Form 424A (SF-424A): Budget Information for Non-Construction Programs

Applicants must provide a complete and detailed budget for the total performance period of the expected award through the submission of the SF-424A. For the budget recorded on form SF-424A, provide a breakdown of the aggregate numbers detailing their allocation to each activity. The budget must also include a yearly breakdown of costs for each activity. In addition to the SF-424A form instructions available on Grants.gov, applicants should use [Appendix I. HUD's Guidance for Preparing a Budget Request](#) in this NOFO, to complete the SF-424A. The data submitted on the SF-424A form will inform the expected financial assistance award for this NOFO. All costs charged to awards made as a result of this funding announcement must be allowable, allocable, and supported by adequate documentation, consistent with applicable cost principles.

Federal Assistance Assurances

To assure compliance with statutory requirements for non-construction grant programs, you must complete the Federal Assistance Representations and Certifications section of your sam.gov registration. HUD and OMB use information reported within sam.gov for general management of Federal assistance awards programs. For more information on how to update your sam.gov registration, visit SAM.gov or the Federal Service Desk, FSD.gov. You can search for help at FSD any time or request help from an FSD agent Monday-Friday 8 a.m. to 8 p.m. ET.

V. APPLICATION REVIEW INFORMATION

A. Review Criteria

1. Rating Factors

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. Applicants are only eligible to receive Preference Points if they received 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. A. of this NOFO.

Points are assigned based on an applicant's 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 2022-2023 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.

Section 4 Points by Rating Factors

Factor 1: Capacity of Applicant and Relevant Organizational Experience	4
Factor 2: Need/Extent of the Problem	
<i>Needs of community/CDCs/CHDOs</i>	10
<i>Data Quality</i>	3
Total for Factor 2	13
Factor 3: Soundness of Approach	
<i>Description of Activities</i>	16
<i>Plan to Conduct Activities</i>	20
<i>Rural Geographic Coverage</i>	4
<i>Section 3 Compliance</i>	1
<i>Underserved Communities and Fair Housing</i>	5
Total for Factor 3	46
Factor 4: Leverage	
	10
Factor 5: Achieving Results and Program Evaluation	
	27

Subtotal	100
Preference Points	
Promise Zones	2
Environmental Justice	2
Total for Preference Points	4
Total Points	104

Rating Factor 1: Capacity of Applicant and Relevant Organizational Experience

Maximum Points: 4

Applicants must describe the capacity of the applicant and its organizational experience relevant to the Section 4 Capacity Building program. Applicants 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 subrecipients, if applicable. Other than names and position titles, please do not use any Personally Identifiable Information (PII). See the definition of PII at 2 CFR 200.1.

To assess this factor, 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:

1. Knowledgeable organizational, management, and financial staff skilled in managing large federal grants;
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;
3. Experience in conducting Section 4 eligible capacity building activities to CDCs and CHDOs in both urban and rural settings; and
4. Experience targeting capacity building activities and other housing and community development activities toward underserved communities; and
5. Experience working with and knowledge of other Federal housing and community development programs at HUD and at other agencies.
6. Knowledgeable staff, and experience and familiarity with federal nondiscrimination requirements, to include fair housing planning.

Rating Factor 2: Need/Extent of the Problem

Maximum Points: 13

Applicants must describe their understanding of the capacity building needs of CDCs and CHDOs in the specific geographies where they 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 Section III.F. of this NOFO, and must support the description of the needs with credible, reliable, and quantitative information.

To assess this factor, HUD will consider the extent to which the application demonstrates that the organization has sufficient knowledge and understanding of the needs of CDC and CHDOS by its explanation of:

1. ***Need for Capacity Building (10 points)***. Specifically, this sub-factor will be assessed on the applicant's identification and explanation of:
 - *The Needs of the Communities to Be Served*: 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 the applicant proposes to serve, as well as the fair housing needs of the communities to be served in relation to the eligible activities and priorities identified in Section III.F, as well as the fair housing needs of the communities to be served in terms of protected classes (e.g. race, national origin, disability, etc.). Applicant may also discuss the needs of communities based on geography, such as differences between tribal, rural and urban communities and other geographic factors.
 - *The Needs of CDCs and CHDOs*: Explain the specific capacity building needs of CDCs and CHDOs, as related to their ability to successfully address the identified general community needs.

2. ***Data Quality (3 points)***. 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, recent (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 purposes of demonstrating the specific needs of CDCs and CHDOs, applicants may also use data collected through the organization's own valid, recent, reliable, and replicable means of collection. If an applicant uses its own created data source, it must provide a brief explanation of the research methods used for the data collection and analysis.

Rating Factor 3: Soundness of Approach

Maximum Points: 46

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. Applicants must present their proposed plan for building the capacity of CDCs and CHDOs based on the needs identified in Factor 2.

Applicants 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, applicants should describe how their approach will advance equity in underserved communities.

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, the applicant's narrative

must address the following sub-factors:

1. *Description of Activities (16 points):* Applicants must describe the eligible activities they propose to conduct to address the capacity building needs of CDCs and CHDOs as identified under Rating Factor 2. The application must clearly describe:

a. Strategic Plan - Explain the strategic vision and plan for the proposed Section 4 Capacity Building program. Applicants must specifically identify the response in the narrative as the strategic plan for its Section 4 program, so HUD can clearly delineate this statement.

b. Proposed Activities - The applicant must explain its approach to capacity building by stating its proposed eligible activities (defined in Section III.F. 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 training will be done in person or virtually, as well as if it will be recorded for later distribution. Applicants 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.

c. Rationale and Effectiveness of Approach - The applicant must describe how it determined that the proposed activities will be cost-effective and how the activities will enable the CDC and CHDO beneficiaries to carry out specific housing and community development activities. To receive full credit, the applicant must convincingly explain why the proposed activities were selected for the FY 2022-2023 Section 4 program and why they represent the best approach to meet the identified CDC and CHDO needs. The applicant should describe whether their proposed approach and activities differ from prior years, how the proposal is responsive to performance metrics or evaluations of prior year Section 4 efforts, and how their proposal addresses any recent changes in the needs of CDCs, CHDOs, or the communities they serve.

2. *Implementation Process Plan to Conduct Activities (25 points):*

Applicants must describe a plan for how they will design, organize, implement, and manage the proposed capacity building activities, including how they will operate under the requirements of the Section 4 Capacity Building program. To assess this factor, HUD will evaluate the extent to which the applicant presents and supports 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, the applicant must explain how it will implement and manage the proposed activities by describing:

a. Implementation Process - Describe how the applicant will implement and manage the proposed activities with the grant award. To receive full credit the applicant must address:

- *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 it will determine where to direct Section 4 grant funds? For example, if the applicant proposes

to run an internal Request for Proposal (RFP) process to select beneficiaries, then a summary of that plan and how it is connected to the proposed time frame should be provided.

- *Proposed Beneficiaries:* How will eligible beneficiaries (CDCs and CHDOs) be identified and selected? If the applicant already knows the eligible beneficiaries they will serve, identify them specifically by name and geographic location in the form of a list. Applicant should explain how its criteria for selecting CDCs and CHDOs will enable it to target communities of the greatest need, with attention to reaching underserved communities. The applicant may also discuss why its proposed activities are best suited for the CDCs and CHDOs representing the targeted communities.
- *Geographic Area Determinations:* Explain how the applicant will determine the geographic locations where program funds will be used based on the identified needs in Factor 2. Include the process and factors that will be considered to select geographies. While it is not required that the applicant identifies precise locations at the time of the application, if the applicant has already determined the geographic areas where it will work, then it must indicate them in the narrative, and explain how and why they were selected. Applicants may also provide broad geographic areas that it proposes to target, if areas have not already been pre-selected.

b. Budget: Provide a four-year budget using HUD Form-4130 that shows the individual costs of managing and delivering the proposed FY 2022-2023 Section 4 grant program, following the instructions on the form. On the budget form, applicants should specifically address the following areas, as applicable, for each year of the program:

- *Applicant Organization Administration Costs:* Applicants must 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:* Applicants must list applicable activity delivery costs related to the provision of the first and second eligible activities in Section III.F of this NOFO (training, financial assistance, etc.). Applicants must provide a breakdown of the costs expected to be 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 subrecipients 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. Applicants should put any other funding sources they intend to pursue, in their 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 points): Applicants must identify the method and criteria they will use to select rural geographic areas where they expect to focus their proposed FY 2022-2023 Section 4 Capacity Building rural program activities. If the exact rural locations are known, the applicant must describe how they reviewed and selected these areas for their proposed FY 2022-2023 Section 4 program.

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

- A description of how the applicant will determine the rural areas it 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 the applicant will serve, if they are already 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, applicants must describe how they 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. Applicants should also describe how they will build the capacity of Section 4 beneficiaries to comply with Section 3 requirements when and if they work on Section 3 projects.

5. Underserved Communities and Fair Housing (5 points): Applicants will be evaluated on their experience in and plans for advancing equity, assisting underserved communities, and addressing fair housing and civil rights issues through building the capacity of eligible beneficiaries. All eligible applicants should have knowledge of and experience with delivering services consistent with and in furtherance of federal fair housing and nondiscrimination laws and regulations. Examples that may demonstrate this knowledge and experience include having staff members or contractual relationships with individuals that have experience addressing fair housing issues and engaging in fair housing planning; experience in providing meaningful access to individuals with limited English proficiency, to include the provision of language assistance services; experience in providing effective communication and reasonable accommodations to individuals with disabilities; experience promoting desegregation and/or other forms of racial

equity; and experience in prioritizing capacity building activities that focus on civil rights, fair housing issues, or the needs of protected class groups and/or underserved populations.

Affirmatively Furthering Fair Housing (3 points)

Applicants should explain how their proposed NOFO activities would contribute to affirmatively furthering fair housing in accordance with 24 CFR 5.151. Namely, how will the applicants' proposed NOFO activities address disparities in access to opportunity for protected class groups or how they will address disproportionate housing needs for protected class groups.

Experience Promoting Racial Equity (2 points)

Applicants should explain their experience and resources to address the needs of underserved communities, including but not limited to, Black, Latino, indigenous, Native American, Asian, Pacific Islander, and other persons of color. Examples that may demonstrate this experience include experience encouraging specific and authentic engagement with historically underserved neighborhoods and communities of color to guide policy outcomes; having staff, or recruitment of staff, who have lived experience and/or expertise to provide services in a culturally competent way; experience in providing meaningful access to individuals with limited English proficiency, to include the provision of language assistance services; experience promoting desegregation and/or other forms of racial equity; and experience in prioritizing capacity building activities that focus on civil rights, fair housing issues, or the needs of protected class groups and/or underserved populations.

Rating Factor 4: Match Requirement and Leveraging Resources

Maximum Points: 10

To assess this factor, HUD will evaluate the applicant's ability to secure leverage from public and/or private sector resources other than Section 4 funding to perform eligible activities and to sustain the applicant's proposed Section 4 Capacity Building program. HUD will evaluate how the applicant will acquire and apply private match dollars to meet the 3:1 statutory requirement. Applicants must keep in mind that leveraged resources are considered additional resources above and beyond the Section 4 program's statutorily required 3:1 match requirement and cannot be counted towards the statutory match requirement.

The following sub-factors will be assessed:

1. Leverage Ratio (3 points): Applicants that demonstrate an expected leverage ratio of at least ten-to-one shall be awarded three points. Applicants demonstrating a lesser ratio shall be awarded the points proportionate to their documented leverage. To demonstrate the applicant's ability to leverage for this NOFO, applicants should include their actual results in leveraging Section 4 Capacity Building assisted projects in Federal FY 2021 (October 1, 2020 - September 30, 2021).

2. Match Sources (3 points): Describe the process for how match sources will be considered, explored, and pursued for the FY 2022-2023 grant award.

3. Use of Match Funds (4 points): Explain how the applicant and beneficiaries will use the match funding to support their proposed Section 4 Capacity Building program activities and build the capacity of CDCs and CHDOs.

Rating Factor 5: Achieving Results and Program Evaluation

Maximum Points: 27

This factor addresses how the applicant proposes to achieve results and conduct program evaluation, and it reflects HUD's goal to embrace high standards of ethics, performance management, and accountability for its grants programs.

The applicant shall provide an effective plan to evaluate and measure the performance of its proposed Section 4 Capacity Building program activities. The applicant must identify specific performance outputs and outcomes that show the improved capacity of CDCs and CHDOs. Applicants 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 held accountable not only for producing the stated outputs from this application, but also for achieving positive outcomes for eligible beneficiaries who increase their organizational capacity to serve their communities.

To assess this factor, HUD will consider the extent to which the applicant's performance plan is reasonable, consistent with the activities proposed in Factor 3, and demonstrates expected improved organizational development of eligible beneficiaries.

1. Performance Plan with Expected Performance Outputs and Outcomes (8 points): The applicant must provide a description of the applicant's performance plan. To receive full credit the performance plan must include the following:

- a. The overarching Section 4 program performance goals;
- b. Specific planned outputs with numeric goals;
- c. Specific planned outcomes, with numeric goals; and
- d. A timeline for the achievement of performance outputs and outcomes.

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.

Possible Outputs from the Implementation of Section 4 Activities (not an exhaustive list)

- General Outputs for all Activities:
 - Number of individuals served
 - Number of CDCs/CHDOs, Tribes, and local governments served
 - Number of organizations served (used in rare occasions like at an open training at a conference)

- Number of HUD Regions served
- Number of states served
- 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 will be assessed on the extent to which the applicant clearly describes how it will evaluate the effectiveness of the organization's Section 4 Capacity Building program. The plan must include two types of evaluation:

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

b. Evaluation of Section 4 Program Effectiveness and Delivery: Describe how the applicant will evaluate the effectiveness of the 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 the applicant's 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 2017 grant award, the return of any unspent FY 2017 funds or the extension of a FY 2017 grant award.

a. Program Outcomes and Outputs Achieved. HUD will evaluate the extent to which the applicant demonstrated successful program performance within the last five 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. Applicants 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 the applicant's response to the following elements within this sub-factor:

- **Section 4 Program Grant and Organizational Management:** HUD will evaluate the extent to which the applicant has 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 the applicant's past performance in meeting all match requirements.

- **Timely Expenditure and Disbursement of Section 4 Grant Funds.** Applicants will describe the timeliness of expenditure and disbursement of Section 4 Capacity Building program funds for the FY 2018 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 2022 -2023 Section 4 NOFO. The description must include the following information for each of the Section 4 Capacity Building program grants awarded for the Fiscal Years 2018-2021 awards:
 - The amount of the applicant's Section 4 Capacity Building program grant awards from HUD for each of the previous five fiscal years;
 - 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;
 - The amount and percentage of Section 4 Capacity Building program funds disbursed, *as indicated in LOCCs no later than 30 days before the published due date of this FY 2022-2023 Section 4 NOFO*, for each of the previous five fiscal year grant awards; and
 - The balance of funds remaining undisbursed for each of the applicant's Section 4 Capacity Building program's previous five fiscal year grant awards

It is expected that the applicant with previous awards 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.

Maximum points will be assigned using the following schema:

Grant Year	Percent of funds expected to be drawdown from LOCCs
<i>FY 2018</i>	99-100%
<i>FY 2019</i>	Greater than 75%
<i>FY 2020</i>	Greater than 50%
<i>FY 2021</i>	Greater than 25%

Section 3

In accordance with HUD's Section 3 regulations at [24 CFR 75.7](#), your application will receive up to 1 points based the quality of Section 3 plans submitted. The program office will consider the following in evaluating the quality of the Section 3 plan: refer to Rating Factor 3..

2. Other Factors

Preference Points

This NOFO supports the following policy initiatives. If your application demonstrates the appropriate information for the policy initiative, your application will receive up to two (2)

points for each initiative, and will receive no more than a total of four (4) points. These points are added to your application's overall score.

Environmental Justice (2 points)

Promise Zones (PZ) (2 points)

You may choose to voluntarily commit to address policy initiatives in your application. Addressing these policy initiatives is not a requirement to apply for or receive an award. If you choose to address a voluntary policy initiative in your application, however, you will be required to adhere to the information submitted with your application should you receive an award. The proposed information will be included as a binding requirement of any federal award you receive as a term and condition of that award.

This program does not offer points for Climate Change

Environmental Justice: In accordance with [Executive Order 12898](#), Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, and EO 14008, HUD will award up to two (2) points for applications proposing activities that advance Environmental Justice (as defined in Section I.A.4 of this NOFO). For the purposes of this grant program, activities that advance Environmental Justice include doing the following for people or communities that have been environmentally underserved or overburdened (e.g. low-income and Black and Brown communities):

- Reducing or mitigating exposure to environmental and health hazards (e.g. industrial facilities, EPA superfund sites, legacy pollution, heat islands).
- Improving protection from and resilience to environmental harms (e.g. fire-resistant materials, floodproofing).
- Expanding environmental benefits (e.g. clean air and water, public transportation, bike and walking paths, clean energy, green technology, biodiversity).
- Overcoming prior disinvestment in environmental infrastructure (e.g. drainage systems, green spaces, pollution controls).

To receive points under this Section, your application must describe in detail how your proposed activities will advance Environmental Justice in one or more of these ways.

In addition, to receive points under this Section, your application must also clearly describe how your activities will be informed by input from affected communities. To provide those affected a meaningful opportunity to participate in the design and implementation of your 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 locations or virtually, and respond appropriately to community concerns.

This program does not offer preference points related to HBCUs.

Pursuant to Executive Orders [13985](#), [14041](#), [14045](#), and [14031](#), you may receive up to two (2) preference points if you are an applicant designated as a minority-serving institution (MSI) or if your application proposes one or more partnerships with minority-serving educational institutions that have been historically underserved.

This program does not offer preference points related to minority-serving institutions.

Promise Zones

HUD encourages activities in Promise Zones (PZ). To receive Promise Zones Preference Points, applicants must submit form HUD-50153, "Certification of Consistency with Promise Zone Goals and Implementation," signed by the Promise Zone Official authorized to certify the project meets the criteria to receive preference points. To view the list of designated Promise Zones and persons authorized to certify, see the [Promise Zone](#) pages on HUD's website.

B. Review and Selection Process

1. Past Performance

In evaluating applications for funding, HUD will consider an applicant's past performance in managing funds. Items HUD will consider include, but are not limited to:

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

The ability to account for funds in compliance with applicable reporting and recordkeeping requirements

Timely use of funds received from HUD

Timely submission and quality of reports submitted to HUD

Meeting program requirements

Meeting performance targets as established in the grant agreement

The applicant's organizational capacity, including staffing structures and capabilities

- 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 may reduce scores based on the past performance review, as specified under V.A. Review Criteria. Whenever possible, HUD will obtain and review past performance information. If this review results in an adverse finding related to integrity of performance, HUD reserves the right to take any of the remedies provided in the [Pre-Selection Review of Performance section of the Eligibility Requirements for Applicants of HUD Financial Assistance Programs](#).

2. Assessing Applicant Risk

In evaluating risks posed by applicants, HUD may use a risk-based approach and may consider any items such as the following:

(1) Financial stability;

(2) Quality of management systems and ability to meet the management standards prescribed in this part;

(3) 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;

(4) Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and

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

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 Preference Points if it scores a minimum of 75 points for the five Rating Factors. An applicant can receive a possible total of 104 points which includes Rating Factors 1 through 5 and 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.

3. Experience Promoting Racial Equity

In evaluating applications for funding, HUD will consider the extent to which the application demonstrates that the applicant has the experience and the resources to effectively address the needs of underserved communities, particularly Black and Brown communities. This may include experience successfully working directly with such groups, experience designing or operating programs that equitably benefit such groups, or experience successfully advancing racial equity in other ways. This may also include experience soliciting, obtaining, and applying input from such groups when designing, planning, or implementing programs and activities.

Applicants should describe their experience promoting racial equity in Factor 3: Underserved Communities and Fair Housing, Experiencing Promoting Racial Equity. This is a mandatory requirement.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notices

Following the evaluation process, HUD will notify successful applicants of their selection for funding. HUD will also notify other applicants, whose applications were received by the deadline but were not chosen for award. Notifications will be sent by email to the person listed as the AOR in item 21 of the SF-424.

1. Final Grant

After HUD has made selections, HUD will finalize specific terms of the award and budget in consultation with the selected applicant. If HUD and the selected applicant do not finalize the terms and conditions of the award in a timely manner, or the selected applicant fails to provide requested information, an award will not be made to that applicant. In this case, HUD may select another eligible applicant. HUD may also impose specific conditions on an award as provided under [2 CFR 200.208](#).

2. Adjustments to Funding

To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, HUD reserves the right to fund less than the amount requested in an application.

a. HUD may fund no portion of an application that:

- (1) Is ineligible for funding under applicable statutory or regulatory requirements;
- (2) Fails, in whole or in part, to meet the requirements of this notice;
- (3) Duplicates activities funded by other federal awards; or
- (4) Duplicates activities funded in a prior year.

b. HUD may adjust the funding for an application to ensure funding diversity, geographic diversity, and alignment with HUD administrative priorities.

c. If an applicant turns down an award offer, or if HUD and an applicant do not finalize the terms and conditions of the award in a timely manner, HUD may withdraw the award offer and make an offer of funding to another eligible application.

d. If funds remain after all selections have been made, remaining funds may be made available within the current fiscal year for other competitions within the program area, or be held for future competitions (if allowable in accordance with the applicable appropriation or authorizing statute), or be used as otherwise provided by authorizing statute or appropriation.

e. If, after announcement of awards made under the current NOFO, additional funds become available either through the current appropriations, a supplemental appropriation, other appropriations or recapture of funds, HUD may, in accordance with the appropriation, use the additional funds to provide additional funding to an applicant awarded less than the requested amount of funds to make the full award, and/or to fund additional applicants that were eligible to receive an award but for which there were no funds available.

3. Funding Errors

If HUD commits an error that when corrected would cause selection of an applicant during the funding round of a Program NOFO, HUD may select that applicant for funding, subject to the availability of funds. If funding is not available to award in the current fiscal year, HUD may make an award to this applicant during the next fiscal year, if funding is available.

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 engage in negotiations with HUD to receive final approval. Once negotiations are completed in a timely manner (according to the deadlines set in the award notification) and an updated budget and plan is approved, HUD will send the successful applicant a signed grant agreement package to be signed and returned.

Once the grant agreement 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 VI.B of this NOFO.

Consistent with the web resources provided in Section VIII.3 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 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/fundingopps.

B. Administrative, National and Departmental Policy Requirements and Terms for HUD Applicants and Recipients of Financial Assistance Awards

Unless otherwise specified, the following [Administrative, National and Department Policy Requirements and Terms for HUD Financial Assistance Awards](#) apply. Failure to comply with these requirements may impact your ability to receive or retain a financial assistance award from HUD. Read the requirements carefully as the requirements are different among HUD's programs.

1. Compliance with The Fair Housing Act ([42 U.S.C. 3601-3619](#)) and implementing regulations at [24 CFR part 100 et seq](#)
2. Compliance with Title VI of the Civil Rights Act of 1964, [42 U.S.C. 2000d-2000d-4](#) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at [24 CFR part 1](#)
3. Compliance with the Age Discrimination Act of 1975 ([42 U.S.C. 6101-6107](#)) and implementing regulations at [24 CFR part 146](#)
4. Compliance with Section 504 of the Rehabilitation Act of 1973 ([29 U.S.C. 794](#)) and implementing regulations at [24 CFR part 8](#)
5. Compliance with the Americans with Disabilities Act, [42 U.S.C. 12101 et seq](#)
6. Compliance with Affirmatively Furthering Fair Housing (AFFH) requirements, including those listed on HUD's [Affirmatively Furthering Fair Housing](#) webpage
7. Compliance with Economic Opportunities for Low-and Very Low-income Persons (Section 3) requirements, including those listed at [24 CFR part 75](#)
8. Compliance with Improving Access to Services for Persons with Limited English Proficiency (LEP) requirements, including those listed within [Federal Register Notice, FR-4878-N-02](#) (also see [HUD's webpage](#))
9. Compliance with Accessible Technology requirements, including those listed on in [HUD's Policy on Section 508 of the Rehabilitation Act and Accessible Technology](#)
10. Compliance with Equal Access Requirements (see [24 CFR 5.105\(a\)\(2\)](#) and [5.106](#))
11. Compliance with Ensuring the Participation of Small Disadvantaged Business, and Women-Owned Business requirements at [2 CFR 200.321](#)
12. Compliance with Energy Efficient, Sustainable, Accessible, and Free from Discrimination by Design
13. Compliance with Real Estate Acquisition and Relocation requirements (see [49 CFR part 24](#) and applicable program regulations)
14. Compliance with Participation in HUD-Sponsored Program Evaluation (see [Federal Register Notice, FR-6278-N-01](#))
15. Compliance with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (see [2 CFR part 200](#))

16. Compliance with Drug-Free Workplace requirements (see [2 CFR part 2429](#), which is HUD's implementation of [41 U.S.C. 701, et seq.](#))
17. Compliance with the requirements related to safeguarding resident/client files
18. Compliance with the Federal Funding Accountability and Transparency Act of 2006 ([2 CFR part 170](#)) (FFATA), as amended
19. Compliance with Eminent Domain
20. Compliance with Accessibility for Persons with Disabilities requirements on [HUD's Disability Overview](#) webpage
21. Compliance with Violence Against Women Act at [24 CFR part 5](#), subpart L and applicable program regulations
22. Compliance with 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. Compliance with the [Build America, Buy America \(BABA\) Act](#) procurement requirements and [implementing guidance available on HUD's dedicated webpage](#)
24. Compliance with System for Award Management and Universal Identifier Requirements at [2 CFR part 25](#)
25. Compliance with [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](#) (Award Term for Trafficking in Persons)
26. Compliance with Award Term and Condition for Recipient Integrity and Performance Matters (see [Appendix XII to 2 CFR part 200](#))
27. Compliance with Suspension and Debarment (see [2 CFR part 2424](#) and [2 CFR part 180](#))
28. Compliance with environmental justice requirements under Executive Orders [12898](#) and [14008](#), and OMB Memorandum [M-21-28](#), which implements the Justice40 Initiative, section 223 of Executive Order [14008](#).
29. Compliance with equity requirements, which include compliance with racial equity and underserved communities and LGBTQ+ requirements under Executive Orders [13985](#) and [13988](#)

Compliance with 41 U.S.C. § 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 \(hudoig.gov\)](#))

OIG maintains a hotline to receive allegations of fraud, waste, and abuse related to HUD programs, with a link to OIG's hotline form <https://www.hudoig.gov/hotline/hotline-form> and phone number 877- 347-3735.

Environmental Review

Compliance with environmental requirements, including regulations at [24 CFR part 50](#) or [58](#):

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) may 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 CFR 200.216 *Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment* ---

Prohibition on Surveillance

Compliance with [2 CFR 200.216, Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment](#) is required.

Remedies for Noncompliance

HUD may terminate a Federal award, in whole or in part, for any of the reasons specified in [2 CFR 200.340, Termination](#).

Refer to [HUD GRANTS MANAGEMENT HANDBOOK 2210.17 REV 3.2](#) page 82 for information on **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.

Lead-Based Paint Requirements

When providing housing assistance funding for purchase, lease, support services, operation, or work that may disturb painted surfaces, of pre-1978 housing, you must comply with the lead-based paint evaluation and hazard reduction requirements of HUD's lead-based paint rules (Lead Disclosure; and Lead Safe Housing ([24 CFR part 35](#))); and EPA's lead-based paint rules (e.g., Repair, Renovation and Painting; Pre-Renovation Education; and Lead Training and Certification ([40 CFR part 745](#))).

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. Reporting

HUD requires recipients to submit performance and financial reports under OMB guidance and program instructions.

1. Recipient Integrity and Performance Matters

You should be aware that if the total Federal share of your federal award includes more than \$500,000 over the period of performance, the award will be subject to post award reporting requirements reflected in [Appendix XII to 2 CFR part 200, Award Terms and Conditions for Recipient Integrity and Performance Matters](#).

2. Race, Ethnicity and Other Data Reporting

HUD requires recipients that provide HUD-funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987. These authorities prohibit discrimination in housing and in programs receiving financial assistance from the Department and direct the Secretary to administer the Department's programs and activities in a manner affirmatively to further these policies and to collect certain data to assess the extent of compliance with these policies. Each recipient shall keep such records and submit to the Department timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the Department may determine to be necessary to enable it to ascertain whether the recipient has complied or is complying with 24 CFR parts 1 and 121. In general, recipients should have available for the Department data showing the demographics of beneficiaries of federally-assisted programs.

3. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) as amended (FFATA)

FFATA requires information on federal awards be made available to the public via a single, searchable website, which is www.USASpending.gov. Accordingly, each award HUD makes under this NOFO will be subject to the requirements provided by the Award Term in Appendix A to [2 CFR part 170](#), "REPORTING SUBAWARD AND EXECUTIVE COMPENSATION INFORMATION," unless the Federal funding for the award (including funding that may be added through amendments) is not expected to equal or exceed \$30,000. Requirements under this Award Term include filing subaward information in the Federal Funding Accountability and Transparency Act (FFATA) Sub-award Reporting System (FSRS.gov) by the end of the month following the month in which the recipient awards any sub-grant equal to or greater than \$30,000.

4. Program-Specific Reporting Requirements

D. Debriefing

For a period of at least 120 calendar days, beginning 30 calendar days after the public announcement of awards under this NOFO, HUD will provide a debriefing related to their application to requesting applicants. A request for debriefing must be made in writing or by email by the AOR whose signature appears on the SF-424 or by his or her successor in office and be submitted to the POC in Section VII Agency Contact(s) of this NOFO. Information provided during a debriefing may include the final score the applicant received 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.

VII. AGENCY CONTACT(S)

HUD staff will be available to provide clarification on the content of this NOFO.

Questions regarding specific program requirements for this NOFO should be directed to the POC listed below.

Name:

La Ticia Wilson

Phone:

202-402-5890

Email:

capacitybuilding@hud.gov

Individuals who are deaf or hard of hearing, or who have speech and other communication disabilities may use a relay service to reach the agency contact. To learn more about how to make an accessible telephone call, visit the webpage for the [Federal Communications Commission](#). Note that HUD staff cannot assist applicants in preparing their applications.

VIII. OTHER INFORMATION

1. Compliance of this NOFO with the National Environmental Policy Act (NEPA)

A Finding of No Significant Impact (FONSI) with respect to the environment has been made for this NOFO in accordance with HUD regulations at [24 CFR part 50](#), which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for inspection at [HUD's Funding Opportunities](#) web page.

2. Web Resources.

- [Affirmatively Furthering Fair Housing](#)
- [Assistance Listing \(formerly CFDA\)](#)
- [Climate Action Plan](#)
- [Climate and Economic Justice Screening Tool \(CEJST\)](#)
- [Code of Conduct Requirements and E-Library](#)
- [Environmental Review](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Fair Housing Rights and Obligations](#)

- [Federal Awardee Performance and Integrity Information System](#)
- [Federal Funding Accountability and Transparency Act \(FFATA\) Subaward Reporting System](#)
- [Grants.gov](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [Historically Black Colleges and Universities \(HBCUs\)](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [HUD Reform Act](#)
- [HUD Reform Act: HUD Implementing Regulations](#)
- [Limited English Proficiency \(LEP\)](#)
- [NOFO Webcasts](#)
- [Procurement of Recovered Materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Real Estate Acquisition and Relocation](#)
- [Unique Entity Identifier](#)
- [USA Spending](#)

3. Program Relevant Web Resources

APPENDIX

Appendix I. HUD's Guidance for Preparing a Budget Request and Narrative

To fill out the budget information requested on the SF-424A, review the general instructions provided for the SF-424A and follow the instructions outlined below. The budget reported on SF-424A must include a yearly breakdown of costs for the entire project period. Specifically, the budget reported on SF-424A should provide a detailed cost breakdown for each line item outlined in the SF-424A by year, including a breakdown of costs for each activity/cost within the line item. The budget must separate out funding that is administered direct the applicant from any funding that will be subcontracted.

SF-424A Instructions

Section A – Budget Summary

- Grant Program Function or Activity (column a) = grant activity means the type of financial assistance expected under this NOFO: 1) grant/cooperative agreement; 2) non-cash contribution or donation of property; 2) direct appropriation; 4) food commodity; 5) other assistance, including: loan, loan guarantee, interest subsidy, and insurance.

- New or Revised Budget, Federal (column e) = Enter the Total Federal Budget Requested by grant activity for the project period, in rows 1 through 4. In row 5, reflect the sum of the amount for the Federal Total.
- New or Revised Budget, Non-Federal (column f) = Enter Total Amount of any Non-Federal Funds Contributed (if applicable), by grant activity for the project period, in rows 1 through 4. In row 5, reflect the sum of the amount for the Non-Federal Total.
- New or Revised Budget, Total (column g) = Enter Total Budget Proposed by grant activity for the project period in rows 1 through 4. In row 5, reflect the sum of the amount for the Federal and Non-Federal Totals.

Section B – Budget Categories

- Enter the total costs requested for each Object Class Category (Section B, number 6) for all years of the total project period.
- If the class categories are not known at the time of application, include the expected budget under row h.
- Unless the program section of the NOFO indicates otherwise, if indirect charges are expected and included on the form, the charges must be calculated based on either the federal-approved negotiated indirect cost rate, or the 10 percent de minimis rate, as allowed by [2 CFR 200.414](#).

Section D – Forecasted Cash Needed

- Enter each quarter in the first year of the project period, enter the cash needs anticipated.

Section E – Budget Estimates of Federal Funds Needed for Balance of the Project

- Column (b)First = Enter the total federal funds needed for the second year of the project period, for each grant activity. Reflect the sum of funds from all activities for the second year in row 20.
- Column (c)Second = Enter the total federal funds needed for the third year of the project period, for each grant activity. Reflect the sum of funds from all activities for the third year in row 20.
- Column (d)Third = Enter the total federal funds needed for the fourth year of the project period, for each grant activity. Reflect the sum of funds from all activities for the fourth year in row 20.
- Column (e)Fourth = Enter the total federal funds needed for the second year of the project period, for each grant activity. Reflect the sum of funds from all activities for the second in row 20.
- If the NOFO is for a period longer than five years, complete a second SF-424A form and upload it as an attachment to the application (this specific attachment will not be counted towards the page limit). Year 6 information should be included in column (b)First of Section E. Then enter the total for years 1-5 (per the first SF-424A form) in column (c)Second of Section E. The second SF-424A form will compute columns (b) and (c), reflecting total costs for the entire project period. This total should be consistent with the total Federal costs requested on the SF-424, Application for Federal Assistance. A blank SF-424A form can be

found at Grants.gov: <https://www.grants.gov/web/grants/forms/sf-424-individualfamily.html#sortby=1>