



**U.S. Department of Housing and Urban Development**

Community Planning and Development

FY 2021 and FY 2022 Rural Capacity Building for Community Development and Affordable  
Housing Grants (RCB)

FR-6600-N-08

10/18/2022

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**Program Office:**

Community Planning and Development

**Funding Opportunity Title:**

FY 2021 and FY 2022 Rural Capacity Building for Community Development and Affordable Housing Grants (RCB)

**Funding Opportunity Number:**

FR-6600-N-08

**Assistance Listing Number:**

14.265

**Due Date for Applications:**

10/18/2022

**Summary**

The U.S. Department of Housing and Urban Development (HUD) Strategic Plan sets the direction and focus of our programs and staff to create strong, sustainable, inclusive communities and quality, affordable homes for all.

**HUD's Strategic Goals**

HUD's FY 2022-2026 Strategic Plan lays out this administration's strategy for ensuring everyone has an affordable, healthy place to live. Over the course of the next four years HUD will pursue two overarching priorities focused on increasing equity and improving customer experience across all HUD programs. Five strategic goals undergird the Plan as follows:

- Strategic Goal 1: Support Underserved Communities
- Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing
- Strategic Goal 3: Promote Homeownership
- Strategic Goal 4: Advance Sustainable Communities
- Strategic Goal 5: Strengthen HUD's Internal Capacity

The five goals of the FY 2022-2026 Strategic Plan present the core vision of what we hope to accomplish, the strategies to accomplish those objectives, and the indicators of success.

**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. Prospective applicants 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.

During the selection process HUD is prohibited from disclosing 1) information regarding any applicant's relative standing, 2) the amount of assistance requested by an 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: Please direct questions regarding the specific requirements of this NOFO to the office contact identified in Section VII.

**Paperwork Reduction Act Statement.** The information collection requirements in this notice have been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). In accordance with the Paperwork Reduction Act, 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. Each NOFO will identify its applicable OMB control number unless its collection of information is excluded from these requirements under [5 CFR part 1320](#).

**OMB Approval Number(s):**

2506-0195 Pending OMB approval

**I. FUNDING OPPORTUNITY DESCRIPTION.**

**A. Program Description.**

- **Purpose**

**Purpose:** The Rural Capacity Building program enhances the capacity and ability of rural housing development organizations, Community Development Corporations (CDCs), Community Housing Development Organizations (CHDOs), local governments, and Indian tribes (eligible beneficiaries) to carry out affordable housing and community development activities in rural areas for the benefit of low- and moderate-income families and persons. The Rural Capacity Building program achieves this by funding National Organizations with expertise in rural housing and rural community development who work directly to build the capacity of eligible beneficiaries.

- **Changes from Previous NOFO.**

The Fiscal Year (FY) 2021 and Fiscal Year (FY) 2022 combined Rural Capacity Building (RCB) program NOFO contains a few small changes. Among them, applicants will now be requested to provide a Leverage Summary requesting specific information regarding the leverage contribution. A sample format for the Leverage Summary has been added to the NOFO. There are no programmatic changes in the FY 2021/FY 2022 RCB NOFO. Specific changes are as follows:

- *Minimum and Maximum Award Amounts:* The maximum award amounts have decreased from \$3.25 million to \$2.5 million.
- *Leverage Summary:* Applicants will now be requested to provide specific information regarding leverage contributions and given a sample format to use. See rating Factor 5 Leverage Resources for additional information and for a sample Leverage Summary table.
- *Attachments:* The Multi-Year Budget Form HUD Form 4130 (Required) has been made available to applicants in an Excel spreadsheet for ease of use.
- *Preference Points:* Preference points for this NOFO have been updated to reflect HUD priorities for FY 2022. Opportunity Zone has been removed from this NOFO. Environmental Justice preference points have been added to this NOFO.

- A New Rating Factor has been added to the NOFO addressing Underserved communities and Fair housing (Rating Factor 3).
- Definitions for equity and underserved communities has been added to this NOFO.

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

- **Definitions.**

a. Standard Definitions

**Affirmatively Furthering Fair Housing (AFFH).** 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 publicly available listing of Federal assistance programs managed and administered by the General Services Administration, formerly known as the Catalog of Federal Domestic Assistance (CFDA). Assistance Listing is a unique number assigned to identify a Federal Assistance Listings, formerly known as the CFDA

**Authorized Organization Representative (AOR)** is the person authorized to submit applications on behalf of the organization via Grants.gov. The AOR is authorized by the E-Biz point of contact in the System for Award Management. The AOR is listed in item 21 on the SF-424.

**Consolidated Plan** is a document developed by states and local jurisdictions. 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](#).

**Deficiency** is information missing or omitted within a submitted application. Examples of deficiencies include missing documents, information on a form, or some other type of unsatisfied information requirement. Depending on specific criteria, deficiencies may be either Curable or Non-Curable.

- *Curable Deficiencies* 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.

***Non-Curable Deficiencies*** cannot be corrected by an applicant after the submission deadline. Non-curable deficiencies are deficiencies that, if corrected, would change an applicant's score or rank versus other applicants. Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination.

**DUNS Number** is the nine-digit Dun and Bradstreet Data Universal Number System identification number assigned to a business or organization by Dun & Bradstreet and provides a means of identifying business entities on a location-specific basis.

**E-Business Point of Contact (E-Biz POC)** A user registered as 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 Standard AOR and Expanded AOR). There can only be one E-Biz POC per DUNS Number.

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

**Expanded Authorized Organization Representative (AOR)** An AOR is a member of your organization authorized by the EBiz POC to submit applications in Grants.gov on behalf of the organization. An applicant user with the Expanded AOR role is authorized to submit any applications on behalf of the organization and has privileges that allow the user to modify organization-level settings in Grants.gov.

**Federal Financial Assistance** means assistance that entities received or administer in the form of:

1. Grants;
2. Cooperative agreements (which does not include a cooperative research and development agreement pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710a)).
3. Loans;
4. Loan guarantees;
5. Subsidies;
6. Insurance;
7. Food commodities;
8. Direct appropriations;
9. Assessed and voluntary contributions; and
10. Any other financial assistance transaction that authorizes the non-Federal entity's expenditure of Federal funds.

11. Federal financial assistance does not include amounts received as reimbursement for services rendered to individuals as described in section [200.502\(h\)](#) and (i). ([2 CFR 200.1](#))

**Federal award**, has the meaning, depending on the context, in either paragraph (i) or (ii) of this definition:

1. (i) 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
  - ii. 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](#).

**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)** The Higher Education Act of 1965, as amended, defines an HBCU as: "...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." HBCUs offer all students, regardless of race, an opportunity to develop their skills and talents.

**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.

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

**Promise Zones (PZs)** are high poverty communities 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.

**Small business** is defined as a privately-owned corporation, partnership, or sole proprietorship that has fewer employees and less annual revenue than a corporation or 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](#).

**Standard Authorized Organization Representative (AOR)** An AOR is a member of your organization authorized by the EBiz POC to submit applications in Grants.gov on behalf of the organization. An applicant user with the Standard AOR role can only submit applications when they are a Participant of that workspace.

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

**Unique Entity Identifier (UEI)** means the identifier assigned by SAM to uniquely identify business entities.

- Program Definitions.

**Eligible Applicant:** The National Organization (defined in this RCB NOFO) applying for funding under this funding announcement. There are two types of applicants:

1. *New Applicants:* National Organizations that have not been awarded RCB program funds in the past five years, from FY 2016 to FY 2019/2020.
2. *Currently Funded Applicants:* National Organizations that have been awarded one or more RCB program grants, in grant years FY 2016 to FY 2019/2020.

**Eligible Beneficiary:** A local organization of one of the following types that serves a rural area(s): rural housing development organization, Community Development Corporation (CDC),

Community Housing Development Organization (CHDO), Local government, and/or Indian tribe.

**Equity:** Equity 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.

**Capacity Building:** Capacity building is support, investment, or training used to increase an eligible beneficiary's level of operational, programmatic, financial, or organizational capability, so it may more effectively and efficiently implement its mission. It is a process in which eligible beneficiaries improve and increase skills, knowledge, tools, and other resources needed to serve low- and moderate- income families in local communities that need increased or improved affordable housing and community development.

**Community Development Corporation (CDC):**

1. A CDC is a nonprofit organization 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 leaders 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 200.302, "Financial Management" and 2 CFR 200.303, "Internal Controls"; and
  - g. Is not an agency or instrumentality of a State or local government.
2. At the request of a recipient, HUD may determine that a nonprofit organization that does not qualify under paragraph 1(a) through (g) is a CDC 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 1(a) through (g) 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 regulation (HOME Program) 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.

**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, disabled person, 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 disabled family;
  - 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.

**Local government:** To be an eligible beneficiary of the RCB program, a local government must

be located in a rural area, or be serving rural areas within its jurisdiction. State governments and statewide agencies are not considered local governments.

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

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

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

**Low-income person:** Low-income person means a member of a family that has an income equal to or less than the Section 8 very low-income limit established by HUD, which means an individual whose income does not exceed 50 percent of the AMI. Unrelated individuals shall be considered as one-person families for this purpose.

**National Organization:** For the purpose of the RCB program, a National Organization must be a single 501(c)(3) non-profit organization, other than an institution of higher education, that has experience conducting RCB eligible capacity building activities in rural areas with RCB eligible beneficiaries serving high need rural communities, as evidenced by work within the last ten years in at least eight of HUD's Federal regions. Having relevant experience working in one state in a HUD Federal region is sufficient for counting that region towards the eight-region minimum. HUD's Federal regions are described on HUD's website at:

<http://portal.hud.gov/hudportal/HUD?src=/localoffices/regions>.

**Outcomes:** Results achieved, or benefits derived from the capacity building activity conducted, typically demonstrated by the eligible beneficiary. Some examples include 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 created, 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 directly, but they do identify what the grantee has done with the program funds.

**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/programs-surveys/geography/guidance/geo-areas/urban-rural.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 located geographically within an eligible rural area or, as a result of RCB 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 RCB grant program webpage - [https://www.hud.gov/program\\_offices/comm\\_planning/section-4](https://www.hud.gov/program_offices/comm_planning/section-4). Scroll to the bottom of the page where Resources are listed and select Rural Beneficiary Mapping Tool.

Rural Housing Development Organization (RHDO):

1. An RHDO is a nonprofit organization that undertakes eligible RCB Program activities, as defined in this NOFO, and that meets these qualifications:
  - a. Is a nonprofit with a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1);
  - b. Is organized to engage in housing and community development activities (which may include housing and economic development activities) focused on the improvement of the physical, economic or social environment of its identified rural geographic area of operation, with particular attention to the needs of persons of low income;
  - c. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization;
  - d. Has, or is actively working to have, standards of financial accountability that conform to 2 CFR 200.302, "Financial Management" and 2 CFR 200.303, "Internal Controls"; and
  - e. Is not an agency, department, or instrumentality of a Federal, State, or local government.

RHDOs may be organizations that are working to establish themselves as official CDCs or CHDOs. RHDOs must be organizations that are either currently engaged in housing development as a primary part of their mission, or that are actively working to build their capacity to complete housing development projects.

**Underserved Communities:** The term “underserved communities” 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 preceding definition of “equity.”

## **B. Authority.**

The \$10 million in Rural Capacity Building for Community Development and Affordable Housing program funds made available through this FY2021-2022 NOFO are authorized by the Consolidated Appropriations Act, 2021 (Public Law 116-260, approved on December 27, 2020) and Consolidated Appropriations Act, 2022 (Public Law 117-103, approved on March 15, 2022).

## **II. Award Information.**

### **A. Available Funds**

Funding of approximately **\$10,000,000** is available through this NOFO.

Additional funds may become available for award under this NOFO, because of HUD's efforts to recapture funds, use carryover funds, or because of the availability of additional appropriated funds. 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 5 awards from the funds available under this NOFO.

#### **C. Minimum/Maximum Award Information**

Estimated Total Funding:

\$10,000,000

Minimum Award Amount:

\$1,250,000

Per Budget Period

Maximum Award Amount:

\$2,500,000

Per Budget Period

#### **D. Period of Performance**

Estimated Project Start Date:

01/17/2023

Estimated Project End Date:

01/17/2027

Length of Project Periods:

Other

Length of Periods Explanation of Other:

48-month Budget period and project period.

#### **E. Type of Funding Instrument.**

Funding Instrument Type:

G (Grant)

HUD will enter into a grant agreement with selected applicants for the period of performance.

### **III. Eligibility Information.**

#### **A. Eligible Applicants.**

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

#### **Additional Information on Eligibility**

Only National Organizations that are 501(c)(3) nonprofits, other than institutions of higher education, may apply for RCB funding.

For the purpose of the RCB program, a National Organization must be a single non-profit organization that has ongoing experience conducting RCB eligible capacity building activities in rural areas with RCB eligible beneficiaries serving high need rural communities, as evidenced by

work within the last ten years in at least eight of HUD's Federal regions. Having relevant experience working in one state in a HUD region is sufficient for counting that region towards the eight-region minimum. HUD's Federal regions are described on HUD's website at: <http://portal.hud.gov/hudportal/HUD?src=/localoffices/regions>

### **B. Ineligible Applicants.**

The following non-exhaustive list of organizations are ineligible to apply for RCB program funds:

- Government Entities;
- Institutions of Higher Education;
- For profit organizations;
- Nonprofit organizations that do not meet the definition of National organization; and
- Individuals.

### **C. Cost Sharing or Matching.**

This Program does not require cost sharing or matching, but provides points based on leverage as describe below.

There is no match requirement under the Rural Capacity Building program. However, applicants are encouraged to secure leverage, or voluntary committed cost sharing as defined in 2 CFR §200.1, from non-Federal public, private, and/or nonprofit sector resources (such as financing, supplies, or services). Applicants who submit evidence of leverage will receive credit in the review of their application. The pledged leverage becomes a binding requirement of the award. Documentation of leverage through Letters of Firm Commitment and a Leverage Summary must meet the requirements outlined in Rating Factor 5 of this NOFO.

If the anticipated leverage is not provided, HUD will re-assess the application with the corrected leverage commitment. If the application is no longer fundable after re-rating and re-ranking the application, HUD will rescind the grant and recapture grant funds. Leverage funds must be used for RCB eligible activities in approved action plan activities, and are subject to the same rules and requirements set forth in this NOFO, including a prohibition on fees or profit. In addition, loans made with non-RCB funds that a beneficiary must repay are not considered leverage. However, if the loan is offered at below market interest rates, the cost difference between the lower interest rate and the market interest rate can be accepted as leverage with proper documentation.

The RCB Program does not allow Federal sources to be used as leverage. All leverage funds, including in-kind contributions, must conform to the requirements of 2 CFR Part 200.1 and 2 CFR 200.306. Leverage sources may come from public (non-Federal), private, and nonprofit sources, including, but not limited to:

1. State and local housing finance agencies;
2. Local Governments;
3. Foundations;

4. Government Sponsored Enterprises such as the Federal Home Loan Banks, Fannie Mae, and Freddie Mac;
5. Colleges and universities;
6. Financial institutions or banks; and
7. Other private funders.

Once an RCB award is made, the grantee will be required to show evidence through semi-annual reports and the final closeout report to HUD that the amount of committed leverage was actually received and used for the intended purpose. Subject to HUD approval, sources of leverage funds may be substituted with other eligible leverage sources after grant award, as long as the total dollar commitment is met.

#### **D. Threshold Eligibility Requirements.**

Applicants who fail to meet any of the following threshold eligibility requirements will be deemed ineligible. Applications from ineligible applicants will not be evaluated.

**1. Resolution of Civil Rights Matters.** Outstanding civil rights matters must be resolved before the application deadline. Applicants, who after review are confirmed to have civil rights matters unresolved at the application deadline, will be deemed ineligible. Their applications will receive no further review, will not be rated and ranked, and they will not receive funding.

- a. Applicants having any of the charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (1) – (5) that have not been resolved to HUD’s satisfaction before or on the application deadline date are ineligible for funding. Such matters include:
  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, 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 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; 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.

**2. 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. 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 accepted Assessment of Fair Housing (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.”

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

3. As stated in Section III.A of this NOFO, to be eligible for funding for the RCB program, the applicant must qualify as an eligible national organization. To accomplish this, the applicant must provide evidence of:

1. **Non-Profit Status:** The applicant must be a non-profit entity with active 501(c)(3) status, and not an institution of higher education. Applicants must provide proof of their nonprofit tax-exempt status by attaching a copy of the organization's IRS determination letter showing its status as a 501(c)(3) tax-exempt entity. HUD will also verify the organization's non-profit status using the IRS's Exempt Organizations select check tool found at <https://apps.irs.gov/app/eos/>.
2. **National Organization Status:** The applicant must be a National Organization according to the definition provided in Section I.A of this NOFO. To meet the National Organization threshold requirement, the applicant must provide evidence of the national scope of its specific, relevant work within the last 10 years conducting eligible activities in rural areas with eligible beneficiaries in at least eight HUD regions. To do this,

applicants must present the following evidence to establish eligibility as a National Organization:

- *Threshold Summary:* A Threshold Summary must be included at the beginning of the narrative portion of the application and it will count against the narrative page limit.

HUD reserves the right to review publicly available information (e.g., organizational website, IRS website <https://apps.irs.gov/app/eos/>) to verify that application materials are consistent with such information.

To accurately determine the applicant's eligibility, the Threshold Summary must clearly identify specific activities and cite the:

- HUD Region where the activity was conducted;
- State(s) within the HUD Region where the activity was conducted;
- Type and mode (e.g. onsite, online, etc.) of eligible activity (e.g. loans, grants, trainings);
- Name and type of eligible beneficiary of the activity;
- Year(s) the activity was conducted (years must be specific; do not cite any activity older than 10 years.); and
- Amount of funding expended on this activity.

The excerpted table below is an example of how applicants can present their Threshold Summary with specific examples of recent and ongoing experience:

| HUD Region Represented | State(s) Served within the HUD Region | Type and Mode of Eligible Activity                        | Name and Type of Beneficiary(ies) Served (no more than 5 examples for each)         | Specific Year(s) Conducted | Total Amount of Funding for this Activity |
|------------------------|---------------------------------------|---|---|----------------------------|---|
| 8                      | MT                                    | Grant: Direct provision of funds following an RFP process | My Town CDC, CDC  | 2019                       | \$15,000                                  |
| 5                      | WI, MN                                | Grant: Direct provision of funds following an RFP process | Your Town, Inc., CHDO, Happy Meadow, Inc., CDC Town of Smallville, local government | 2014, 2015, 2016           | \$50,000                                  |
| 7                      | MO                                    | Training: Onsite  | Homes for Our Town, Rural Housing Development Organization                          | 2016                       | \$17,000                                  |

|  |  |  |                                |  |  |
|--|--|--|--------------------------------|--|--|
|  |  |  | Building our Community,<br>CDC |  |  |
|--|--|--|--------------------------------|--|--|

If a single activity or type of activity was conducted in multiple HUD regions, or if the beneficiaries crossed HUD regions, please list the activity separately such that only one HUD Region is represented per row. To establish national scope, applicants need only present one example of relevant work that meets the criteria for a National Organization for each of the minimum eight regions that they have worked in. In addition, it is expected that the work presented in this Threshold Summary will be consistent with the applicant's narrative in Factor 1 for experience. The Threshold Summary will not affect the applicant's overall score on the application; it will only be used to determine the organization's eligibility to apply for RCB program funding.

As a reminder, the Threshold Summary should be included at the beginning of the applicant's program narrative prior to the response to the Six Factors.

### **E. Statutory and Regulatory Requirements Affecting Eligibility.**

#### **Eligibility Requirements for Applicants of HUD's Grants Programs**

The following requirements affect applicant eligibility. Detailed information on each requirement is posted on [HUD's Funding Opportunities Page](#).

- Active Prime and Sub Recipient registration with SAM.gov
- Outstanding Delinquent Federal Debts
- Debarments or Suspensions, or both
- Pre-selection Review of Performance
- Sufficiency of Financial Management System
- False Statements
- Mandatory Disclosure Requirement
- 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 CFR 170.110](#).

### **F. Program-Specific Requirements.**

**Purpose:** The Rural Capacity Building program enhances the capacity of rural housing development organizations, Community Development Corporations (CDCs), Community Housing Development Organizations (CHDOs), local governments, and Indian tribes (eligible beneficiaries) to carry out affordable housing and community development activities in rural areas for the benefit of low- and moderate-income families and persons. The Rural Capacity Building program achieves this by funding National Organizations with expertise in rural housing and rural community development who work directly to build the capacity of eligible beneficiaries.

**Eligible Program Activities.** RCB program funds are limited to capacity building activities that

strengthen the organizational infrastructure, management, and governance capabilities of eligible beneficiaries serving rural areas. Through these activities, eligible beneficiaries increase their capacity to carry out community development and affordable housing activities that benefit low-income or low- and moderate-income families and persons in rural areas.

1. ***Training, education, support, and advice to eligible beneficiaries*** 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 in rural areas. Support and advice includes types of technical assistance including but limited to conferences, toolkits, training materials and direct consultation. Examples of this include, but are not limited to, building the capacity of eligible beneficiaries to:
  - Conduct an organizational assessment;
  - Engage in strategic planning and Board development;
  - Access and implement technological improvements;
  - Engage with rural community stakeholders;
  - Evaluate performance of current and planned rural community efforts;
  - Plan for the use of available rural resources in a comprehensive and holistic manner;
  - Participate in HUD planning efforts to ensure rural participation and the assessment of rural area needs; and
  - Foster regional planning efforts by connecting local, rural community plans with neighboring communities.
2. ***Financial Assistance*** including pass-through grants, loans, or other financial assistance to eligible beneficiaries 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 in rural areas.
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 the RCB program. Some examples of reasonable administrative activities specific to the management of the RCB program include the preparation of RCB action plans, preparation of RCB program reports, and management of the implementation of the first and second eligible activities. To qualify under the third listed eligible activity, the activity 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 activities proposed in this application that do not fall under the first and second eligible activity, or the single accepted administrative task under the third eligible activity, will be considered ineligible activities for the review of this application and will not be reviewed in the assessment in Factor 4, Soundness of Approach and Factor 6, Achieving Results and Program Evaluation. Any inclusion of ineligible activities will cause the reduction of points in Factors 4 and 6.

Any RCB-funded activity that results in the creation of intangible property, including but not

limited to the creation of curriculum, trainings, data or research findings will be held to the rules at 2 CFR 200.315 where by 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. In addition, loan funds paid back to the grant are considered program income and must be used for eligible RCB program activities according to 2 CFR 200 (2 CFR 200.307).

### **Some Ineligible Activities and Ineligible Costs**

The following is a non-exhaustive list of some ineligible activities and costs, and it does not represent ALL of the ineligible activities or ineligible costs possible in the RCB program.

- *Construction, development, or housing rehabilitation costs* are not eligible activities with RCB funds. RCB funds may be used to build the capacity of eligible beneficiaries to be able to engage in construction, rehabilitation, or development work, but the funds cannot be used to directly fund those activities.
- *Food and meals.* Food is considered an entertainment cost (2 CFR 200.438) and is an ineligible expense.
- *Fundraising* with RCB funds is prohibited, in accordance with 2 CFR 200.442.
- *Issue advocacy or political engagement* with RCB funds is prohibited in accordance with 2 CFR 200.450.

**Program Priorities.** Activities undertaken as part of, or as a result of, capacity building efforts described in this section should support the implementation of HUD, USDA-Rural Development and other federal programs in rural areas, in addition to issues related to sustainability and comprehensive neighborhood revitalization activities. Through the eligible activities of this NOFO, grantees are encouraged to build the capacity of entities in rural areas that lack designated rural housing development organizations, CDCs, or CHDOs, and to ensure that those entities gain new access or expand existing access to federal funding. Through RCB program activities, grantees are encouraged to align with and support projects that create opportunities for investments focused on equity, job growth, economic recovery, environmental justice and neighborhood revitalization. Additionally, grantees are encouraged to consider how eligible beneficiaries may align investments with regional planning for sustainable economic development, if such efforts are underway in a jurisdiction.

### **Fair Housing and Equal Opportunity Requirements.**

HUD's general non-discrimination and equal opportunity requirements at 24 CFR 5.105(a) apply to the RCB program and any activity conducted under this NOFO. The webpage at [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/fair\\_housing\\_rights\\_and\\_obligations](https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_rights_and_obligations) provides an overview of pertinent laws and implementing regulations concerning non-discrimination and accessibility for persons with disabilities that apply to RCB grants. The civil rights laws and implementing regulations apply to the grantee and any subrecipient or contractor to which Federal financial assistance is extended for any program or activity funded under this NOFO.

## **G. Criteria for Beneficiaries.**

This program has eligibility criteria for beneficiaries.

Eligible Beneficiaries in the RCB program are not Eligible Applicants for the RCB program.

By definition, RCB Eligible Beneficiaries are not eligible to apply to this RCB NOFO; National Organizations are the only organizations that can be deemed Eligible Applicants by successfully meeting the requirements of a National Organization established in Section I.A. and Section III.A of this FY 2021-FY 2022 RCB NOFO. Only Eligible Applicants can apply to HUD directly for RCB program funds through this NOFO.

Successfully funded RCB program National Organizations are required to work with Eligible Beneficiaries with their RCB program grant award.

RCB program Eligible Beneficiaries are limited to local non-profit organizations serving rural areas that are one of the following types of organizations:

- Rural housing development organizations,
- Community Development Corporations (CDC),
- Community Housing Development Organizations (CHDO),
- Local governments, and/or
- Indian tribes.

RCB program Eligible Beneficiaries must serve rural areas. 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 beneficiary is physically located within an eligible rural area or, as a result of RCB assistance, will commence or expand 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 RCB grant program webpage - [https://www.hud.gov/program\\_offices/comm\\_planning/section%204%20and%20rural%20capacity/](https://www.hud.gov/program_offices/comm_planning/section%204%20and%20rural%20capacity/). Please scroll down to the Resources at the bottom of the page and select Rural Beneficiary Mapping Tool.

For-profit organizations are not eligible as RCB beneficiaries.

State agencies and State-wide organizations are not eligible as beneficiaries of RCB program capacity building activities.

## **IV. Application and Submission Information.**

### **A. Obtaining an Application Package.**

#### **Instructions for Applicants.**

You must download both the Application Instructions and the Application Package from Grants.gov. You must verify that the Assistance Listing Number and Assistance Listing Description on the first page of the Application Package, and the Funding Opportunity Title and the Funding Opportunity Number match the Program and NOFO to which you are applying.

The Application Package contains the portable document forms (PDFs) available on Grants.gov, such as the SF-424 Family. The Instruction Download contains official copies of the NOFO and forms necessary for a complete application. The Instruction Download may include Microsoft Word files, Microsoft Excel files, and additional documents.

An applicant demonstrating good cause may request a waiver from the requirement for electronic submission, for example, a lack of available Internet access in the geographic area in which your business offices are located. Lack of SAM registration or valid DUNS/UEI is not 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 the Applicant fails 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:

Anupama Abhyankar

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 Non-Curable unless otherwise stated under the Threshold requirements section.

#### **1. Content.**

| <b>Forms/Assurances/Certifications</b>               | <b>Submission Requirement</b> | <b>Notes/Description</b> |
|--|-------------------------------|--------------------------|
| HUD Applicant Recipient Disclosure Report (HUD) 2880 | Submission is required        |                          |

| <b>Forms/Assurances/Certifications</b>                                   | <b>Submission Requirement</b>   | <b>Notes/Description</b>  |
|--|---|---|
| Applicant/Recipient Disclosure/Update Report                             | for all applicants by the application due date.                               |   |
| Application for Federal Assistance (SF424)                               | Submission is required for all applicants by the application due date.        | Required for all applications.  |
| Disclosure of Lobbying Activities (SFLLL), if applicable                 | HUD will provide instructions to grantees on how the form is to be submitted. | If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the applicant shall complete and submit the SF-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Applicants must furnish an executed copy of the Certification Regarding Lobbying prior to award. |
| SF-424B Assurances for Non-Construction Programs                         |   |   |
| IRS determination letter showing 501(c)(3) tax-exempt non-profit status. | This evidence is required.  | Applicants must provide proof that the Internal Revenue Service currently recognizes the applicant as an organization to which contributions are tax deductible under section 501(c)(3) of the Internal Revenue Code.   |
| Letters of Firm Commitment for Leverage Documentation                    | These Letter(s) of  | See Rating Factor 4 for the requirements of Letters of Firm Commitment.   |



| <b>Forms/Assurances/Certifications</b>  | <b>Submission Requirement</b>   | <b>Notes/Description</b>   |
|---|---|--|
|   | Firm Commitment must be included as evidence if the applicant seeks to be considered for Leverage points in Factor 4. |  |
| Indirect cost rate documentation  | Documentation is required.  | 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.   |
| Certification of Consistency with Promise Zone Goals and Implementation (HUD 50153) | Required for consideration for the Promise Zones Preference Point.  | To receive Promise Zones Preference Points, this form must be signed and dated (the date must fall within the NOFA application period) by the Promise Zone Official authorized to certify that the proposed RCB project meets the criteria to receive Preference Points. For the RCB program, applicants can only receive the Preference Points if they commit to working with a Rural and Tribal PZ Designee(s), found at <a href="https://www.hudexchange.info/programs/promise-zones/designee-contact-information/#ruralandtribal-designees-contact-information">https://www.hudexchange.info/programs/promise-zones/designee-contact-information/#ruralandtribal-designees-contact-information</a> . |
| HBCU Letter of Commitment   | Required for consideration  | Required for consideration for the Preference Point.   |

| Forms/Assurances/Certifications | Submission Requirement          | Notes/Description |
|---------------------------------|---------------------------------|-------------------|
|                                 | for the HBCU preference points. |                   |
| HUD Form 4130                   | Required form for the budget    | Required          |

Additionally, your complete application must include the following narratives and non-form attachments.

1. Applicants must provide a Threshold Summary at the beginning of the narrative to ensure accuracy in determining applicant eligibility. See Section III.D.3 of this NOFO for mandatory elements.
2. A complete written narrative that addresses all elements in Rating Factors 1 through 6 (Six Factors) in Section V.A.1 of this NOFO must be submitted. The narrative for the Six Factors will be reviewed as a whole. Applicants are advised to address the specific requirements of each Rating Factor in the narrative section corresponding to each Rating Factor.

## 2. Format and Form.

Narratives and other attachments to your application must follow the following format guidelines.

40 Pages maximum length of narratives

Other

1. **Page Limitation and Font Size.** Narratives addressing Factors 1 through 6, Preference Points, and Threshold Summary are limited to a total of 40 typed pages of single-spaced text on 8.5 by 11-inch paper, with no less than 1-inch margins, 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 numbers on each of the narrative pages of the application. HUD will not review more than 40 pages of narrative for the Six Factors, Preference Points narrative, and Threshold Summary combined. The page limit does not include form HUD-50153 in support of the Promise Zones Preference Points, Letters of Firm Commitments for leverage documentation, Indirect Cost rate documentation, Non-Profit Status documentation, 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 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.gov). The paper submission must be in the order provided below:
  - Application for Federal Assistance (SF-424);
  - SF-424B (OMB 0348-0040): Assurances Non-Construction Programs
  - Applicant/Recipient Disclosure/Update Report (Form HUD2880);
  - Disclosure of Lobbying Activities (SF-LLL) (if applicable);
  - IRS determination letter showing 501(c)(3) tax-exempt non-profit Status;
  - Narrative addressing Factors 1 through 6 and Threshold Summary;
  - HUD Form 4130 Multi-Year Budget
  - Leverage Documentation, Letter(s) of Firm Commitment (if applicable);
  - Indirect Cost Rate Documentation;
  - HBCU Letter of Commitment (required for Preference Points)
  - Certification of Consistency with Promise Zone Goals and Implementation (Form HUD 50153) (required for Preference Points); and
  - Acknowledgment of Application Receipt (form HUD2993) (if applicable).
4. **Additional Information on the RCB Program, Frequently Asked Questions and possible Webcast.** Please check the "Rural Capacity Building Program" webpage on the HUD website at [https://www.hud.gov/program\\_offices/comm\\_planning/section%204%20and%20rural%20capacity](https://www.hud.gov/program_offices/comm_planning/section%204%20and%20rural%20capacity) for any related RCB program updates, including Frequently Asked Questions.

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

### 1. SAM Registration Requirement.

Applicants must be registered with <https://www.sam.gov/> before submitting their application. Applicants 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 the applicant has an active Federal award or an application or plan under consideration by HUD.

### 2. UEI Requirement.

Applicants must provide a valid UEI, registered and active at [/www.sam.gov/](https://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>.

The DUNS number remained the official identifier for doing business with the U.S. Government only until April 4, 2022. As of April 4, 2022, entities doing business with the federal government must use the Unique Entity Identifier created in SAM.gov.

### **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.**

#### **Application Due Date Explanation**

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

10/18/2022

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.

**Grants.gov Customer Support.** Grants.gov provides customer support information on its website at <https://www.grants.gov/web/grants/support.html> . Applicants having difficulty accessing the application and instructions or having technical problems can receive customer support from Grants.gov by calling (800) 518-GRANTS (this is a toll-free number) or by sending an email to [support@grants.gov](mailto:support@grants.gov). The customer support center is open 24 hours a day, seven days per week, except Federal holidays. The phone number above may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Relay Service's teletype service at (800)-877-8339.

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.

Please make note of the Grants.gov tracking number, it will be needed by the Grants.gov Help Desk if 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 include the fact of the extension in the program's NOFO required to be published in the Federal Register.

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.

**PLEASE 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.

#### 1. 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.

#### 2. 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 not received and validated by Grants.gov will not be considered for funding. There is no grace period for paper applications.

### 3. 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 cause to allow HUD to accept applications after the deadline date.

### 4. 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 in the definitions section (Section I.A). 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.

Applicants must email corrections of Curable Deficiencies to [applicationsupport@hud.gov](mailto: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](mailto: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/DUNS number as having a curable deficiency. Failure to correct the deficiency and meet the requirement to have a UEI/DUNS number and active registration in SAM will render the application ineligible for funding.

5. **Authoritative Versions of HUD NOFOs.** The version of these NOFOs as posted on Grants.gov are the official documents HUD uses to solicit applications.
6. **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 RCB program NOFO. This prohibition applies to leverage funds.

**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 RCB related 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 Subrecipients:** RCB 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/salary-tables/pdf/2020/DCB.pdf>. Additionally, RCB 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 RCB 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.

Applicants other than state and local governments. If you have a Federally negotiated indirect cost rate, your application must clearly state the approved rate and distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate. If your organization does not have a current negotiated rate (including provisional) rate and elects to use the de minimis rate, your application must clearly state you intend to use the de minimis

rate of 10% of Modified Total Direct Costs (MTDC). As described in [2 CFR 200.403](#), costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. Once elected, the de minimis rate must be applied consistently for all Federal awards until the organization chooses to negotiate a rate, which the organization may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

## **G. Other Submission Requirements.**

### **Application, Assurances, Certifications and Disclosures.**

**Standard Form 424 (SF-424) Application for Federal Assistance** is the government-wide form required to apply for Federal assistance programs, discretionary Federal grants, and other forms of financial assistance programs. Applicants for this Federal assistance program must submit all required forms in the SF-424 Family of forms, including SF-424B (Assurances of Non construction Programs) or SF-424D (Assurances for Construction Programs). Applications receiving funds for both non-construction programs and construction programs must submit both the SF-424B and SF-424D.

By signing the forms in the SF-424 either through electronic submission or in paper copy submission (for those granted a waiver), the applicant and the signing authorized organization representative affirm that they 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.**

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. Upon receipt of an award, you, and any recipients and subrecipients of the award are also 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, 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 SF-424B and SF-424D, which also require compliance with all general federal nondiscrimination requirements in the administration of the grant.

#### **Applicant Disclosure Report form 2880.**



Required for each applicant applying for assistance within the jurisdiction of HUD to any housing project subject to Section 102(d). 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.](#)

**V. Application Review Information.**  
**A. Review Criteria.**

**1. Rating Factors.**

There will be two types of reviews on all applications for the RCB program:

1. **Threshold Review** to determine applicant's eligibility using the applicant's provided Threshold Summary at the beginning of the narrative, and
2. **Rating Factor Review** of the eligible applicant's narrative application.

The maximum number of points to be awarded for an RCB Program application is 104, which includes 100 points for Rating Factors 1 through 6 and four Preference Points. To be considered for funding, the application must receive a minimum score of 75 points, including a minimum score of 19 points under Rating Factor 1. Applicants are only eligible to receive Preference Points if they received a rating score of 75 or more for Factors 1 through 6, including 19 minimum points under Rating Factor 1. Two Preference Points may be awarded for partnering with HBCUs or working with communities that have met Promise Zones, and two points may be awarded for Environmental Justice as described in Section V.A.2 of this NOFO.

Points are assigned based on the content and quality of the applicant's narrative response to the Six Factors. The narrative must cover the activities that will be carried out with RCB funds during the four-year term of the FY 2021-FY2022 grant agreement. When examples are required they must be recent (within the last five years) and relevant to the activities proposed. Submissions must also be as specific as possible when describing the communities, populations, and organizations they propose to serve and the specific outcomes to be achieved.

| <u>FY 2021-2022 RCB Scoring Summary</u>  | <u>Maximum Points</u> |
|--|-----------------------|
| <b><i>Factor 1: Capacity of Applicant and Relevant Organizational Experience</i></b> | 28                    |
| Organizational Capacity  | (21)                  |
| Eligible Activity Experience in Rural Areas  | (7)                   |
| <b><i>Factor 2: Extent of the Problem and Need for Capacity Building</i></b>         | 10                    |

|  |            |
|--|------------|
| Need for Capacity Building in Rural Areas                                | (8)        |
| Data Quality   | (2)        |
| <b>Factor 3: Fair Housing and Underserved Communities</b>                | 5          |
| <b>Factor 4: Soundness of Approach</b>                                   | 36         |
| Description of Activities  | (15)       |
| Implementation Process and Plan to Conduct Activities                    | (21)       |
| <b>Factor 5: Leveraging Resources</b>                                    | 6          |
| Leverage Ratio   | (2)        |
| Application of Leverage Funds  | (4)        |
| <b>Factor 6: Achieving Results and Program Evaluation</b>                | 15         |
| Performance Plan with Expected Performance Outputs and Outcomes          | (8)        |
| Performance Evaluation Plans   | (4)        |
| Past Performance   | (3)        |
| <b>Preference Points: Promise Zones ,HBCUs, or Environmental Justice</b> | 4          |
| <b>Total</b>   | <b>104</b> |

**Factor 1: Capacity of Applicant and Relevant Organizational Experience**

**Maximum Points: 28**

Applicants must describe the capacity of the organization to manage federal grants, and its organizational experience relevant to implementing RCB program eligible activities with rural organizations that could be considered eligible beneficiaries. To be considered for a grant award, the applicant must meet a minimum threshold score of 19 points for Rating Factor 1.

Applicants must have the capacity to manage a federal grant award and execute the proposed RCB program. Successful RCB program applicants are expected to possess the management, organizational, and financial capacity to immediately execute the RCB program upon receipt of a grant award.

*Furthermore, RCB awards are limited to funding eligible activities that assist eligible beneficiaries. RCB funds cannot be used to build the capacity of the applicant or grantee.*

Applicants are expected to have experience and readiness with the following competencies when awards are made:

1. Project management;
2. Rapid program design and launch;
3. Financial management;
4. Contract and subrecipient management (as applicable);

5. Determining, tracking and evaluating project or program outcomes; and
6. Accountability, Quality Control, Monitoring and Internal Audit requirements described in 2 CFR 200.

**Organizational Capacity (21 points)**

To assess this factor, HUD will consider the extent to which the applicant demonstrates that it has sufficient management, financial and programmatic capacity. Applicants must describe their:

1. *Management Capacity* –
  - a. Describe their organization’s structure as it will pertain to the staff that will manage the RCB grant award;
  - b. Provide an RCB-specific organizational chart and list brief summaries of the roles of key staff that will manage the RCB program grant award and funds;
  - c. Demonstrate that the applicant has knowledgeable and experienced staff with organizational and management skills adequate for managing federal grants and thus able to successfully manage the RCB program grant upon receipt of the grant award; and
  - d. Explain or provide evidence of how the applicant has the capacity to concurrently manage multiple projects, possibly with multiple partners, in more than one geographic location.

If any of the management of the RCB grant program will be handled by contractors then the applicant must explain the reasons and benefits for choosing to use contractors to manage these aspects of its FY 2021-FY 2022 RCB program. In addition, the applicant must generally describe the selection process used, or that will be used, for procuring qualified individuals or organizations to manage any aspect of the RCB program.

Other than names and position titles, please do not use any Personally Identifiable Information (PII) and do not include résumés. (See 2 CFR 200.1 for more on PII.)

Responses to this Factor should focus on the key staff that will manage the RCB program and who will be responsible for the delivery of eligible activities. To the extent any staffing gaps, vacancies, or positions in the applicant organization are contingent upon award, applicants must identify how and when the staffing position or capacity gap will be filled.

*Currently Funded Applicants’* past performance will be incorporated into the assessment of their organizational capacity. HUD will evaluate the extent to which the currently funded applicant has demonstrated effective, sound and responsible grant management of previous RCB grant awards that includes, but is not limited to, financial, monitoring, and other information in HUD’s files, and the applicant's past performance in meeting leverage commitments. HUD will use Section V.B.1 and 2 of this NOFO as a basis for expectations of past performance for this element.

2. *Capacity to Deliver Eligible Activities* - The applicant must demonstrate that there are skilled and experienced key personnel that will be responsible for the delivery of the proposed eligible capacity building activities in rural areas, and that it has the capacity to

deliver each of their proposed eligible activities, or that it has a plan to recruit/procure individuals to fill specific roles, with the expert knowledge of capacity building for rural housing and community development providers.

If the applicant proposes to use contractors or subrecipients to supplement the delivery of any of the RCB eligible activities, then the applicant must explain the reasons for choosing to use contractors or subrecipients to deliver eligible activities in its proposed FY 2021- FY 2022 RCB program. In addition, the narrative must generally describe the selection process for recruiting or procuring qualified individuals or organizations to deliver eligible capacity building activities to eligible beneficiaries.

This description must be consistent with the description of the applicant's program activity approach described in Factor 4.

3. *Financial Capacity* - All applicants will be assessed on their capacity to manage and effectively expend federal funding in a timely manner and in accordance with grant requirements. The following criteria will be applied to the narrative as relevant to the applicant's standing as a new or currently-funded applicant:
  - a. *New Applicants*, which are those that have received no RCB program grant awards in the past five program years of FY 2015-FY 2020, must demonstrate that they have a financial management system in place that is suitable for managing and producing financial data relevant to federal grants.

The applicant must:

- i. Describe the components of its financial management system;
  - ii. List the financial reports that it can produce to be regularly monitored and reviewed by senior management and HUD;
  - iii. List the financial reports it will use for implementation of the RCB program; and
  - iv. Explain how its financial management system has allowed it to successfully implement and execute in a timely manner, similar funding-sized and/or types of grants comparable to what it proposes with the FY 2021-FY 2022 RCB program.
- b. *Currently-Funded Applicants*, which are those that currently manage one or more RCB program grants from FY 2015 - FY 2020, must:
    - i. **Financial Management System:** Demonstrate that it has a financial management system in place that is suitable for managing and producing financial data relevant to federal grants, including its current RCB grants.

The applicant must:

      1. Describe the components of its financial management system;
      2. List the financial reports that it can produce to be regularly monitored and reviewed by senior management and HUD;
      3. List the financial reports it will use for implementation of the RCB program; and
      4. Explain how its financial management system has allowed it to successfully implement and timely execute similar funding-sized

and/or types of grants, including past RCB grant awards, comparable to what it proposes with the FY 2021-FY 2022 program.

ii. **Timely Expenditure and Disbursement of RCB Grant Funds:**

Describe the timeliness of expenditure and disbursement of their applicable RCB program funds for the FY 2015 through FY 2020 grant awards, using financial information collected from HUD's Line of Credit Control System (LOCCs) no later than 30 days before the published due date of this FY 2021-FY 2022 RCB NOFO. The description must include the following information for each of the RCB program grants awarded for the Fiscal Years 2015-2020 awards:

1. The date the information was pulled from LOCCs;
2. The amount of the applicant's RCB program grant award amount(s) from HUD for each grant year awarded;
3. The RCB program fund amount and percentage committed to eligible activities as evidenced by a HUD-approved activity plan, for each grant award;
4. The amount and percentage of RCB program funds disbursed, as indicated in LOCCs no later than 30 days before the published due date of this FY 2021-FY 2022 RCB NOFO, for each applicable grant funding year; and
5. The balance of funds remaining undisbursed for each of the applicant's RCB grant awards.

In rating this sub-element, HUD will evaluate the extent to which the applicant demonstrates successful past performance in the timely commitment and disbursement of RCB program grant funds using the benchmark expectations in the table below. This includes the completion of the FY 2015 and FY 2016 grant awards, the return of any unspent FY 2015 or FY 2016 funds, or the extension of a FY 2015 or FY 2016 grant award, as applicable. To determine the drawdown rate, HUD will calculate and confirm the ratio of the amount of RCB program grant funds disbursed as of the LOCCs collection date for each applicable grant year award to the amount of RCB program funds awarded for each applicable grant award. Applicants will be assessed proportionally based on the number of RCB awards received in the past five years, such that applicants will not be rated on the number of previous RCB awards received, but on the ability to drawdown funds in a timely manner on the actual RCB awards received.

Points will be assigned based on the following expectations related to the start date of each grant.

| Grant Year | Percent of Funds Expected to be drawdown from LOCCs |
|------------|---|
|------------|---|

|                     |                  |
|---------------------|------------------|
| <i>FY 2015</i>      | 100%             |
| <i>FY 2016</i>      | 99-100%          |
| <i>FY 2017</i>      | Greater than 75% |
| <i>FY 2018</i>      | Greater than 50% |
| <i>FY 2019.2020</i> | Greater than 25% |

**Eligible Activity Experience in Rural Areas (7 points)**

To assess this element, the applicant must describe the organization’s specific experience in rural areas in:

1. Building the capacity of rural organizations by undertaking eligible RCB program activities listed in Section III.F that meet the definition of RCB program eligible beneficiaries to develop rural affordable housing and conduct rural community development.
2. Increasing the participation of RCB eligible beneficiaries to participate in and utilize HUD, USDA-Rural Development, and other federal programs programs in rural jurisdictions, which may include the organization’s own experience working with other federal programs in rural areas.
3. Assessing and researching national rural conditions, and its participation in communities of practice with researchers and other national rural housing organizations.

Specific requires that applicants describe in detail the type and scale of activities performed and the type and geographic reach of rural organizations served.

**Factor 2: Extent of the Problem and Need for Capacity Building**

**Maximum Points: 10**

Applicants must describe their understanding of the overall capacity building needs of eligible beneficiaries in rural areas, with particular focus on eligible beneficiaries in rural areas where they propose to utilize FY 2021- FY 2022 RCB program funds. The narrative must explain the nature and extent of the needs 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.

**Need for Capacity Building in Rural Areas**

Specifically, this factor will be assessed on the applicant’s identification and explanation of:

1. ***The Affordable Housing and Community Development Needs of Rural Communities.***  
Describe the general socioeconomic (which may include housing, economic, health, accessibility, education, infrastructure, etc.) needs of rural communities, families, and individuals. If the applicant knows the rural areas where it intends to work, then it should also address the specific needs of those rural areas.
2. ***The Capacity Building Needs of Eligible Beneficiaries Serving Rural Areas to Improve Their Ability to Engage in Community Development and Affordable Housing.***

- a. *Beneficiary Needs*: Drawing on the stated general socioeconomic needs of rural communities and their residents, explain the specific capacity building needs of eligible beneficiaries that are providing affordable housing and community development services in the rural areas, to address the identified socioeconomic needs.
- b. *Capacity Building Needs of Up-and-Coming Eligible Beneficiaries*: Identify the capacity building needs of organizations seeking to build their capacity to conduct community development or affordable housing activities to become designated as CDCs or CHDOs in rural areas that lack such designated organizations.
- c. *Obtaining and administering HUD programs*: Identify the capacity needs of eligible beneficiaries serving rural areas in relation to increasing and/or improving their ability to obtain and manage HUD programs

**Data Quality**

The applicant’s explanation of both community needs and eligible beneficiary needs required above must be supported by objective information and/or data. Some examples of quality sources include, but are not limited to, the most recently published Census, American Housing Surveys, state or local Consolidated Plans, HUD program reports available through the HUD Exchanges or HUD User websites, or other demonstrably relevant, recent (within five years) and reliable data sources. For the purpose of demonstrating the specific needs of eligible beneficiaries, applicants may use data collected through the organization’s own valid, recent, reliable and replicable means of collection. If an applicant uses its own collected data source, it must provide a brief explanation of the research methods used in data collection and analysis.

**Factor 3: Underserved Communities and Fair Housing** **Maximum Points: 5**

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. Applicants should explain how their proposed activities will build the capacity of eligible beneficiaries to reach underserved communities and advance equity. Examples that may demonstrate this knowledge and experience include having staff members or contractors 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. Applicants must submit a narrative detailing their experience and proposed activities in these areas

**Factor 4: Soundness of Approach** **Maximum Points: 36**

Applicants will be evaluated on the overall quality of the proposed approach to build the capacity of eligible beneficiaries based on the capacity building needs identified in Factor 2. HUD will consider the connection among the specific identified capacity building needs and the applicant’s proposed activities, as well as the cost-effectiveness of proposed activities.

Applicants must present their proposed plan for building the capacity of eligible beneficiaries based on the capacity building needs identified in Factor 2.

Specifically, the applicant's narrative must include the following elements:

1. ***Description of Activities (15 points):*** HUD will evaluate the extent to which the application clearly describes:
  - a. *Proposed Eligible Activities* - Applicants must explain the overall strategic vision of its proposed RCB program and its approach to capacity building by describing the eligible activities (according to Section III.F of this NOFO) they propose to conduct to address the capacity building needs of eligible beneficiaries as identified under Rating Factor 2. The applicant must explain how the proposed activities are feasible and practical to meeting the capacity building needs of eligible beneficiaries. Be sure to identify the method of execution of the proposed activities, as applicable; for example, if the applicant proposes to conduct a series of trainings, indicate if the training will be done live on-site, virtually and/or if they will be recorded for later distribution.

It is expected that the applicant organization will be conducting the majority of the RCB activities. If the applicant plans to utilize other organizations or individuals, such as contractors or subrecipients, to directly implement any of the proposed activities, then it must explain:

- i. Why contractors or subrecipients are needed to conduct activities in their proposed RCB program.
- ii. The extent to which the applicant will utilize such other organization(s)/individual(s); and
- iii. The extent (including estimated percentage of overall RCB work) to which the contractor or subrecipient will provide services or conduct RCB eligible activities on behalf of the applicant.

Keep in mind that no activities can be proposed under the third eligible activity cited in Section III.F of this NOFO, other than RCB-related Administration work, as activities under the third eligible activity can only be approved through the post-award action plan activity process and should not be proposed in this application. Proposing ineligible activities in this application will result in the loss of one point under this element. Furthermore, if any ineligible activities are proposed to be conducted with the RCB funds in this application, then any narrative pertaining to the proposed ineligible activities will not be reviewed in the assessment of the Five Factors, and such activities will be removed from the applicant's proposed budget, if awarded.

- b. *Rationale and Effectiveness of Approach* - The applicant must describe how it determined that the proposed activities will be cost-effective and how the activities, including the method of delivery, will enable the eligible beneficiaries to increase their capacity to successfully carry out specific housing and community development activities. Applicants are expected to briefly state the evidence and research basis for selecting certain types of activities as support for



the integration of selected activities into their proposed RCB program. To receive full credit, the applicant must convincingly explain:

- i. Why the proposed activities, including the method of delivery, were selected for the proposed FY 2021-FY 2022 RCB program;
- ii. Why the proposed activities and method of approach represent the best, most cost-effective approach to meet the identified needs of eligible beneficiaries; and
- iii. How the capacity building activities will result in the ability of eligible beneficiaries to commence work on specific housing, community, and/or economic development activities by the end of the grant's term.

**2. Implementation Process and Plan to Conduct Activities (21 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 RCB program. For example, if the applicant proposes to run an internal Request for Proposals (RFP) process to select eligible beneficiaries, then a summary of that plan and how it is connected to the proposed time frame should be provided.

HUD will evaluate the extent to which the application presents and supports a detailed and well-planned approach for conducting eligible program activities that address the capacity building needs of eligible beneficiaries serving rural areas, as the applicant identified in Rating Factor 2 of this application.

To receive full credit, applicants must explain how it will implement and manage the proposed activities with a FY 2021-FY 2022 grant award by describing:

- a. *The Method and Process for Activity Delivery*: What is the method and process that will be used to implement and manage the proposed activities, including an explanation for how the applicant determines where to direct FY 2021-FY 2022 RCB grant funds (for example, an RFP process)?
- b. *The Proposed Eligible Beneficiaries*: How will eligible beneficiaries be identified and selected? If the applicant already knows the eligible beneficiaries it will serve, it should identify them specifically and explain how they were selected.
- c. *Rural Area Geographic Determination*: Explain how the applicant will determine which rural areas to serve using RCB program funds. This should include a description of the process and factors it will use to select rural areas geographies. Rural areas geographies should be based on the needs identified in the narrative for Factor 2. While it is not expected that the applicant identify precise locations at this time, applicants may provide geographies as broad as HUD regions. If an applicant has already determined the rural areas it will serve in specific regions, states, or communities then it must indicate them in the narrative, and explain how and why they were selected.
- d. *Support for HUD Programs and Planning Processes*: Explain how the proposed rural capacity building activities will support and magnify the effects of other HUD programs and any local Consolidated Plan(s) in the rural communities

where RCB program beneficiaries are assisted. Specifically, applicants should discuss activities in connection to the needs related to accessing HUD programs as identified in the narrative for Factor 2. In addition, applicants can discuss how the activities will support local implementation of other federal programs, such as USDA-Rural Development programs.

- e. *Budget*: Provide a four-year budget on Form HUD-4130 that shows the individual costs of managing and delivering the proposed FY 2021-FY 2022 RCB 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:
  - i. ***Applicant Organization Grant Management 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.
  - ii. ***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 as expected action plan activities or projects. This should cover the Direct Labor costs from the Applicant's staff; fringe benefits; Travel; Contractor and Consultants specific to the execution of the activity (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.
  - iii. ***Leverage***: RCB program applicants must apply their committed leverage amounts to the budget as it relates to each activity. Please note, that while there is a column for "Match," there is no requirement for Match in the RCB program so applicants may leave this column blank. Applicants must be sure that any Leverage included in the application for consideration under Factor 5, Leveraging Resources, is represented in the budget and that it is clearly consistent with any Letters of Firm Commitment submitted with this application. Applicants that do not have Letters of Firm Commitment for leverage may still include funding they intend to pursue or other federal funds (which may not be used as Leverage) in their budget as "Other Funding Sources."
  - iv. ***Grand Totals***: The HUD funding total must equal the requested amount and the leverage total must be consistent with the submitted Firm Letters of Commitment.
- f. *Written Budget Narrative*. The budget narrative must go beyond the detailed budget form 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. If consultants or subrecipients are included in the budget, the applicant must address the assumptions used for choosing to use consultants or subrecipients for the delivery of services or Administration of the grant and explain how it arrived at the estimated hourly rate.

- g. *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 this schedule must be consistent with the year-to-year budget provided in this application and be consistent with the proposed activities. Applicants may propose to complete the RCB work in less than four years, but to receive full credit the schedule must still represent four years and show that early completion.
- h. *Options for Scaling Proposed Activities*. Given the possibility that successful applicants will not be funded for their full requested amount, they must identify options for scaling back the proposed activities within the Budget Narrative. This step allows for HUD to consider the applicant's preferences and assess project feasibility to determine the final grant award. Some options for how this may be accomplished is by ranking the proposed activities in order of importance or by providing a narrative ranking their RCB program priorities.

**Factor 5: Leveraging Resources**

**Maximum Points: 6**

Leverage serves as an indicator of community support and commitment for the proposed RCB program activities. In this factor, HUD will evaluate the applicant's ability to secure leverage from public, private and/or nonprofit sector resources (such as financing, supplies, or services) other than RCB grant funds or other Federal funds. The leverage should enhance the applicant's proposed RCB program and its ability to perform eligible activities during the grant period.

To accurately determine the applicant's eligible leverage commitment, applicants must submit a Leverage Summary. The Leverage Summary must clearly identify the sources of leverage as described in the Letters of Firm Commitment. Each letter should

1. Be printed on the letterhead of the organization providing the leverage resource;
2. Include the name of the organization committing the leverage resource;
3. Clearly state the RCB Applicant's name as the recipient of the proposed leverage resource(s);
4. Describe the type of commitment (e.g., cash or in-kind), any restrictions on the commitment (e.g., geographic reach), and the proposed dollar value of the leverage commitment;
5. Confirm that the leveraging funds are not tied to a Federal funding source;
6. State the specific period of time that the funds are available, or if they have an unrestricted time frame;
7. Explain how the leverage commitment specifically enhances and contributes to the applicant's proposed RCB program activities in this application; and

8. Be signed and dated by an official of the organization committing the leverage resource who is legally able to make commitments on behalf of the organization. The date of the signature must occur after the date of publication of this RCB NOFO.

The table below is an example of how applicants can present their Leverage Summary.

| <b>Entity providing firm commitment</b>   | <b>Dollar amount</b> | <b>Corresponding activity</b> | <b>Type of commitment (in-kind, cash etc).</b> |
|---|----------------------|-------------------------------|--|
| XYZ   | 50,000               | Training                      | Cash   |
| ABC   | 10,000               | Financial assistance          | In kind  |
| JHU   | 40,000               | Financial assistance          | Cash   |
|   |                      |                               |  |
| <b>Total leverage amount</b>  | 100,000              |                               |  |
| <b>Total amount of grant request</b>  | 1,000,000            |                               |  |
| <b>Percentage of leverage</b> (calculated as the leverage amount divided by the total grant request<br>100,000/1,000,000 and multiplied by 100) | 10%                  |                               |  |

Resources may include cash or in-kind contributions of services, equipment, or supplies that are firmly committed for use in the proposed RCB program. “Firmly committed” means that the source, type and amount of the resource and its dedication for application to RCB program activities are explicit.

Endorsements or general letters of support from organizations or vendors alone will not count as leverage and should not be included in the application. Only Letters of Firm Commitment, that meet the eight requirements listed above and are submitted with the NOFO, will count toward the calculation of leverage ratio.

Applicant organizations may choose to submit a portion of their own assets toward the leverage ratio, but such commitments must still be stated in a Letter of Firm Commitment that meets the eight requirements above, and it must meet the leverage requirements set forth in Section III.C of this NOFO. In addition, applicants may use leverage resources for the FY 2021-FY 2022 RCB application that were previously committed to the applicant by an organization who re-commits them (or a portion of them) for use during the proposed application period. The applicant must clearly identify how the leveraged funds will be used to support the applicant’s proposed program. Distinct leverage commitments previously accepted for any current RCB grant awards or other Federal awards will not be accepted for the FY 2021-FY 2022 RCB program.

To rate this factor, the following elements will be assessed:

1. **Leverage Ratio (2 points)** - HUD will assess the amount of leverage committed as a percentage of the requested grant amount. Applicants that demonstrate a leverage ratio (calculated from the Leverage Summary) of 20 percent or greater of the requested RCB grant amount will be awarded two points. Applicants demonstrating a lesser ratio will be awarded the points proportionate to their documented leverage. If an application is funded for less than the requested amount, the calculated percentage of leverage in the application will be multiplied by the awarded amount to establish the reduced amount of leverage that the grantee will have to provide. Applicants will only be awarded points for the leverage percentage calculated from acceptable Letters of Firm Commitment.
2. **Application of Leverage Funds (4 points)** - In the narrative, the applicant must explain how it will use the committed leverage funding to support its proposed program activities to build the capacity of eligible program beneficiaries. Furthermore, the applicant must describe how the leverage will enhance its proposed RCB program. The narrative discussion must be consistent with the information presented in any the Leverage Summary, Letters of Firm Commitment and with the leverage amounts and information presented in the budget in Factor 4.

Grantees will be required to show evidence that committed leverage resources were actually received and used for their intended purposes through semi-annual reports and the final closeout report to HUD. Subject to HUD approval, sources of leverage funds may be substituted with other eligible leverage sources after grant award, if the total dollar commitment is maintained. If the substituted leverage is less than proposed in this application, or if the grantee fails to meet the leverage commitment by the end of the grant period of performance, HUD will re-rate and re-rank the application with the corrected leverage commitment. If the application is no longer fundable after re-rating and re-ranking the application, HUD will rescind the grant and recapture grant funds.

**Factor 6: Achieving Results and Program Evaluation**

**Maximum Points: 13**

Overall, 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, management, and accountability.

The applicant shall provide an effective performance plan to evaluate and quantifiably measure the performance of its proposed RCB program activities through the statement of specific outputs and identification of specific expected outcomes that demonstrate improved capacity of the eligible beneficiaries. The applicant's performance plan will be assessed for reasonableness, consistency with the activities proposed in Factor 4, and if they quantifiably demonstrate expected improved organizational development of eligible beneficiaries.

Applicants and grantees are expected to consistently identify and maintain the distinction between outputs and outcomes as defined in this NOFO. Organizations awarded RCB grant funds will be held accountable not only for producing the stated outputs from this application and in future action plan activities, but also for the effectiveness of those outputs in affecting positive outcomes for eligible beneficiaries that demonstrate their increased capacity to serve their communities.

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 incorporate:
  - a. The overarching RCB 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 4. All proposed outcome measures 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 RCB Activities**

#### **1. General Outputs for all Activities:**

- Number of individuals served
- Number of CDCs/CHDOs, RHDOs, 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
- Number of surveys distributed to eligible beneficiaries (CDCs, CHDOs, rhdos, tribes etc)

#### **b. Eligible Activity 1: Training and Education Outputs**

- 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

#### **c. Eligible Activity 2: Financial Assistance Outputs:**

- Number of individuals receiving financial assistance to attend training
  1. Dollar amount of financial assistance provided to individuals to attend training

- Number of grants awarded
  1. Dollar amount of grants awarded
  2. Number of grant applications received
- Number of loans made
  1. Dollar amount of loans made
  2. Number of loan applications received
- Number of other financial assistance activities
  1. 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 RCB Activity Engagements**

- 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 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 (4 points):** This element of the performance plan will be assessed on the extent to which the application clearly describes detailed plans for evaluating the effectiveness of the organization's RCB program. The plan must include two types of evaluation:
- a. *Internal Organizational Evaluation of the Applicant's Management of the RCB Program Operation:* Describe how the applicant will assess and evaluate its internal operations and processes for managing and administering the RCB program grant award during the Period of Performance of the RCB grant award.
  - b. *Evaluation of RCB Program Effectiveness and Delivery:* Describe the process for how the applicant will evaluate the effectiveness of the RCB program and activities proposed in Factor 4, including how it will evaluate its performance plan within the Period of Performance of the RCB grant award. The narrative will be rated on the extent to which the evaluation plan includes outcomes that are specific, measurable, and appropriate in relation to the activities proposed. The measures should quantifiably demonstrate the expected improved organizational development of eligible beneficiaries.
3. **Past Performance (3 points)**
- a. *New Applicants:* Applicants that have not received an RCB award within the past 5 years must describe their past performance on at least one other grant that is similar in scope (i.e. building the capacity of organizations that would qualify as RCB eligible beneficiaries through the provision training and/or financial assistance) to the RCB grant program that they have managed within the past 5 years. To receive credit, applicants must:
    - i. State the source of the similar grant award;
    - ii. State the name of the grant award program (if applicable);
    - iii. Provide a brief and relevant description of the program;
    - iv. Describe the type of comparable activity(ies) that it conducted with the similar grant program; and
    - v. Provide a brief summary of the results, outputs, and outcomes of its work through that grant program.

The applicant will be assessed on their past performance in successfully delivering on RCB program comparable program outputs and outcomes that resulted in positive outcomes in improving the ability of organizations that would qualify as RCB program eligible beneficiaries to provide affordable housing and community development. Specifically, applicants should how they were able to achieve any comparable outputs and outcomes from the list of quantifiable measures listed under element 1 of Factor 6 of this NOFO, or other relevant measures.

*(Currently RCB Funded Applicants):* Applicants that have received an RCB grant award in the last five years (FY 2015-FY 2020) will also be assessed on their past performance in delivering on program outputs and outcomes achieved. Current applicants must provide a narrative explaining RCB program delivery performance within the last five years. HUD will evaluate past RCB performance to determine if it was timely, cost-effective, and resulted in positive outcomes in the delivery of capacity building activities



for eligible beneficiaries in improving their ability to provide affordable housing and community development. Specifically, applicants should use information from previous or current RCB program grant awards to describe how RCB program activities contributed to, or resulted in, the achievement of program goals and outcomes using the list of quantifiable measures listed under element 1 of Factor 6 of this NOFO, or other relevant measures. Currently funded applicants should include, as applicable, examples of increases and improvements in affordable housing and community development program accomplishments as a result of building the capacity of eligible beneficiaries.

## **2. Other Factors.**

This program does not offer points for Section 3.

### **Preference Points**

HUD encourages activities in support of the interdepartmental initiatives. HUD may award no more than four total preference points for a combination of any of the four (4) preferences (Climate Change, Environmental Justice, Promise Zones (PZ) or Historically Black Colleges and Universities (HBCU). Each preference is worth up to two (2) points. For example, points may be awarded for Climate Change and Environmental Justice, or for Promise Zones and HBCUs.

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 projects that advance environmental justice in communities that have been historically marginalized and overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, and health care, as delineated by the Climate and Economic Justice Screening Tool (CJEST) or other HUD-approved definition.

\*HUD anticipates that program offices will revise the criteria listed in this section according to program scope and based on program actions identified in HUD's Climate Action Plan and Justice40 Initiative.

### **HBCU.**

An applicant partnering with a Historically Black College or University (HBCU) will receive up to two (2) Preference Points when the application includes a Letter of Commitment certifying that an HBCU Partnership is in place and signed by an authorizing official of the HBCU and documentation of the college or university's status as an HBCU. [Click here to view the list of accredited HBCU's](#)

### **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, please 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:

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 completion of activities and receipt and expenditure of promised matching or leveraged funds;

The number of persons served or targeted for assistance;

Promoting self-sufficiency and economic independence

Producing positive outcomes and results.

Other

- The nature of and resolution of any Monitoring findings;
- The nature of and resolution of any publicly available audit findings; and
- The nature of requests for grant extensions, the pattern of those requests, and if it was beyond the control of the grantee.

HUD may reduce scores based on the past performance review, as specified under V.A. Review Criteria. Whenever possible, HUD will obtain 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 Section III E., Statutory and Regulatory Requirements Affecting Eligibility, "[Pre-selection Review of Performance](#)".

### **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:

- Financial stability;
- Quality of management systems and ability to meet the management standards prescribed in this part;
- History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, failing to make significant progress in a timely manner, failing to meet planned activities in a timely manner, conformance to the terms and conditions of

previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;

- Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and
- 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 200.205. If this integrity evaluation results in an adverse finding, HUD reserves the right to take any of the remedies provided in 2 CFR 200.205 and HUD reserves the right to impose specific grant conditions in accordance with 2 CFR 200.207.

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 Rating Factors for award. Second, HUD will review and assign scores to eligible applications using the Rating Factors for Award noted under Criteria, Section V.A.
2. **Threshold Eligibility Requirements.** All applicants must comply 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 ineligible for funding.
3. **Rating.** HUD will rate all eligible applications that meet the Threshold Requirements against the criteria in Rating Factors 1 through 6 and assign a rating score. The maximum total rating score for the s Rating Factors is 100 points. An applicant can receive Preference Points if it scores a minimum of 75 points for the six Rating Factors. HUD will award two Preference Points to applicants that meet the Promise Zones criteria or two Preference Points to applicants that meet the HBCU criteria. An applicant can receive a possible total of 102 points, which includes Rating Factors 1 through 6 and a possible 2 total Preference Points.
4. **Minimum Rating Score.** Applicants must receive a total rating score of 75 points or more for Rating Factors 1 through 6 (without the addition of the Preference Points) to be eligible for funding. In addition, applicants must earn at least 19 points for Factor 1 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 and will award up to the amount requested or 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, and to include the exclusion of any proposed ineligible activities, if applicable. 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.

## **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 have not been chosen for award. Notifications will be sent by email to the person listed as the AOR in item 21 of the SF-424.

**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 impose specific conditions on an award as provided under [2 CFR 200.208](#):

- Based on HUD's review of the applicant's risk under [2 CFR 200.206](#);
- When the applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award;
- When the applicant or recipient fails to meet expected performance goals contained in a federal award; or
- When the applicant or recipient is not otherwise responsible.

**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 will fund no portion of an application that:

- (1) Is not eligible for funding under applicable statutory or regulatory requirements;
- (2) Does not meet the requirements of this notice; or
- (3) Duplicates other funded programs or activities from prior year awards or other selected applicants.

b. If funds are available after funding the highest-ranking application, HUD may fund all or part of another eligible fundable application. 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.

c. If funds remain after all selections have been made, remaining funds may be made available within the current FY for other competitions within the program area, or be held for future competitions, or be used as otherwise provided by authorizing statute or appropriation.

d. 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 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.

**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.

Following the evaluation process, HUD will send written notifications to both successful and unsuccessful applicants (i.e. their applications were received by the deadline but were not chosen). 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 the 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. RCB work and program activities cannot commence unless it has been approved as an activity in an action plan. The action plan and activities will show when and how the federal funds and leverage 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 must 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 activity 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 must 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 the Code of Conduct elibrary for HUD Grant Programs located at [https://www.hud.gov/program\\_offices/spm/gmomgmt/grantsinfo/conductgrants](https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants) , unless the information has been revised.

## **B. Administrative, National and Department Policy Requirements and Terms for HUD Recipients Financial Assistance Awards**

For this NOFO, the following [Administrative, National and Department Policy Requirements and Terms for HUD Financial Assistance Awards](#) apply.

1. Unless otherwise specified, these non-discrimination and equal opportunity authorities and other requirements apply to all NOFOs. Please read the following requirements carefully as the requirements are different among HUD's programs.

- Improving Access to Services for Persons with Limited English Proficiency (LEP) See [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/limited\\_english\\_proficiency](https://www.hud.gov/program_offices/fair_housing_equal_opp/limited_english_proficiency).

- Accessible Technology. See

<https://www.hud.gov/sites/dfiles/OCIO/documents/s508103017.pdf>

2. Equal Access Requirements. See [24 CFR 5.105\(a\)\(2\)](#)

3. Ensuring the Participation of Small Disadvantaged Business, and Women-Owned Business.

4. Equal Participation of Faith-Based Organizations in HUD Programs and Activities.

5. Participation in HUD-Sponsored Program Evaluation.

6. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

7. Drug-Free Workplace.

8. Safeguarding Resident/Client Files.

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

10. Eminent Domain.

11. Accessibility for Persons with Disabilities. See

[https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/disability\\_overview](https://www.hud.gov/program_offices/fair_housing_equal_opp/disability_overview)

12. Violence Against Women Act. See [24 CFR part 5](#), subpart L and applicable program regulations.

13. Conducting Business in Accordance with Ethical Standards/Code of Conduct.

### **Environmental Review**

Compliance with [24 CFR part 50](#) or [58](#) procedures is explained below:

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

these program activities regarding any eligible property, until HUD approval of the property is received.

### **Prohibition on Surveillance**

[2 CFR 200.216](#) Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment

### **Remedies for Noncompliance**

#### **Lead Based Paint Requirements.**

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

When providing housing assistance for purchase, lease, support services, operation or work that may disturb painted surfaces, or 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.** Applicants 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 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.

**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](http://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](#), "REPORTINGSUBAWARD 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**

**Semi-Annual/Final Performance Reports:** The RCB program grantees are required to submit semi-annual performance reports throughout the Period of Performance of the grant award and a final report at the end of the period of performance to be included in the closeout package. Please direct questions regarding specific reporting requirements to the point of contact listed in Section VII. Agency Contact(s).

#### **D. Debriefing.**

For a period of at least 120 days, beginning 30 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 authorized organization representative 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), below. 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:

Anupama Abhyankar

Phone:

202-402-3981

Email:

CapacityBuilding@hud.gov

Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Relay Service at 800-877-8339. Please note that HUD staff cannot assist applicants in preparing their applications.

#### **VIII. Other Information.**

##### **1. National Environmental Policy Act.**

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](#)
- [Code of Conduct list](#)
- [Assistance Listing \(formerly CFDA\)](#)
- [Unique Entity Identifier](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [FFATA Subaward Reporting System](#)
- [Grants.gov](#)
- [HBCUs](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [Limited English Proficiency](#)
- [NOFO Webcasts](#)
- [Procurement of Recovered Materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Uniform Relocation Assistance and Real Property Acquisition Act of 1970 \(URA\)](#)
- [USA Spending](#)

### 3. Program Relevant Web Resources

#### APPENDIX