



Federal Register

**Friday,
May 16, 2008**

Part IV

Department of Housing and Urban Development

**Notice of Funding Opportunity (NOFA)
for HOME Investment Partnership
Program (HOME)—Competitive
Reallocation of CHDO Funds To Provide
for Energy Efficient and Environmentally-
Friendly Housing for Low-Income
Families; Notice**

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5195-N-01]

Notice of Funding Opportunity (NOFA) for HOME Investment Partnership Program (HOME)—Competitive Reallocation of CHDO Funds to Provide for Energy Efficient and Environmentally-Friendly Housing for Low-Income Families

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice of funding availability (NOFA).

SUMMARY: This notice of funding availability establishes the funding criteria for the Competitive Reallocation of Community Housing Development Organizations (CHDO) Funds to Provide for Energy Efficient and Environmentally-Friendly Housing for Low-Income Families. The purpose of this NOFA is to competitively reallocate deobligated HOME CHDO set-aside funds in order to expand the supply of energy efficient and environmentally-friendly (Green) housing that is affordable to low-income families, using design and technology models that can be replicated.

Overview Information

A. Federal Agency Name. Department of Housing and Urban Development, Community Planning and Development, Office of Affordable Housing Programs.

B. Funding Opportunity Title. Competitive Reallocation of CHDO Funds to Provide for Energy Efficient and Environmentally-Friendly Housing for Low-Income Families.

C. Announcement Type. Notice of Funding Availability (NOFA).

D. Funding Opportunity Number. FR-5195-N-01.

E. Catalogue of Federal Domestic Assistance (CFDA) Number. 14.239, HOME Investment Partnership Program (HOME)

F. Application Deadline Date. July 1, 2008.

G. Additional Overview Information

1. Summary. This NOFA announces the availability of approximately \$1 million in deobligated HOME Community Housing Development Organization (CHDO) set-aside funds for competitive reallocation in order to expand the supply of energy efficient and environmentally-friendly (Green) housing that is affordable to low-income families, using design and technology models that can be replicated.

2. Purpose of this NOFA. The purpose of this NOFA is to competitively

reallocate deobligated HOME CHDO set-aside funds in order to expand the supply of energy efficient and environmentally-friendly (Green) housing that is affordable to low-income families, using design and technology models that can be replicated.

3. Available Funds. Approximately \$1 million in deobligated HOME CHDO set-aside funds are available for competitive reallocation under this NOFA.

4. Eligible Applicants. Eligible applicants are HOME Participating Jurisdictions (PJ) that are currently participating in the regular HOME program and have received an annual HOME formula allocation each year since FY 2004. Housing projects funded under this NOFA must be carried out by a non-profit organization in the applicant's jurisdiction that the PJ has determined currently meets the definition of a Community Housing Development Organization (CHDO) pursuant to 24 CFR 92.2.

5. Match. 25 percent of the HOME funds awarded under this NOFA must be matched with non-federal funds.

Full Text Announcement

If you are interested in applying for funding under this competitive reallocation of HOME funds, please review the contents of this NOFA carefully.

I. Application Due Date, Standard Forms, Further Information, and Technical Assistance

A. Application Due Date. Applications for funding under this NOFA are due on or before July 1, 2008. Applications submitted after the established deadline will not receive funding consideration.

B. Application Submission Procedures and New Security Procedures. HUD has implemented new security procedures that apply to application submissions. Please read the following instructions carefully and completely. HUD will not accept hand-delivered applications. Applications may be mailed using the United States Postal Service (USPS) or may be shipped via the following delivery services: United Parcel Service (UPS), FedEx, or DHL. No other delivery services are permitted into HUD Headquarters without an escort. You are, therefore, urged to use one of the four carriers listed above.

C. Mailed Applications. HUD will consider your application to be filed by the application due date if your application is postmarked on or before 12 midnight on the application due date and received in HUD Headquarters on

or within fifteen (15) days of the application due date. Applicants must obtain and save a mailing receipt that shows the date when the application was received by the United States Postal Service (USPS). This receipt from USPS showing the date and time of the mailing will be your documentary evidence that your application was filed by the application deadline.

D. Applications Sent by Overnight/Express Mail Delivery. If your application is sent by overnight delivery or express mail, HUD will consider your application to be filed by the application due date if your application is received on or before the application due date, or if you submit documentary evidence that your application was placed in transit with the overnight delivery/express service no later than the application due date. Due to new security measures, you are urged to use one of the carrier services that do business with HUD Headquarters regularly. These services are United Parcel Service (UPS), FedEx, or DHL. Timely delivery of your application to HUD by a carrier other than those listed cannot be guaranteed. Delivery by these carriers must be made during HUD's Headquarters business hours, between 8:30 a.m. and 5 p.m. Eastern time, Monday through Friday. If these companies do not service your area, you should submit your application via the United States Postal Service.

E. Address for Submitting Applications. Submit one original and two copies of your application to the Department of Housing and Urban Development, Office of Affordable Housing Programs (OAHP), 451 Seventh Street, SW., Room 7162, Washington, DC 20410-7000, ATTN: HOME Program CHDO Competition.

F. Application Forms. There is no separate application kit for this NOFA. This NOFA contains all the information necessary for submission of your application. Section V describes the application selection process and requirements. Section VI provides a checklist for application submission. Copies of the required standard forms are located in Appendix 2. You may also request copies of these standard forms by calling the contact person in the Office of Affordable Housing Programs identified in paragraph G. When requesting a standard form, you should refer to the HOME Program CHDO Competition, and provide your name, address (including zip code) and telephone number (including area code).

G. HUD Information Contact. For further information about this NOFA, you may contact Ginger Macomber, Senior Affordable Housing Specialist,

deadline, then you are ineligible to apply for assistance under this NOFA and HUD will not rate and rank your application. HUD will determine if actions to resolve the charge, lawsuit, or letter of findings taken before the application deadline are sufficient to resolve the matter. Examples of actions that would normally be considered sufficient to resolve the matter include, but are not limited to: (1) A voluntary compliance agreement signed by all parties in response to a letter of findings; (2) a HUD-approved conciliation agreement signed by all parties; (3) a consent order or consent decree; or (4) an issuance of a judicial ruling or a HUD Administrative Law Judge's decision.

3. Encouraging Accessible Design Features. HUD is encouraging applicants to add accessible design features beyond those required under civil rights laws and regulations. Such features would eliminate many other barriers limiting the access of persons with disabilities to housing and other facilities. Copies of the Uniform Federal Accessibility Standards (UFAS) are available from the NOFA Information Center at (800) HUD-8929 and also from the Office of Fair Housing and Equal Opportunity, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 5230, Washington, DC 20410-2000; telephone (202) 755-5404 or toll-free at (800) 877-8339 (TTY). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (800) 877-8339. (This is a toll-free number.)

a. Visitability in New Construction and Substantial Rehabilitation.

Applicants are encouraged to incorporate visitability standards, where feasible, in new construction and substantial rehabilitation projects. Visitability standards allow a person with mobility impairments access into the home, but do not require that all features be made accessible. Visitability means that there is at least one entrance at grade (no steps), approached by an accessible route such as a sidewalk, and that the entrance door and all interior passage doors are at least 2 feet, 10 inches wide, allowing 32 inches of clear passage space. A visitable home also serves persons without disabilities, such as a mother pushing a stroller or a person delivering a large appliance. More information about visitability is available at <http://www.concretechange.org/>.

b. Universal Design. Applicants are encouraged to incorporate universal design in the construction or rehabilitation of housing, retail

establishments, and community facilities funded with HUD assistance. Universal design is the design of products and environments to be usable by all people to the greatest extent possible, without the need for adaptation or specialized design. The intent of universal design is to simplify life for everyone by making products, communications, and the built environment more usable by as many people as possible at little or no extra cost to the user. Universal design benefits people of all ages and abilities. In addition to any applicable required accessibility feature under Section 504 of the Rehabilitation Act of 1973 or the design and construction requirements of the Fair Housing Act, the Department encourages applicants to incorporate the principles of universal design when developing housing, community facilities, and electronic communication mechanisms, or when communicating with community residents at public meetings or events. HUD believes that to address affordable housing needs effectively, it is necessary to provide affordable housing that is accessible to all regardless of ability or age. Likewise, creating places where people work, train, and interact that are usable and open to all residents increases opportunities for economic and personal self-sufficiency. More information on universal design is available from the Center for Universal Design at <http://www.design.ncsu.edu/cud/> or the Resource Center on Accessible Housing and Universal Design at <http://www.abledata.com/abledata.cfm?pageId=113573&top=16029§ionid=19326>.

4. Conducting Business in Accordance with Core Values and Ethical Standards/Code of Conduct. Applicants subject to 24 CFR parts 84 or 85 (most nonprofit organizations and state, local, and tribal governments or government agencies or instrumentalities that receive federal awards of financial assistance) are required to develop and maintain a written code of conduct (see 24 CFR 84.42 and 85.36(b)(3)). Consistent with regulations governing specific programs, your code of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts or gratuities by your officers, employees, or agents for their personal benefit in excess of minimal value; and outline administrative and disciplinary actions available to remedy violations of such standards. If awarded assistance under this NOFA, before entering into an agreement with HUD, you will be

required to submit a copy of your code of conduct and describe the methods you will use to ensure that all officers, employees, and agents of your organization are aware of your 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 on HUD's Web site <http://www.hud.gov/offices/adm/grants/codeofconduct/cconduct.cfm> and if the information has not been revised. An applicant not listed on the above Web site must submit a copy of its code of conduct with their application for assistance. An applicant must also include a copy of its code of conduct if the information listed on the above Web site has changed (e.g., the person who submitted the previous application is no longer your authorized organization representative, the organization has changed its legal name or merged with another organization, or the address of the organization has changed, etc.). You are prohibited from receiving an award of funds from HUD if you fail to meet this requirement for a code of conduct.

5. Delinquent Federal Debts. It is HUD policy that applicants with an outstanding federal tax debt will not be eligible to receive an award of funds from the Department unless: (1) A negotiated repayment schedule is established and the repayment schedule is not delinquent, or (2) other arrangements satisfactory to HUD are made prior to the award of funds by HUD. If arrangements satisfactory to HUD cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the applicant, but offer the award to the next eligible applicant. Applicants selected for funding, or awarded funds have an obligation to report to HUD changes in status of a current IRS agreement covering federal debt. HUD may withhold funding, terminate an award, or seek other remedies from a grantee where a previously agreed upon payment schedule has not been adhered to or a new agreement with the IRS has not been signed.

6. Executive Order 13202, "Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects". Compliance with HUD regulations at 24 CFR 5.108 that implement Executive Order 13202 is a condition of receipt of assistance under this NOFA. Subrecipients are considered recipients of financial assistance for purposes of 24 CFR 5.108.

deadline, then you are ineligible to apply for assistance under this NOFA and HUD will not rate and rank your application. HUD will determine if actions to resolve the charge, lawsuit, or letter of findings taken before the application deadline are sufficient to resolve the matter. Examples of actions that would normally be considered sufficient to resolve the matter include, but are not limited to: (1) A voluntary compliance agreement signed by all parties in response to a letter of findings; (2) a HUD-approved conciliation agreement signed by all parties; (3) a consent order or consent decree; or (4) an issuance of a judicial ruling or a HUD Administrative Law Judge's decision.

3. Encouraging Accessible Design Features. HUD is encouraging applicants to add accessible design features beyond those required under civil rights laws and regulations. Such features would eliminate many other barriers limiting the access of persons with disabilities to housing and other facilities. Copies of the Uniform Federal Accessibility Standards (UFAS) are available from the NOFA Information Center at (800) HUD-8929 and also from the Office of Fair Housing and Equal Opportunity, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 5230, Washington, DC 20410-2000; telephone (202) 755-5404 or toll-free at (800) 877-8339 (TTY). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (800) 877-8339. (This is a toll-free number.)

a. Visitability in New Construction and Substantial Rehabilitation.

Applicants are encouraged to incorporate visitability standards, where feasible, in new construction and substantial rehabilitation projects. Visitability standards allow a person with mobility impairments access into the home, but do not require that all features be made accessible. Visitability means that there is at least one entrance at grade (no steps), approached by an accessible route such as a sidewalk, and that the entrance door and all interior passage doors are at least 2 feet, 10 inches wide, allowing 32 inches of clear passage space. A visitable home also serves persons without disabilities, such as a mother pushing a stroller or a person delivering a large appliance. More information about visitability is available at <http://www.concretechange.org/>.

b. Universal Design. Applicants are encouraged to incorporate universal design in the construction or rehabilitation of housing, retail

establishments, and community facilities funded with HUD assistance. Universal design is the design of products and environments to be usable by all people to the greatest extent possible, without the need for adaptation or specialized design. The intent of universal design is to simplify life for everyone by making products, communications, and the built environment more usable by as many people as possible at little or no extra cost to the user. Universal design benefits people of all ages and abilities. In addition to any applicable required accessibility feature under Section 504 of the Rehabilitation Act of 1973 or the design and construction requirements of the Fair Housing Act, the Department encourages applicants to incorporate the principles of universal design when developing housing, community facilities, and electronic communication mechanisms, or when communicating with community residents at public meetings or events. HUD believes that to address affordable housing needs effectively, it is necessary to provide affordable housing that is accessible to all regardless of ability or age. Likewise, creating places where people work, train, and interact that are usable and open to all residents increases opportunities for economic and personal self-sufficiency. More information on universal design is available from the Center for Universal Design at <http://www.design.ncsu.edu/cud/> or the Resource Center on Accessible Housing and Universal Design at <http://www.abledata.com/abledata.cfm?pageId=113573&top=16029§ionid=19326>.

4. Conducting Business in Accordance with Core Values and Ethical Standards/Code of Conduct. Applicants subject to 24 CFR parts 84 or 85 (most nonprofit organizations and state, local, and tribal governments or government agencies or instrumentalities that receive federal awards of financial assistance) are required to develop and maintain a written code of conduct (see 24 CFR 84.42 and 85.36(b)(3)). Consistent with regulations governing specific programs, your code of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts or gratuities by your officers, employees, or agents for their personal benefit in excess of minimal value; and outline administrative and disciplinary actions available to remedy violations of such standards. If awarded assistance under this NOFA, before entering into an agreement with HUD, you will be

required to submit a copy of your code of conduct and describe the methods you will use to ensure that all officers, employees, and agents of your organization are aware of your 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 on HUD's Web site <http://www.hud.gov/offices/adm/grants/codeofconduct/cconduct.cfm> and if the information has not been revised. An applicant not listed on the above Web site must submit a copy of its code of conduct with their application for assistance. An applicant must also include a copy of its code of conduct if the information listed on the above Web site has changed (e.g., the person who submitted the previous application is no longer your authorized organization representative, the organization has changed its legal name or merged with another organization, or the address of the organization has changed, etc.). You are prohibited from receiving an award of funds from HUD if you fail to meet this requirement for a code of conduct.

5. Delinquent Federal Debts. It is HUD policy that applicants with an outstanding federal tax debt will not be eligible to receive an award of funds from the Department unless: (1) A negotiated repayment schedule is established and the repayment schedule is not delinquent, or (2) other arrangements satisfactory to HUD are made prior to the award of funds by HUD. If arrangements satisfactory to HUD cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the applicant, but offer the award to the next eligible applicant. Applicants selected for funding, or awarded funds have an obligation to report to HUD changes in status of a current IRS agreement covering federal debt. HUD may withhold funding, terminate an award, or seek other remedies from a grantee where a previously agreed upon payment schedule has not been adhered to or a new agreement with the IRS has not been signed.

6. Executive Order 13202, "Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects". Compliance with HUD regulations at 24 CFR 5.108 that implement Executive Order 13202 is a condition of receipt of assistance under this NOFA. Subrecipients are considered recipients of financial assistance for purposes of 24 CFR 5.108.

7. *Procurement of Recovered Materials.* State agencies and agencies of a political subdivision of a state that are using assistance under this NOFA for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. In accordance with Section 6002, these agencies and persons must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

B. Program Requirements

In addition to meeting the requirements of this NOFA, you are subject to all the regular HOME regulations found at 24 CFR part 92, including the 24-month commitment deadline, the five-year expenditure deadline and the requirements for reporting results in the Integrated Disbursement and Information System (IDIS). Where there is a conflict between the HOME regulations and this NOFA, the more stringent or limiting requirements shall prevail.

V. Application Selection Process

A. *Rating.* HUD will review all applications in accordance with the requirements of this NOFA and the three selection criteria and sub-factors referenced at 24 CFR 92.453 and found at section 217(c) of NAHA. As explained below in section V. E., two of the three selection criteria are related to the applicant PJ's past performance in the regular HOME Program. To facilitate the competition, HUD has already determined the point scores for all potential applicants for these two selection criteria, including sub-factors, based on information each PJ has reported to HUD through IDIS. A summary of these scores can be found in Appendix 1 of this NOFA. The point score received for the remaining Selection Criterion 3 will be added to the applicant's past performance scores for Selection Criterion 1 and Selection

Criterion 2 in order to obtain the applicant's total rating points score.

B. *Ranking and Selection Procedures.* Applications that receive a total rating of 75 points or more will be eligible for selection under this NOFA. HUD will place these applications in rank order and make selections in order of the highest-ranking application to the lowest-ranking application until all available funds have been distributed. HUD will not fund any portion of an application that is ineligible for funding under the regular HOME program requirements, or which does not meet the requirements of this NOFA. If funds remain after all selections have been made, these funds may be combined with any additional recaptured HOME CHDO set-aside funds that become available within 24 months of the announcement of awards under this NOFA, and awarded to the highest ranking un-funded, eligible application(s) in this competition.

C. *Applicant Debriefing.* Beginning not less than 30 days after the public announcement of awards under this NOFA and not longer than 120 days, upon receiving a written request from an applicant, HUD will provide a debriefing to that applicant. Materials provided by HUD during the debriefing will be the applicant's final score, the HUD evaluator's final comments for Selection Criterion 3, and HUD's calculations for the pre-scored Selection Criterion 1 and Selection Criterion 2. Applicants requesting to be debriefed must send a written request to Cliff Taffet, Director, Office of Affordable Housing Programs, Department of Housing and Urban Development, Room 7164, 451 Seventh Street, SW., Washington, DC 20410-7000.

D. *Requirements.* The following specific requirements apply to this "Competitive Reallocation of CHDO Funds to Provide Energy Efficient and Environmentally-Friendly Housing for Low-Income Families".

1. You, the applicant, must be a HOME Participating Jurisdiction (PJ) that is currently participating in the regular HOME program and has received an annual HOME formula allocation each year since FY 2004.

2. The housing projects funded under this NOFA must be carried out by non-profit organizations in your jurisdiction that you have determined currently meet the definition of Community Housing Development Organization (CHDO).

3. The only eligible projects under this NOFA are HOME-eligible CHDO set-aside projects that are permitted under the regular HOME regulations, and that qualify for and will receive

Energy Star Certification by an independent Home Energy Rater (HER) upon completion.

E. *Factors for Award.* HUD will review and rate all eligible application submissions using the Threshold Criterion, three Selection Criteria and related Application Submission Requirements described below. The maximum number of points for this competition is 100. No RC/EZ/EC bonus points are given.

1. *Threshold Criterion.* All CHDO projects developed with HOME funds provided under this NOFA must qualify for and receive Energy Star Certification by an independent Home Energy Rater (HER) upon completion.

a. *Submission Requirements for Threshold Criterion.* Applicants must submit a brief Threshold Criterion narrative that describes the proposed CHDO project(s) that will be developed using funds provided under this NOFA. The narrative must: (1) Commit you (the HOME Participating Jurisdiction) to using any HOME funds awarded under this competition only for the production of Energy Star Certified units; (2) specify the total projected number of housing units to be produced that will be Energy Star certified and, of that number, the total number of HOME-assisted units; and (3) describe your process for ensuring that all CHDO housing units developed with HOME funds provided under this NOFA will receive Energy Star Certification upon completion, and provide a clear statement that all units developed using funds provided through this competition will, at a minimum, meet this standard. To the extent such information is known at the time of application, the narrative also should identify the CHDO that will own, develop or sponsor the project; the type of development (new construction or substantial rehabilitation, homebuyer or rental); the total project cost; the total HOME cost; and any other descriptive project information. There is a maximum limit of 1 page (letter-sized, single-sided) for your response to the Threshold Criterion.

2. *Selection Criterion 1: Commitment (up to 25 points—pre-scored).* This criterion rates the applicant's demonstrated commitment to expand the supply of affordable rental and homebuyer housing, as indicated by the additional number of units of affordable housing made available through production or rehabilitation within the previous two years, making adjustment for regional variations in construction and rehabilitation costs and giving special consideration to the number of additional units made available under HOME through production or

rehabilitation in relation to the amounts made available under HOME. In scoring this criterion, HUD used Integrated Disbursement and Information System (IDIS) reports consisting of information provided by the PJs on the number of HOME-assisted rental units and homebuyer units completed over the past two years (from January 1, 2005 through December 31, 2007), adjusting for variations in construction costs and the size of HOME allocations. The PJs were then rank-ordered from highest to lowest by the adjusted number of rental units and homebuyer units completed. PJs with no HOME-assisted rental or homebuyer units completed received zero points. The remaining PJs were divided into 25 equal groups, adjusted for ties, with the group having the most such units receiving 25 points, the next group receiving 24 points and so on. (See Appendix 1 for the score assigned to your PJ for Selection Criterion 1.)

a. Submission Requirements for Selection Criterion 1. No submission required.

3. Selection Criterion 2: Actions (up to 50 points—pre-scored). This criterion rates the applicant's actions to address each of the following four parts. Each part has been pre-scored by HUD.

a. Part A (up to 15 points—pre-scored). Direct funds made available under HOME to benefit very low-income families, with a range of incomes, in numbers that exceed the income-targeting requirements of HOME, with extra consideration given for activities that expand the supply of affordable housing for low-income families whose incomes do not exceed 30 percent of the median income for the area (i.e., extremely low-income), as determined by HUD. In scoring this part, HUD used Integrated Disbursement and Information System (IDIS) reports consisting of information provided by the PJs on the percentage of their completed units over the period of their participation in the HOME Program occupied by very low- and extremely low-income households, with double weighting given the extremely low-income segment. The PJs were then rank-ordered from highest to lowest by the weighted percentage of units occupied by the very low- and extremely low-income households. PJs with fewer than 20 units indicated as being occupied by these households or with less than 70 percent of completed rental units occupied received zero points. The remaining PJs were divided into 15 equal groups, adjusted for ties, with the group having the highest adjusted percentage receiving 15 points, the next group receiving 14 points and so on. (See Appendix 1 for the score

assigned to your PJ for part A of Selection Criterion 2.)

(1) Submission Requirements for Selection Criterion 2, part A. No submission required. *b. Part B (up to 10 points—pre-scored).* Provide matching resources in excess of funds required under the HOME requirements. In scoring this part, HUD used HUD Field Office reports on the status of PJs in meeting their regular HOME Program match requirement for the past two completed reporting periods. Those PJs having met or exceeded their match liability over this period received 10 points. Those PJs not having met their match liability in one or more of the past two completed reporting periods received zero points. (See Appendix 1 for the score assigned to your PJ for part B of Selection Criterion 2.)

(1) Submission Requirements for Selection Criterion 2, part B. No submission required.

c. Part C (up to 15 points—pre-scored). Stimulate a high degree of participation in development by the private sector, including non-profit organizations. In scoring this part, HUD used Integrated Disbursement and Information System (IDIS) reports consisting of information provided by the PJs to determine the percentage of completed CHDO disbursements to all CHDO reservations since the inception of the PJs' HOME Program. The focus was on completed CHDO projects in this part since funds awarded in this competition must be used by CHDOs for eligible CHDO set-aside projects. The PJs were then ranked highest to lowest by the percentage of completed CHDO disbursements to all CHDO reservations. PJs with disbursements, but no completed rental projects received zero points. The remaining PJs were divided into 15 equal groups, adjusted for ties, with the group having the highest percentage receiving 15 points, the next group receiving 14 points and so on. (See Appendix 1 for the score assigned to your PJ for part C of Selection Criterion 2.)

(1) Submission Requirements for Selection Criterion 2, part C. No submission required.

d. Part D (up to 10 points—pre-scored). Stimulate a high degree of investment in development by the private sector, including non-profit organizations. In scoring this part, HUD used Integrated Disbursement and Information System (IDIS) reports consisting of information provided by the PJs to determine the extent to which, in percentages, each PJ was leveraging private funds with HOME dollars invested in completed projects. The PJs were then rank-ordered from highest to

lowest by the leveraging percentage. PJs with no leveraging indicated in IDIS, or less than \$50,000 in HOME funds invested overall in completed projects, received zero points. The remaining PJs were divided into 10 equal groups, adjusted for ties, with the group having the highest percentage receiving 10 points, the next group receiving 9 points and so on. (See Appendix 1 for the score assigned to your PJ for part D of Selection Criterion 2.)

(1) Submission Requirements for Selection Criterion 2, part D. No submission required.

4. Selection Criterion 3: Policies (up to 25 points—rated). This criterion rates the degree to which the applicant is pursuing policies that result in the creation of energy efficient and environmentally-friendly (Green) housing that is affordable to low-income families, using design and technology models that can be replicated. This criterion also examines the degree to which the applicant is pursuing policies that remedy the effects of discrimination and improve housing opportunities for disadvantaged minorities. This criterion has five parts.

a. Part A (up to 21 points). Make housing more affordable through the use of energy efficient and environmentally-friendly (Green) designs, technologies and policies. Rating points will be assigned based on the degree to which the following energy efficient and Green elements will be incorporated into the applicant's project design. These elements are consistent with the Enterprise Foundation's "Green Communities Criteria Checklist". More information about the Enterprise Green Communities initiative can be found at <http://www.greencommunitiesonline.org/>. The National Association of Homebuilders Research Center (NAHBRC) has also developed model Green homebuilding guidelines which can be found at <http://www.nahbrc.org/greenguidelines/>.

The elements have been divided into six subsections. Subsections (1), (2), (3), (5) and (6) have "Minimum Requirements" that must be met in order to receive rating points for that subsection. Provided the minimum requirements in a subsection have been met, applicants can receive additional rating points for incorporating "Additional Elements", as described in each subsection below. Applicants that fail to commit to incorporate all of a subsection's Minimum Requirements will receive zero points for that entire subsection.

(1) Energy Efficiency and Renewable Energy (up to 7 points)

(a) *Minimum Requirements.* As noted under the Threshold Criterion, above, all CHDO projects developed with HOME funds provided under this NOFA must qualify for and receive Energy Star Certification by an independent Home Energy Rater (HER) upon completion. Up to seven points will be provided to projects that exceed the standard for Energy Star Certified new homes, as outlined under (b) and (c), below.

(b) *Additional Elements: Energy Efficiency (up to 3 points).* Provided the Energy Star Certification minimum requirement is met, up to three points will be awarded for projects that incorporate one or more of the following Energy Efficient elements. One point will be awarded for each element up to the maximum of three points.

(i) *Pressure Balancing.* All rooms within the conditioned space, except bath and laundry, will not exceed \pm 3 pascals pressure differential with respect to the outside when interior doors are closed and the air handler is operating.

(ii) *Energy Star Appliances.* Install only Energy Star labeled appliances.

(iii) *Energy Efficient Lighting.* Install Energy Star labeled lighting fixtures in all interior units, use Energy Star or high-efficiency commercial grade fixtures in all common areas, and install daylight sensors or timers on all outdoor lighting.

(c) *Additional Elements: Renewable Energy (4 points).* Provided the Energy Star Certification minimum requirement is met, four points will be awarded for projects that incorporate any one of the following four Renewable Energy elements:

(i) *Photovoltaic Panels.* Install photovoltaic panels to provide at least 10 percent of the project's estimated electricity demand.

(ii) *Solar Thermal.* Install solar hot water (thermal) heating to provide at least 50 percent of the project's estimated domestic hot water and 10 percent of the project's hydronic space heating needs.

(iii) *Wind Energy.* Install wind energy technology to provide at least 10 percent of the project's electricity demand.

(iv) *Geothermal.* Install geothermal energy technology to provide at least 20 percent of the project's energy needs.

(2) *Sustainable Site Design (up to 3 points)*

(a) *Minimum Requirements (2 points).* Two points will be awarded for projects that meet all of the following Sustainable Site Design minimum requirements:

(i) *Proximity to Existing Development.* Locate project on a site(s) with access to existing roads, water, sewers and other

infrastructure within or at least 25 percent contiguous to existing development.

(ii) *Compact Development (for new construction).* Achieve densities of at least 6 units per acre for detached/semi-detached houses; 10 units per acre for town homes; 15 units per acre for apartments.

(iii) *Sidewalks and Pathways.* Include sidewalks or suitable pathways within a multifamily property or single-family subdivision linking residential development to public spaces, open spaces and adjacent development.

(b) *Additional Elements (1 point).* Provided all of the Sustainable Site Design minimum requirements are met, one point will be awarded for projects that incorporate one or more of the following Sustainable Site Design elements:

(i) *Proximity to Services (for new construction).* Locate project within one-quarter mile radius of public transit service, or one-half mile radius from a fixed rail or ferry station.

(ii) *Compact Development (for new construction).* Increase average minimum densities to meet or exceed: 7 units per acre for detached/semi-detached; 12 units per acre for town homes; and 20 units per acre for apartments.

(iii) *Surface water management.* Capture the first one-half inch of rainfall that falls in a 24-hour period and label all storm drains or storm inlets to clearly indicate where the drain or inlet leads.

(3) *Water Conservation (up to 3 points)*

(a) *Minimum Requirements (2 points).* Two points will be awarded for projects that meet the following Water Conservation minimum requirement:

(i) *Water-conserving Fixtures.* Install only water-conserving fixtures with the following specifications: toilets—1.6 gallons per flush; showerheads—2.0 gallons per minute; kitchen faucets—2.0 gallons per minute; bathroom faucets—2.0 gallons per minute.

(b) *Additional Elements (1 point).*

Provided the Water Conservation minimum requirement is met, one point will be awarded for projects that incorporate one or both of the following Water Conservation elements:

(i) *Water-conserving Fixtures.* Install on demand water heater at point of use.

(ii) *Efficient Irrigation.* If irrigation is necessary, use recycled gray water, roof water, collected site run-off or an irrigation system that will deliver up to 95 percent of the water supplied.

(4) *Use of Environmentally Beneficial Materials and Practices (up to 3 points)*

(a) *Minimum Requirements. None*

(b) *Additional Elements (up to 3 points).* Up to three points will be awarded for projects that incorporate one or more of the following Environmentally Beneficial Materials and Practices elements. One point will be awarded for each element up to the maximum of three points.

(i) *Renewable Source or Recycled Content Materials.* Use material from renewable sources (soy-based insulation, bamboo, wood-based products), or materials with recycled content.

(ii) *Certified, Salvaged and Engineered Wood.* Use at least 50 percent (by cost or value) wood products and materials that are certified in accordance with the Forest Stewardship Council, salvaged wood, or engineered framing materials.

(iii) *Water-permeable Paved Areas.* Use water-permeable materials in 50 percent or more of walkways and in 50 percent or more of parking areas.

(iv) *Construction Waste Management.* Develop and implement a construction waste management plan to reduce the amount of material sent to the landfill.

(5) *Healthy Homes (up to 4 points)*

(a) *Minimum Requirements (2 points).*

Two points will be awarded for projects that meet *all* of the following Healthy Homes minimum requirements:

(i) *Low/no VOC Paint, Adhesives and Sealants.* Specify that all interior paints, primers, adhesives and sealants must contain low or no VOCs.

(ii) *Formaldehyde-free Composite Wood.* Do not use any composite wood that has exposed particleboard (which contains added urea-formaldehyde), unless the exposed area has been sealed.

(iii) *Mold Control.* Do not use mold-propagating materials such as vinyl wallpaper and unsealed grout; in wet areas, use materials that have smooth, durable, cleanable surfaces.

(iv) *Water Heater Venting.* Specify direct vented or combustion sealed water heaters if the heater is located in a conditioned space.

(b) *Additional Elements (up to 2 points).* Provided all of the Healthy Homes minimum requirements are met, up to two points will be awarded for projects that incorporate one or more of the following Healthy Homes elements. One point will be awarded for each element up to the maximum of two points.

(i) *Energy Star Exhaust Fans.* Install in each bathroom an Energy Star-labeled fan that exhausts to the outdoors and that either runs continuously or is controlled by a humidistat sensor or timer; install Energy Star-labeled power vented kitchen fans or range hoods that exhaust to the exterior; install exhaust

for clothes dryers directly to the outdoors.

(ii) *Efficient Ventilation (new construction)*. Install a ventilation system for the dwelling unit that provides 15 cubic feet per minute of fresh air, per occupant. Assume two occupants in an efficiency or one bedroom unit, and an additional occupant for each additional bedroom. Where higher densities are known, increase the rate by 7.5 cfm for each additional person. (See ASHRAE 62.2–2004, Chapter 4)

(iii) *Mold Prevention*. Use tankless hot water heaters or install conventional hot water heaters in rooms with drains or catch pans piped to the exterior of the dwelling and with non-water sensitive floor coverings; insulate exposed cold water pipes in climates and building conditions susceptible to moisture condensation.

(iv) *Basements and Concrete Slabs: Vapor Barrier and Water Drainage*. Provide a vapor barrier and four inches of gravel for a capillary break under all slabs; provide drainage of water to the lowest level of concrete away from windows, walls and foundations; waterproof foundation walls on the exterior to avoid moisture migration.

(v) *Garage Isolation*. Provide a continuous air barrier between the conditioned (living space) and any unconditioned garage space; in single-family homes with attached garages, install a CO alarm inside the house on the wall that is attached to the garage or is outside the sleeping area.

(6) *Resident Education (1 point)*.

(a) *Minimum Requirements (1 point)*. One point will be awarded for projects that incorporate the following Residential Education minimum requirement:

(i) *Instruction Manual*. Provide a manual that includes the following: a routine maintenance plan; instructions for all appliances, HVAC operation, water-system turnoffs, lighting equipment and other systems that are part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the occupant about proper use and maintenance of all building systems; and information on how to maintain the Green features of the site, including paving materials and landscaping.

(b) *Additional Elements*. None.

(7) *Recommended Energy Efficient and Green Elements (no points)*.

HUD strongly recommends that applicants incorporate additional energy efficient and Green elements into their project designs. However, the inclusion or exclusion of these elements will not be considered in rating an applicant's

submission. The recommended elements are listed in Appendix 3.

In addition to the elements identified under part A, above, rating points will be assigned based upon whether the applicant is pursuing policies that:

b. *Part B (up to 1 point)*. Remove or ameliorate any negative effects that public policies identified by you in your Consolidated Plan may have on the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction.

c. *Part C (up to 1 point)*. Preserve the affordability of privately-owned housing that is vulnerable to conversion, demolition, disinvestment, or abandonment.

d. *Part D (up to 1 point)*. Increase the supply of housing that is affordable to very low-income and low-income persons, particularly in areas that are accessible to expanding job opportunities.

e. *Part E (up to 1 point)*. Remedy the effects of discrimination and improve housing opportunities for disadvantaged minorities.

f. *Submission Requirements for Selection Criterion 3*. Applicants must submit a clear and concise response to each of the five parts A through E listed above. Each page of the submission must be numbered.

(1) For part (A), subsections (1)–(6), you, the applicant, must indicate with an "X" or a checkmark, each Minimum Requirement and Additional Element that you commit to incorporate into your proposed project design and construction. Leave a blank next to any Minimum Requirement or Additional Element that you do not commit to incorporate. You may reproduce the list of Requirements and Elements in your application to facilitate your response. Please note that if your completed project does not incorporate the minimum requirements or the additional elements you committed to in your submission, then you will become subject to the repayment of funds awarded under this HOME competition. There is a maximum limit of five pages (letter-sized, single-sided) for your response to part (A).

(2) For parts (B) through (E), you, the applicant, must identify the specific policies you are pursuing, the actions you have taken or will take to implement each policy, the effects of each action on achieving each policy objective, the current implementation status, and the completion timeline. There is a maximum limit of four pages (letter-sized, single sided) for your responses to parts (B) through (E).

f. *Final Ranking and Conditional Awards*. The points received by each

applicant for the three selection criteria will be totaled and the applicants will be rank ordered from highest to lowest score. HUD will award \$250,000 to the applicant receiving the highest score. HUD will award \$250,000 to the applicant receiving the next highest score, and so on in rank order, until the balance of funds remaining is less than \$250,000. Should two or more applicants have tie scores for the final award, the applicants will be selected in the order of: (1) The applicant receiving the highest score for Selection Criterion 3 part A: Make housing more affordable through the use of energy efficient and environmentally-friendly (Green) designs, technologies and policies; (2) the applicant receiving the highest score for Selection Criterion 3 part A(1): Energy Efficiency and Renewable Energy; and (3) the applicant proposing to produce the greatest number of Energy Star Certified housing units. The awards are conditional pending execution of a grant agreement between HUD and the HOME Participating Jurisdiction that is the applicant. The HOME funds awarded under this NOFA may be combined with other federal funds, including regular HOME Program funds, and with state, local or private funding to develop the required energy efficient and environmentally-friendly (Green) housing for low-income families.

VI. Application Requirements and Checklist for Application Submission

The application consists of the items listed below. The standard forms that are applicable to this funding (collectively referred to as the "standard forms") can be found in Appendix 2. The following checklist helps to ensure that all of the required items have been submitted.

___ HUD-424, Application for Federal Assistance signed by the authorized representative of the Participating Jurisdiction applying for the funds

___ Table of Contents

___ Narrative Statements Addressing:
___ Threshold Criterion Narrative (maximum 1 page)

___ Selection Criterion 3 Part A, subsections (1)–(6)—Narrative Checklist (maximum 5 pages)

___ Selection Criterion 3 Parts (B), (C), (D), (E)—Narratives (maximum 4 pages)

Forms:

___ HUD-2880, Applicant/Recipient Disclosure/Update Report

___ HUD-2993, Acknowledgment of Application Receipt

The standard form HUD 424 can also be downloaded from: <http://>

for clothes dryers directly to the outdoors.

(ii) *Efficient Ventilation (new construction)*. Install a ventilation system for the dwelling unit that provides 15 cubic feet per minute of fresh air, per occupant. Assume two occupants in an efficiency or one bedroom unit, and an additional occupant for each additional bedroom. Where higher densities are known, increase the rate by 7.5 cfm for each additional person. (See ASHRAE 62.2–2004, Chapter 4)

(iii) *Mold Prevention*. Use tankless hot water heaters or install conventional hot water heaters in rooms with drains or catch pans piped to the exterior of the dwelling and with non-water sensitive floor coverings; insulate exposed cold water pipes in climates and building conditions susceptible to moisture condensation.

(iv) *Basements and Concrete Slabs: Vapor Barrier and Water Drainage*. Provide a vapor barrier and four inches of gravel for a capillary break under all slabs; provide drainage of water to the lowest level of concrete away from windows, walls and foundations; waterproof foundation walls on the exterior to avoid moisture migration.

(v) *Garage Isolation*. Provide a continuous air barrier between the conditioned (living space) and any unconditioned garage space; in single-family homes with attached garages, install a CO alarm inside the house on the wall that is attached to the garage or is outside the sleeping area.

(6) *Resident Education (1 point)*.

(a) *Minimum Requirements (1 point)*. One point will be awarded for projects that incorporate the following Residential Education minimum requirement:

(i) *Instruction Manual*. Provide a manual that includes the following: a routine maintenance plan; instructions for all appliances, HVAC operation, water-system turnoffs, lighting equipment and other systems that are part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the occupant about proper use and maintenance of all building systems; and information on how to maintain the Green features of the site, including paving materials and landscaping.

(b) *Additional Elements*. None.

(7) *Recommended Energy Efficient and Green Elements (no points)*.

HUD strongly recommends that applicants incorporate additional energy efficient and Green elements into their project designs. However, the inclusion or exclusion of these elements will not be considered in rating an applicant's

submission. The recommended elements are listed in Appendix 3.

In addition to the elements identified under part A, above, rating points will be assigned based upon whether the applicant is pursuing policies that:

b. *Part B (up to 1 point)*. Remove or ameliorate any negative effects that public policies identified by you in your Consolidated Plan may have on the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction.

c. *Part C (up to 1 point)*. Preserve the affordability of privately-owned housing that is vulnerable to conversion, demolition, disinvestment, or abandonment.

d. *Part D (up to 1 point)*. Increase the supply of housing that is affordable to very low-income and low-income persons, particularly in areas that are accessible to expanding job opportunities.

e. *Part E (up to 1 point)*. Remedy the effects of discrimination and improve housing opportunities for disadvantaged minorities.

f. *Submission Requirements for Selection Criterion 3*. Applicants must submit a clear and concise response to each of the five parts A through E listed above. Each page of the submission must be numbered.

(1) For part (A), subsections (1)–(6), you, the applicant, must indicate with an "X" or a checkmark, each Minimum Requirement and Additional Element that you commit to incorporate into your proposed project design and construction. Leave a blank next to any Minimum Requirement or Additional Element that you do not commit to incorporate. You may reproduce the list of Requirements and Elements in your application to facilitate your response. Please note that if your completed project does not incorporate the minimum requirements or the additional elements you committed to in your submission, then you will become subject to the repayment of funds awarded under this HOME competition. There is a maximum limit of five pages (letter-sized, single-sided) for your response to part (A).

(2) For parts (B) through (E), you, the applicant, must identify the specific policies you are pursuing, the actions you have taken or will take to implement each policy, the effects of each action on achieving each policy objective, the current implementation status, and the completion timeline. There is a maximum limit of four pages (letter-sized, single sided) for your responses to parts (B) through (E).

f. *Final Ranking and Conditional Awards*. The points received by each

applicant for the three selection criteria will be totaled and the applicants will be rank ordered from highest to lowest score. HUD will award \$250,000 to the applicant receiving the highest score. HUD will award \$250,000 to the applicant receiving the next highest score, and so on in rank order, until the balance of funds remaining is less than \$250,000. Should two or more applicants have tie scores for the final award, the applicants will be selected in the order of: (1) The applicant receiving the highest score for Selection Criterion 3 part A: Make housing more affordable through the use of energy efficient and environmentally-friendly (Green) designs, technologies and policies; (2) the applicant receiving the highest score for Selection Criterion 3 part A(1): Energy Efficiency and Renewable Energy; and (3) the applicant proposing to produce the greatest number of Energy Star Certified housing units. The awards are conditional pending execution of a grant agreement between HUD and the HOME Participating Jurisdiction that is the applicant. The HOME funds awarded under this NOFA may be combined with other federal funds, including regular HOME Program funds, and with state, local or private funding to develop the required energy efficient and environmentally-friendly (Green) housing for low-income families.

VI. Application Requirements and Checklist for Application Submission

The application consists of the items listed below. The standard forms that are applicable to this funding (collectively referred to as the "standard forms") can be found in Appendix 2. The following checklist helps to ensure that all of the required items have been submitted.

___ HUD-424, Application for Federal Assistance signed by the authorized representative of the Participating Jurisdiction applying for the funds

___ Table of Contents

___ Narrative Statements Addressing:

___ Threshold Criterion Narrative (maximum 1 page)

___ Selection Criterion 3 Part A, subsections (1)–(6)—Narrative Checklist (maximum 5 pages)

___ Selection Criterion 3 Parts (B), (C), (D), (E)—Narratives (maximum 4 pages)

Forms:

___ HUD-2880, Applicant/Recipient Disclosure/Update Report

___ HUD-2993, Acknowledgment of Application Receipt

The standard form HUD 424 can also be downloaded from: <http://>