



U.S. Department of Housing
and Urban Development

FY26 Pathways to Removing Obstacles to Housing (PRO Housing)

CPD-2600-DC-0098

Applications are due by 11:59:59 PM Eastern Time on 08/03/2026.

Community Planning and Development

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BEFORE YOU BEGIN

If you are a good candidate for this funding opportunity, register in the required systems and review the application materials. If you are already registered, confirm that your information is current and active.

SAM.gov Registration

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

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

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

See [Section VI.B](#). Submission Methods.

Find the Application Package

Use the Grants Search at [Grants.gov](https://grants.gov) and search for opportunity number CPD-2600-DC-0098 . The application package has all the online forms you need to apply. You also need to access the Download Instructions link and review the content before you apply.

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

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

Application Deadline

Applications are due by 11:59:59 PM Eastern Time on 08/03/2026.

HUD Listserv

To get **email alerts** about current and future funding opportunities, **subscribe** to [HUD's Funding Opportunities listserv](#).

I. BASIC INFORMATION

I. Basic Information

A. Summary

B. Agency Contact(s)

I. BASIC INFORMATION

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

A. Summary

Federal Agency Name:

United States Department of Housing and Urban Development (HUD)

HUD Program Office:

Community Planning and Development

Announcement Type:

Initial

Program Type:

Discretionary

Paperwork Reduction Act Information:

2506-0220

Due Date for Intergovernmental Review:

See [Section VI.C.1.](#)

Key Facts

Opportunity Name:

FY26 Pathways to Removing Obstacles to Housing (PRO Housing)

Opportunity Number:

CPD-2600-DC-0098

Federal Assistance Listing(s):

14.023

Key Dates

Application Due Date:

11:59:59 PM Eastern Time on:

08/03/2026

Anticipated Award Date:

11/12/2026

Estimated Performance Period Start Date:

12/01/2026

Estimated Performance Period End Date:

11/30/2032

1. NOFO Summary

The Pathways to Removing Obstacles to Housing (PRO Housing) program provides competitive awards to State governments, County governments, City or township governments, Metropolitan Planning Organizations (MPOs), and Multijurisdictional Entities to help communities reduce regulatory barriers to affordable housing production and

preservation and increase the housing affordability.

2. Funding Details

Type of Funding Instrument

G (Grant)

Available Funds

Funding of approximately **\$50,000,000** is available through this NOFO.

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

HUD reserves the right to add additional funds to the competition at any time.

Estimated Number of Awards

10 awards from [available funding](#)

Length of Performance Period:

72-month project period and budget period

Length of Periods Explanation:

It is a 6-year period of performance from the project start date.

B. Agency Contact(s)

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

II. ELIGIBILITY

II. Eligibility

A. Eligible Applicants

B. Eligible Applications

C. Cost Sharing or Matching

II. ELIGIBILITY

A. Eligible Applicants

If your organization is not an eligible applicant, your application won't be reviewed or scored, and you won't receive funding from HUD.

1. Eligible Entity Types:

00 (State governments)

01 (County governments)

02 (City or township governments)

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

Additional Information on Eligibility

You cannot apply as an individual.

[Faith-based organizations](#) may apply just like any other organization. [HUD does not have any policies or practices that unfairly target these institutions.](#)

Other eligible applicants include Metropolitan Planning Organizations (MPOs) and Multijurisdictional Entities. Refer to the Program Definitions in Appendix I.2 of this NOFO to review how these terms are defined in the PRO Housing program.

Prospective eligible applicants with overlapping geographies (e.g., a county government and a city government located within that county) are encouraged to partner on a single application, rather than submitting two competing applications. Per statute, only government-based entities are eligible to apply directly for PRO Housing funding.

Applicants that were awarded funds from the Fiscal Year 2023 (FY23) or Fiscal Year 2024 (FY24) PRO Housing competition are eligible to apply for funds under this NOFO; however, you must propose a new project not previously included in your prior application, and that project must create new units or rehabilitate existing units. At least \$35M out of the \$50M will be for applicants who have not received prior PRO Housing awards.

HUD will neither evaluate applications from nor award grants to any entity that does not meet the criteria above.

2. Restrictions

a. Statutory and Regulatory Requirements

You must meet the current [General Statutory and Regulatory Eligibility Requirements](#). If you do not meet these requirements, your application won't be scored, and you won't receive funding from HUD. This is a threshold requirement for all HUD funding.

b. Resolution of Civil Rights Matters

If you have any outstanding or unresolved judgments for violating civil rights laws, you must settle them before you apply. If you don't, settle the civil rights law violations before you apply,

your application won't be scored, and you won't receive funding from HUD. This is a threshold requirement for all HUD funding.

B. Eligible Applications

1. An application from an [eligible entity](#) is considered for funding if it meets basic [threshold requirements](#) and passes [merit review](#).
2. Your application must support the [goals](#) of this NOFO.
3. Awards made under this NOFO will not be used to conduct activities that subsidize or facilitate illegal racial preferences or other forms of illegal discrimination, including activities where race or intentional proxies for race will be used as a selection criterion for employment or program participation.

C. Cost Sharing or Matching

This Program does not require [cost sharing or matching](#) but provides points based on leverage, as described below.

HUD will award points for leverage in Rating Factor 2 (Soundness of Approach) for applications that propose financial leverage and provide the required firm commitments and supporting documentation to support each source of financial leverage. Grantees must secure and use all financial leverage by the end of the period of performance. Grantees may use other federal sources as financial leverage only if a program's authorizing statute permits such use. Grantees will also report on any leveraged funds received and used in association with this application.

III. PROGRAM DESCRIPTION

III. Program Description

A. Purpose

B. Goals and Objectives

C. Authority

D. Unallowable Costs

E. Indirect Costs

III. PROGRAM DESCRIPTION

A. Purpose

The Pathways to Removing Obstacles to Housing (PRO Housing) program provides competitive awards to State governments, County governments, City or township governments, Metropolitan Planning Organizations (MPOs), and Multijurisdictional Entities to help communities reduce regulatory barriers to affordable housing production and preservation and increase the housing affordability.

B. Goals and Objectives

As President Trump said in his Executive Order on Removing Regulatory Barriers to Affordable Home Construction (March 13, 2026),

The American dream of homeownership depends on a dynamic housing market in which a varied inventory of new homes is built and renovated each year. Layers of unnecessary regulatory barriers, slow permitting processes, and onerous mandates at all levels of government have delayed construction, restricted development, and driven up the costs of new housing. These constraints have made housing less affordable for many Americans.

It is the policy of my Administration to reduce regulatory barriers to building homes and to steward taxpayer dollars in a manner that promotes housing affordability.

HUD's PRO Housing program rewards communities that have taken steps to remove regulatory barriers to building and preserving homes by providing funding to further expand affordable housing, particularly homeownership opportunities and housing located in Opportunity Zones and rural communities.

HUD is issuing this Fiscal Year 2026 (FY26) PRO Housing NOFO under the authority of the Consolidated Appropriations Act, 2026, which provided \$50 million for competitive grant funding for state and local governments, metropolitan planning organizations (MPOs), and multijurisdictional entities.

The Appropriations Act requires HUD to award grants using the Community Development Block Grant (CDBG) framework. As with all CDBG assistance, the priority is to serve low- and moderate-income people and households. HUD shall select applicants that demonstrate: (1) progress and a commitment to eliminating local barriers to facilitate the increase in affordable housing production and preservation, through enactment or implementation of less restrictive zoning, land use, or permitting laws and regulations; (2) an acute need for housing affordable to households with incomes below 100 percent of the area median income; and (3) a commitment to create new homeownership units before the expiration of the funding performance period.

Applicants and grantees are reminded of the President's Executive Orders on Ending Illegal Discrimination and Restoring Merit-Based Opportunity (January 221, 2025) and Ending Radical and Wasteful Government DEI Programs and Preferences (January 20, 2025) and their applicability to PRO Housing funding. PRO Housing funding may not be used to fund "illegal and immoral discrimination programs, going by the name 'diversity, equity, and

inclusion."

In addition to thoroughly reviewing this NOFO, applicants are strongly encouraged to monitor HUD's [PRO Housing website](#) for information about general updates, Frequently Asked Questions, and PRO Housing webinars.

HUD has four goals for this competition:

1. Decrease the cost and increase the supply of affordable housing, especially in Opportunity Zones and rural communities.
2. Remove barriers to affordable housing, removal of which will lead to constructing or rehabilitating more units, reducing time to produce units, and unlocking land that can be used for affordable housing units.
3. Reward jurisdictions that have enacted laws and regulations that will lead to more affordable housing production and preservation.
4. Increase opportunities for affordable homeownership by reducing administrative and structural barriers.

This NOFO supports HUD's 2026 Annual Performance Plan [to accomplish HUD's mission](#) and vision, specifically Priority 1, Reduce Barriers to Affordable Housing. Applicants and grantees are expected to align their projects to HUD's strategic goals and establish a plan to track progress toward achieving the goals.

C. Authority

The funding for PRO Housing under this NOFO is provided by the Consolidated Appropriations Act, 2026 (Public Law 119-75, approved February 3, 2026) [FY26 Appropriations Act]. The program authority for PRO Housing is Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and Public Law 119-75.

Except as described in this NOFO and its appendices, statutory and regulatory provisions governing the CDBG program, including Title I of the Housing and Community Development Act of 1974 and 24 CFR part 570, shall apply to the use of these funds. For CDBG entitlement communities, non-entitlement local governments, multijurisdictional entities, and metropolitan planning organizations, regulatory provisions at 24 CFR part 570 subparts A, C, D, J, K, and O apply, as appropriate. For states, 24 CFR part 570 subpart I applies; however, Appendix IV.5.a.i of this NOFO waives the requirement for states to distribute funds through a method of distribution as is required for annual State CDBG funds.

D. Unallowable Costs

General provisions about unallowable costs applicable to CDBG programs can be found under [2 C.F.R. part 200 Subpart E](#).

E. Indirect Costs

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

All else being equal, preference for discretionary awards should be given to institutions with lower indirect costs rates.

Normal indirect cost rules under [2 CFR part 200, subpart E](#) apply. If you intend to charge your indirect costs to the 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. Recipients and subrecipients that do not have a current Federal negotiated indirect cost rate (including provisional rate) may elect to charge a de minimis rate of up to 15 percent of modified total direct costs (MTDC). Your application must clearly state you intend to use the de minimis rate and the percentage of the Modified Total Direct Costs (MTDC), as defined at [2 CFR 200.412-414](#). Costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both, as described in [2 CFR 200.412](#). 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.

State and local governments. If your department or agency unit has a Federally negotiated indirect cost rate, your application must include that rate, the applicable distribution base, and a letter or other documentation from the cognizant agency showing the negotiated rate. If your department or agency unit receives more than \$35 million in direct Federal funding per year, you may not claim indirect costs until you receive a negotiated rate from your cognizant agency for indirect costs as provided in [Appendix VII to 2 CFR part 200](#).

If your department or agency unit receives no more than \$35 million in direct Federal funding per year and your department or agency unit has developed and maintains an indirect cost rate proposal and supporting documentation for audit in accordance with [2 CFR Part 200, Appendix VII](#), you may use the rate and distribution base specified in that indirect cost rate proposal. Alternatively, if your department or agency unit receives no more than \$35 million in direct Federal funding per year and does not have a current negotiated rate (including provisional) rate, you may elect to use the de minimis rate of 15 percent of MTDC. As described in [2 CFR 200.412](#), 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 your department or agency chooses to negotiate for a rate, which you may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

F. PRO Housing Program History

In 2024, HUD awarded \$85 million of FY 2023 PRO Housing competitive funds to 21 organizations across 19 states and the District of Columbia. For the second round of \$100 million in FY 2024 PRO Housing funds, HUD made 18 awards across 14 states.

Changes from Previous NOFO

- Increased focus on using PRO Housing funding for activities that directly increase the supply of affordable housing.
- Prioritization of homeownership activities, rural areas, and Opportunity Zones.
- Prohibition on use of PRO Housing for DEI activities, per EO 14151.
- Additional focus on quantifiable results in increasing the amount of affordable housing within the period of performance.
- Maximum award amount increased to \$10 million.
- Minimum award increased to \$5 million.
- No unscored attachments are required.
- Page limit was reduced to 25 pages.
- The requirements for presenting your proposed activities are simplified to be clear and direct. Leverage and performance measures (with long term effect) were incorporated into the discussion of activities in the Soundness of Approach section. Leverage and performance measures (with long term effect) were incorporated into the discussion of activities in the Soundness of Approach section.
- Updated geographic scope with new language.
- Budget narrative requirements are more clearly defined and worth more points.
- The Budget and schedule are scored separately.
- The expectations for what to present in your schedule are clear and direct.
- Since construction of affordable housing is the focus, a subsection for developer capacity has been added to Soundness of Approach.
- The Form HUD-424-CBW is required, but since it will be referenced in the scoring, it cannot be considered a curable technical deficiency. Applicants must include it in their initial submission. Form 424-CBW will not be counted toward the narrative page limit.

G. PRO Housing Other Information

PRO Housing Program-Specific Requirements

1. **National objectives.** Each PRO Housing activity, other than general administration and planning, must meet a CDBG national objective pursuant to Section 101(c) of the Housing and Community Development Act of 1974. This means each activity must benefit low- and moderate-income (LMI) persons, aid in the prevention or elimination of slums or blight, or meet an urgent need. Since this is an affordable housing program, successful applicants will utilize the LMI benefit subcategory of low- and moderate-income housing national objective, which is an eligible activity carried out for the purpose of providing or improving permanent residential structures, which, upon completion, will be occupied by low-and moderate-income households (24 CFR § 570.208 (a)(3)). Applicants who have not administered CDBG funding are encouraged to familiarize themselves with program specific and crosscutting requirements,

including environmental review, procurement, fair housing, and labor standards.

2. Eligible activities.

- a. Each proposed activity must be eligible pursuant to section 105(a) of the Housing and Community Development Act of 1974 and applicable program regulations at 24 CFR part 570, as applied and modified by this NOFO, or receive an eligibility waiver for the activity. Applicants may submit a waiver request pursuant to Appendix II (Waiver Requests) of this NOFO.
 - b. Eligible activities must increase the supply of affordable housing. If an activity will identify and seek to remove one or more barriers to affordable housing, the activity must also directly result in actual affordable housing units constructed or preserved during the performance period.
 - c. Unlike the CDBG formula program, PRO Housing funds can be used for new construction of affordable housing. HUD is waiving 42 U.S.C. 5305(a) and 24 CFR 570.207(b)(3) and adopting alternative requirements to the extent necessary to permit new construction of housing, subject to the same requirements that apply to rehabilitation activities under the provisions at section 105(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(4)) and 24 CFR 570.202(b).
 - d. Eligible activities may include, but are not limited to, the following examples listed below. These examples are organized into general categories.
 1. **Development activities** including new construction of affordable housing and mixed income housing to the greatest extent possible.
 2. **Infrastructure activities** directly related to new housing development.
 3. **Housing preservation activities**, which includes rehabilitation of existing housing.
 4. **Planning supporting affordable housing.** Grantees may use PRO Housing funds to further develop, evaluate, and implement existing housing policy plans and to improve housing strategies if it also directly results in actual affordable housing units constructed or preserved during the performance period. Up to 10 percent of funding can be used for planning and administration. For states, planning and administration can account for \$100,000 plus up to three percent of the grant award, and any amount above \$100,000 must be matched. Grantees may not fund the general conduct of government. Please note that while planning and policy activities are eligible activities with FY 2026 PRO Housing funds, applications that only include planning activities will likely not score high enough to be funded.
3. **Affordability.** The minimum affordability standards acceptable for compliance are the HOME Investment Partnerships Program (HOME) requirements at 24 CFR 92.252(a), (d), and (e) (rental housing) and 24 CFR 92.254(a)(1)-(4) (homeownership). HOME Investment Partnerships Program (HOME) requirements at 24 CFR 92.252 (d) and (e) (rental housing) will apply to Homesite Renters who will pay no more than 30 percent

of gross income on housing costs, including site rental, fees, and utilities. If a grantee applies other standards, the standards must meet or exceed rent limitations and the periods of affordability in the applicable HOME requirements. HUD requires any affordability standards to be enforceable and imposed by recorded use restrictions, covenants, deed restrictions, or other mechanisms to ensure that the rental housing remains affordable for the required period of time.

4. **Ineligible activities.** Activities that are ineligible for PRO Housing funding include:
 - a. Any activity that does not meet a national objective (either benefits LMI persons, aids in the prevention or elimination of slums or blight, or meets an urgent need.)
 - b. Any activity that is not eligible under Section 105(a) of the Housing and Community Development Act of 1974, applicable implementing regulations, and this NOFO unless a waiver is obtained from HUD.
 - c. Any activity that is not in compliance with applicable fair housing, nondiscrimination, labor standards, and environmental review requirements.
 - d. Any activity carried out on or before the date of the letter announcing the award of the grant or the date the grant agreement is signed (whichever is earlier). Note with exception that an existing CDBG grantee may choose to use existing CDBG funds to assist in applying for other federal grant programs if the grantee certifies that the program would meet local community development objectives.
 - e. Any activity to carry out the regular responsibilities of the unit of general local government or for buildings or portions thereof used for the general conduct of government. Grantees may and are encouraged to use leverage funding for such unallowable costs.
 - f. Any activity that results in a net decrease in allowable or actual housing construction. Rezoning efforts and development activities must ensure a net increase in zoned capacity or number of homes, respectively, to be considered for funding. HUD will not consider up-zoning efforts which are accompanied by down-zoning elsewhere, or managed retreat projects or development activities if they will not result in an increase in affordable housing units. HUD may make an exception to this requirement for a relocation or buyout program that is identified as a strategy for mitigation from an environmental or natural hazard (e.g., flood prevention or remediation from contaminants).
5. **Waivers:** For information about waivers HUD is providing for the PRO Housing competition, applicants should refer to Appendix IV, PRO Housing Post-Award Requirements of this NOFO. For information about how to request additional waivers, refer to Appendix II of this NOFO.
6. **Statutory Time Limits: *Required Expenditure Date.*** This NOFO establishes that a grantee must expend funds in a manner that meets all PRO Housing program requirements. HUD must obligate all FY 2026 PRO Housing funds by September 30, 2029, and HUD expects all grantees to expend all PRO Housing funds by the end of the period of performance, or by September 20, 2034, whichever is earlier. If the

grantee does not obligate all of the FY26 PRO Housing funds by September 30, 2029 HUD will have considered it to have failed to carry out PRO Housing activities in a timely manner, and may exercise remedies available under 24 CFR 570 subpart O. Amounts provided by the FY26 Appropriations Act, in accordance with 31 U.S.C. 1552, will cancel and be returned to Treasury by the end of September 30, 2034. In no circumstance will HUD extend a period of performance beyond such cancellation dates.

7. **Grant Size.** The minimum grant award is \$5 million and maximum grant award is \$10 million.
8. **Cost Control Standards.**
 - a. Cost estimates must represent an economically viable preliminary plan for designing, planning, and carrying out the proposed activities, in accordance with local costs of labor, materials, and services.
 - b. Projected soft costs must be reasonable and comparable to industry standards and in accordance with this NOFO, statute and/or regulations.
 - c. Grantees must provide a detailed budget identifying the specific use of all grant funds.
9. **Budget Deductions.** HUD may delete any unallowable items from the proposed budget and may reduce the grant amount accordingly. HUD will not fund any portion of an application that: (a) is not eligible for funding under specific HUD program statutory or regulatory requirements; (b) does not meet the requirements of this NOFO; or (c) is duplicative of other funded programs or activities from prior awards or other selected applicants. Only the eligible portions of an application (excluding duplicative portions) may be funded.
10. **Grant Reduction, Recapture, or Withdrawal of Grant Amounts.** HUD reserves the right to amend an award and reduce the amount or recapture the grant. Additionally, HUD reserves the right to withdraw any grant funds a grantee has not obligated under its award, or any funds that a grantee has not accepted after being awarded. Prior to a reduction, withdrawal, or adjustment of a grant, the grantee shall be notified of such proposed action and given an opportunity within a prescribed time period for an informal consultation. HUD may redistribute any amounts to one or more other applicants eligible for PRO Housing funding.
11. **Executive Orders.** Proposals must be in compliance with all current Executive Orders, including but not limited to the following, and to the extent authorized by law:
 - a. [Executive Order 14173](#), "Ending Illegal Discrimination and Restoring Merit-Based Opportunity"
 - b. [Executive Order 14281](#), "Restoring Equality of Opportunity and Meritocracy"
 - c. [Executive Order 14321](#), "Ending Crime and Disorder on America's Streets"
 - d. [Executive Order 14332](#), "Improving Oversight of Federal Grant Making"
 - e. [Executive Order 14394](#), "Removing Regulatory Barriers to Affordable Home

Construction"

- f. Executive Order 14151, "Ending Radical and Wasteful Government DEI Programs and Preferencing"

IV. APPLICATION CONTENTS AND FORMAT

IV. Application Contents and Forms

A. Standard Forms, Assurances, and Certifications

B. Budget

C. Narratives and Other Attachments

D. Other Application Content

TABLE OF CONTENTS

IV. APPLICATION CONTENTS AND FORMAT

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

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

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

Do not submit password protected or encrypted files.

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

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

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

Name: Benjamin C. Schwartz

Email: CDBG-PROHousing@hud.gov

HUD Organization: 451 7th Street SW, Washington, DC, 20410

25 pages is the total maximum length of all narratives.

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

A. Standard Forms, Assurances, and Certifications

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

If you are applying for an award for scientific research, you must commit to complying with administration policies, procedures, and guidance respecting Gold Standard Science (EO 14303).

| Forms/Assurances/ Certifications | Submission Requirement | Notes/Description |
|---|--|--|
| Application for Federal Assistance (SF-424) | Required with the application | Page limit: Not applicable File name: SF-424 |
| Applicant and Recipient Assurances and Certifications (HUD 424-B) | Required with the application | Page limit: Not applicable File name: HUD-424B |
| Applicant/Recipient Disclosure/Update Report (HUD 2880) | Required with the application | Page limit: Not applicable File name: HUD-2880 |
| Certification Regarding Lobbying | Required with the application | Page limit: Not applicable File location: Appendix III, Section VI of this NOFO File name: Lobbying Certification form |
| Disclosure of Lobbying Activities (SF-LLL) | If applicable, required with the application | Page limit: Not applicable File name: SF-LLL |
| Certification for a Drug-Free Workplace (HUD-50070) | If applicable, required with the application | Page limit: Not applicable File name: HUD-50070 |
| Assurances for Non-Construction Programs (SF-424B) | If applicable, required with the application | Page limit: Not applicable File name: SF-424B |
| Assurances for Construction Programs (SF-424D) | Required with the application | Page limit: Not applicable File name: SF-424D |

| Forms/Assurances/Certifications | Submission Requirement | Notes/Description |
|---|---|--|
| Certification for Opportunity Zone Preference Points (HUD 2996) | If applicable, required with the application | Page limit: Not applicable File name: HUD-2996 |
| PRO Housing Certification | Required with the application. Must be signed and dated in the NOFO period. | Page limit: Not Applicable Form location: Appendix III Sections I-IV of this NOFO, select the relevant form for applicant type. File Name: PRO Housing Certification |

Additional explanation for Required Forms.

To pass threshold and be considered for PRO Housing funding, **you must accurately complete and submit all of the required forms.** While some technical errors may be curable, many are not. Complete and accurate submission of all the required forms will reduce the time it takes to review applications and allow you to complete threshold requirements to be considered for funding. Following these explanations below will help you ensure that your forms are complete.

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

- The SF-424 is the government-wide form required to apply for Federal assistance programs, discretionary awards, and other forms of financial assistance programs. You must complete and submit the form with the other required forms and information as directed in this NOFO.
- By signing the forms in the SF-424 either through electronic submission you and the signing authorized organization representative affirm that you both have reviewed the certifications and assurances associated with the application for Federal assistance and (1) are aware the submission of the SF-424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which HUD will rely when making an award to the applicant. If it is later determined the signing authorized organization representative to the application made a false certification or assurance, caused the submission of a false certification or assurance, or did not have the authority to make a legally binding commitment for the applicant, the applicant and the individual who signed the application may be subject to administrative, civil, or criminal action. Additionally, HUD may terminate the award to the applicant organization or pursue other available remedies. Each applicant is responsible for including the correct certifications and assurances with its application submission.

- The SF 424 must be signed by the Authorized Representative and dated within the competition period. 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, but is under the wrong Assistance Listing and Funding Opportunity Number, is a Non-Curable Deficiency, and will be rejected, unless otherwise stated under this threshold requirements section. When applying with a UEI that does not match the organization name as registered in sam.gov will result in an ineligible applications.

Assurances (HUD 424-B)

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

Applicant Disclosure Report Form 2880 (HUD 2880)

Completion of the form HUD 2880 is required if you are applying for assistance within the jurisdiction of HUD to any project subject to Section 102(d) of the [HUD Reform Act](#). Assistance is provided directly by HUD to any 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.](#)

Important: You must fill out the Applicant/Recipient Information at the beginning of the form completely. Under Part I, *Threshold Determinations*, you must check 'Yes' to both questions, because you are applying for a specific competitive program and you must request a minimum of \$5 million in grant funds through this program. Under Part II, *Other Government Assistance Provided or Requested/Expected Sources and Use of Funds*, and Part III, *Interested Parties*, fill out as applicable, or mark as not applicable (do not leave blank). You must complete all sections of this form, specific to your PRO application, and the authorized representative listed on the SF-424 must sign and date the form during the application period.

Code of Conduct

Both you, as the award recipient, and all subrecipients must have a code of conduct (or written standards of conduct). The code of conduct must comply with the requirements included in the "Conducting Business in Accordance with Ethical Standards" section of the General Administrative, National and Departmental Policy Requirements and Terms for HUD Financial Assistance Awards, as well as any program-specific requirements. These requirements include ethical standards related to conflicts of interest for procurements in 2 CFR 200.318(c) and 2 CFR 200.317, as well as HUD-specific conflict of interest standards. HUD maintains a list of organizations that have previously submitted written standards of conduct on its Code of Conduct for HUD Grant Programs webpage. It is your responsibility to ensure that the standards are compliant with the noted requirements and that HUD has the latest version of the written standards. Updated written standards should be submitted with the application. Any updates to your written standards, after the application period, should be submitted as directed by the HUD program contact for this NOFO.

Lobbying Activities

Applicants are subject to the provisions of Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment), and 24 CFR part 87, which prohibit recipients of federal awards from using appropriated funds for lobbying the executive or legislative branches of the Federal government in connection with a Federal award. All applicants must submit with their application the signed "Certification Regarding Lobbying" form. In addition, applicants must disclose, using Standard Form LLL (SF-LLL), "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of congress, or congressional staff regarding specific awards.

- i. **Certification Regarding Lobbying.** All applicants must submit this certification with their application. It is located in Appendix III Section VI of this NOFO. The Certification Regarding Lobbying form must be signed by the Authorized Representative listed on the SF-424, and dated within the competition period.
- ii. **Disclosure of Lobbying Activities (SF-LLL).** Download this form as part of the Application Package for this NOFO, if applicable. You must complete all sections of this form, specific to your proposed PRO Housing program, and the person listed on the SF-424 must sign and date the form during the application period.

False Statements

Applicants acknowledge their understanding that providing false or misleading information during any part of the application, award, or performance phase of an award may result in criminal, civil or administrative sanctions, including but are not limited to: fines, restitution, and/or imprisonment under 18 U.S.C. 1001, 18 U.S.C. 1012, 18 U.S.C. 1010, 18 U.S.C. 1014, or 18 U.S.C 287; treble damages and civil penalties under the False Claims Act, 31 U.S.C. 3729 et seq.; double damages and civil penalties under the Administrative False Claims Act, 31 U.S.C. Sections 3801–3812; civil recovery of award funds; suspension and/or debarment from all federal procurement and non-procurement transactions, FAR Part 9.4 or 2 CFR Part 180; and other remedies including termination of active HUD award.

B. Budget

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

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

| Budget Form/Document | Submission Requirement | Notes/Description |
|---|---|---|
| Grant Application Detailed Budget Worksheet (HUD-424-CBW) | Required with the application | Page limit: Not applicable File name: HUD-424CBW Form location: download instructions |
| Indirect Cost Information Certification (HUD-426) | If applicable, this document is required with the application and after award | Page limit: Not applicable File name: ICR Doc. Form location: download instructions |

424-CBW budget form

Applicants must complete the 424-CBW budget form and provide a breakdown of the aggregate numbers detailing the funding allocation proposed including PRO Housing funding, leverage, and other funding planned for to each activity in your narrative. The information in your 424-CBW form should align exactly to what is in your narrative.

The form is accessible online at [424-CBW.xls](#). Instructions on how to complete the form are also available on the third tab of the 424-CBW, labeled "PRA and Instructions." Both the form and instructions are also available in the [grants.gov](#) Application Package for this NOFO. Form 424-CBW is a required form, but since it will be used for the narrative review, failure to include it in your application package is not a curable technical deficiency and may affect your score.

C. Narratives and Other Attachments

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

| Document | Submission Requirement | Notes/Description |
|----------------------------|--|--|
| Response to Rating Factors | Required with the application | See Section V.B File names: See Section IV.D.2 |
| Code of Conduct | If not included in HUD's eLibrary , this document is required with the application | Page limit: Not applicable File name: Code of Conduct Acceptable Content |

D. Other Application Content

Instructions on Application Organization and Content.

All narrative exhibits, attachments, and forms are required to be submitted in your application unless otherwise indicated. Review the Threshold Eligibility Requirements in Section IV and the Review Criteria in Section V for details about what should be submitted. Please be advised that not providing information clearly and consistently, and/or not providing exhibits and attachments in accordance with the instructions and documentation requirements in this NOFO, may negatively impact HUD's ability to determine if your application meets threshold requirements or to score your application. This could result in your application not being able to be scored and ranked or a lower score. Please also only submit documents that are required to respond to a threshold requirement and/or rating factor.

HUD forms required by this NOFO are provided in the application package download at [grants.gov](https://www.grants.gov). The list of narrative exhibits and attachments is provided below, along with instructions for each.

1. **Title Page and Table of Contents.** Provide a title page for each section and table of contents matching the submission requirements of this section. The title pages and table of contents do not count towards the 25-page limit for narratives.
2. **Narrative Exhibits.** The narrative exhibits required in your applications are as follows:
 - **Exhibit A Progress and Need.** Provide a narrative response to V.B.1.a
 - **Exhibit B Soundness of Approach.** Provide a narrative response to V.B.1.b, and Form 424-CBW
 - **Exhibit C Capacity.** Provide a narrative response to V.B.1.c
3. **Required Attachments.** Threshold Requirements and Other Submission Requirements Review and respond to the Threshold Requirements in Section IV and Section V. The required attachments do not count towards the 25-page limit for narratives.
 - **Attachment A: Application Certifications and Standard forms**
 - **Attachment B: Evidence of Partnership letters as applicable**
 - **Attachment C: Evidence of Leverage documentation as applicable**
 - **Attachment D: (Optional) Evidence of public participation.** Applicants have the option of providing evidence of the reasonable notice of your public hearing and the publication of the application for public comment, consistent with Appendix IV.4 and Appendix IV.5.c of the NOFO.
 - **Attachment E: (Optional) Summary of comments received on published Application and list of commenters by name/organization.**
4. **Form and Format.** Narratives and other attachments to your application must follow the following format guidelines.
 - Do not submit password protected or encrypted files.
 - Each narrative exhibit should be uploaded as its own separate file, with a title page based on the organization instruction in the section above. Do not upload

an application that has multiple exhibits or attachments in the same file. HUD will use title pages as tabs when it downloads the application. Each title page should only contain the name of the narrative exhibit or attachment (e.g., "Exhibit B Soundness of Approach") and the name of the Applicant.

- **WARNING:** The file name should be fewer than 50 characters and not include spaces or special characters. Also, please note that Grants.gov is a system used by the entire Federal government and its structure does not necessarily reflect this NOFO distinctly (i.e. its Attachment 1 does not refer to PRO Housing Attachment 1). Applicants may zip together the multiple attachment files (in one or more zip files, depending on the size) they have prepared in accordance with this NOFO and enter them into the slots provided by Grants.gov.
- The narrative shall be 12-point (minimum) Times New Roman font on letter sized paper (8 1/2 x 11 inches) with at least 1-inch margins on all sides. Double spacing is not required, but the maximum page limit for narratives (Exhibits A through C) applies to all applicants.

5. Application Layout

- The first part of an application is comprised of a title page, table of contents, and narrative exhibits. The narrative exhibits respond to requirements, rating factors, and other criteria in the NOFO.
 - Title page, table of contents, and tabs/title pages that are blank or display a title/header/'n/a' indication do not count towards the 25-page limit of narratives.
 - Tables, figures, and maps, if included in the narrative portion of the application (as part of Exhibits A through C), count towards the 25-page limit for narratives.
 - Each oversized page (e.g., 11x17), if included in the narrative portion of the application (as part of Exhibits A through C), used only for tables, figures, maps, or other illustrative content, will count as one-page towards the 25-page limit for narratives. Oversized pages will count as two pages towards the 25-page limit if narrative content is included on them. Oversized pages are acceptable as attachments for the purposes of sharing tables, figures, maps, or other illustrative content, and will not count toward the 25-page limit, unless narrative content is included on them.
- The second part of an application is comprised of attachments (Attachments A-E). These documents respond to threshold and mandatory documentation requirements. They include documents such as application data forms and various certifications, and may contain maps, illustrative content, or photographs. Attachments do not count towards the 25-page limit for narratives.
 - If a attachment is not applicable, still submit it and indicate 'N/A' as a clear indication to HUD (do not leave the section blank).

- All pages must be numbered. HUD recommends applicants consecutively number the pages of the Attachments section to ensure proper assembly of their application if printed.
- Any pages marked as sub-pages (e.g., with numbers and letters such as 25A, 25B, 25C), will be treated as separate pages and if part of the narrative portion of the application (as part of Exhibits A through C), will count towards the 25-page limit for narratives.
- Do not format the narrative exhibits in columns. Pages with text in columns will be counted as two pages.

6. **Application Page Count.** The 25-page narrative page count maximum applies to Exhibits A-C and does not include the table of contents, Tabs/title pages that are blank or display a title/header/'n/a' indication, and Attachments A-E. The page limit does not include additional pages submitted at the request of HUD in response to a technical deficiency. Any pages beyond the 25 page limit will not be reviewed. HUD will not consider the information on any excess pages, potentially resulting in a lower score.

1. Technical Application Errors

HUD will contact you to fix a technical error with your timely application after the due date. Technical errors, if corrected, do not affect (positive or negative) your merit rating under this NOFO. Examples of technical errors include, but are not limited to: inconsistencies in funding requests; a missing or incomplete form or certification; failure to submit an otherwise sufficient application under the correct Assistance Listings number or Funding Opportunity Number in Grants.gov; improper signature on a form or certification; and missing or inappropriate eligibility documentation.

HUD will send notice to the [authorized organization representative](#) to fix a technical error. You must respond timely and appropriately to HUD's notice (see [submission requirements](#)).

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

Technical errors that you may fix are not submitted to satisfy merit review criteria.

HUD will not consider information from applicants after the application deadline except for responses to requests tied to HUD identified technical errors (also referred to as curable deficiencies).

HUD will uniformly notify applicants of each curable deficiency. See curable deficiency definition in Appendix I of this NOFO, and Section VI.C.2 for directions on resolving technical errors.

V. APPLICATION REVIEW INFORMATION

V. Application Review Information

A. Threshold Review

B. Merit Review

C. Risk Review

D. Selection Process

E. Award Notices

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V. APPLICATION REVIEW INFORMATION

A. Threshold Review

When you apply: Your application is reviewed to make sure it meets the threshold requirements of this NOFO. If your application has a [technical error](#), HUD will allow you to [correct it](#). If you fail to meet **any** of the threshold requirements, your application is **not** eligible for HUD funding. If you do meet the threshold requirements, your application moves to [Merit Review](#) (the next step).

1. Timely Application Submission

Late applications are not evaluated and not eligible for funding. See deadlines in [Section VI. Eligibility Requirements for Applicants of HUD's Financial Assistance Programs](#)

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

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

In addition, each applicant under this NOFO must have the necessary processes and systems in place to comply with the Award Term in Appendix A of 24 CFR part 170 if the applicant receives an award, unless an exception applies as provided in 2 CFR 170.110.

2. Complete Application

If your application is timely, HUD will confirm completeness. Your application is considered for funding if it is complete and responsive to the requirements in this NOFO. If your application is incomplete, HUD will ask you to fix any [technical errors](#). Otherwise, incomplete and nonresponsive applications are not considered for funding.

3. Eligible Applicant

Upon receipt, HUD will confirm whether you are an [eligible applicant](#). Applications from ineligible applicants do not proceed to [merit review](#) and are not eligible for HUD funding.

Applicants must identify which type of eligible applicant they are in their application.

Multijurisdictional entities must demonstrate partnership among all jurisdictions by attaching relevant documentation, such as a memorandum of understanding or another foundational

document (such as a CDBG joint agreement between an urban county and a metropolitan city, HOME consortium agreement, joint powers agreement, interstate compact, or letter of intent) to the application as Attachment B.

Number of Applications

1. An eligible applicant may submit multiple applications, but the applications from a single applicant must contain distinct and different eligible projects and activities for each of its applications that are targeted to the subject communities. Applicants must uniquely label the applications and make clear the distinctions among projects and activities in each of the applications.
2. An eligible applicant that has submitted an application may also apply as part of a separate partnership application. However, no community or project may be assisted by more than one PRO Housing grant.
3. If HUD receives electronically multiple versions of the same application for the same project(s) or activities, HUD will review the last version of the application received by Grants.gov that meets the timely receipt requirements. All other applications (i.e. prior versions) will not be considered eligible. If applicants find, after submitting an application, that they want to amend or adjust their application and it is prior to the deadline date, applicants must resubmit the entire application to ensure that HUD gets a complete application.

B. Merit Review

If your application meets the threshold requirements, a panel will review and score its merits. The panel may include HUD employees and non-employees. They will evaluate your application based on the following criteria. The results of the evaluation are shared with senior HUD officials who make the [final decisions about funding](#) consistent with this NOFO.

Merit Review Summary

| Criterion | Total number of points = 104 |
|--|------------------------------|
| Rating Factor 1: Progress, Commitment, and Need (Exhibit A) | 55 points |
| Rating Factor 2: Soundness of Approach (Exhibit B) | 40 points |
| Rating Factor 3: Capacity (Exhibit C) | 5 points |
| Subtotal: Exhibits A, B, C | 100 points |
| Preference Points: Serving Opportunity Zones and Serving Rural Areas | 4 points |
| Total | 104 points |

HUD will use the following rating factor criteria to evaluate applications under this NOFO. Failure to respond to any one of the rating factors will result in an incomplete application, and it will not be considered for an award. **If the applicant cannot respond to a specific question because it has determined that question does not apply to its proposed eligible activities, the applicant should specify why it does not apply rather than leaving it blank or unaddressed.**

HUD expects your responses to be clear, complete, and specific. All projects must be

completed by the end of the performance period. To ensure successful completion in 72 months, it is expected that all projects will have site control at the time of application, and significant funding from other sources.

A total of 70 or more points is needed to be considered for an award.

Total points for rating factors are 100 points; see potential points for each rating factor in Table 2. HUD will offer up to four (4) additional points, described in [Section V.B.2](#) of this NOFO. The maximum points available in this NOFO is 104 points.

1. Rating Factors

Your application must include a response to the following criteria.

Rating Factors Details

| Criterion | Max points = 100 |
|---|------------------|
| Rating Factor 1: Progress, Commitment, and Need (Exhibit A) | 55 max points |
| <p>HUD may only select applications from applicants that demonstrate: (1) Have enacted or implemented (or caused another entity to enact or implement) less restrictive zoning, land use, or permitting laws and regulations, that are reasonably expected to preserve or produce new housing units; and (2) can demonstrate an acute need for housing affordable to households with incomes below 100 percent of the area median income.</p> <ol style="list-style-type: none"> 1. Demonstrate your progress and commitment to overcoming local barriers to increase affordable housing production and preservation, primarily by having enacted or implemented improved laws and regulations. (35 points) <ol style="list-style-type: none"> a. Deregulation or improvements to existing laws and regulations. (26 points) Explain how you have used deregulation or improved existing laws and regulations to remove legal and regulatory barriers to affordable housing and the measurable outcome. If | |

| Criterion | Max points = 100 |
|--|------------------|
| <p>you are a multijurisdictional entity or MPO, please describe your involvement in the enactment or implementation of improved laws and regulations and the enactment or implementation of local or regional land use policies to overcome local barriers to affordable housing production and preservation. Commitment means the applicant has demonstrated progress and is committed to continuing to address regulatory barriers.</p> <p>To receive credit for your discussion of the legal and regulatory barriers to affordable housing that you have removed, you must clearly list and describe all of the following (this can be done in table form):</p> <ul style="list-style-type: none"> • The deregulation or improved laws or regulations you have enacted or implemented in the past 3 years since the closing date of this NOFO to overcome local barriers to affordable housing production and preservation. Cite relevant laws and the enactment, effective, and/or implementation dates. • The barrier(s) to affordable housing addressed and their measurable outcomes, including the measurable increase in the number of affordable housing units thus far (such as reduced permitting time by X days, reduced construction cost by X, increased density by X units). Document whether the increase will provide for homeownership units, rental units, or both. <p>Applicants without a recent</p> | |

| Criterion | Max points = 100 |
|--|------------------|
| <p>record of improvements to laws and regulations will not receive points in this section and will not receive a PRO Housing award. Reviews will be based on the quality and effectiveness of the changes made, not the quantity of examples provided. Changes to zoning and density rules and regulations, by themselves, will not be considered a commitment to expanding affordable housing.</p> <p>b. Regulatory Best Practices (9 points) Applicants who have taken one or more actions under the regulatory best practices contained in HUD's State and Local Best Practices for Home Construction may receive up to 9 points, with 3 points awarded per best practice. The President outlined these best practices in his Executive Order on Removing Regulatory Barriers to Affordable Home Construction. Address how these actions will or have mitigate(d) or remove(d) barriers to increasing affordable housing supply. These may be new actions or plans that allow the improved laws or regulations to be implemented to increase affordable housing.</p> <p>To receive credit for your discussion of other barriers to affordable housing that you have removed, you must clearly list and describe all of the following (this can be done in table form):</p> <ul style="list-style-type: none"> • The other recent actions you have enacted in the past 3 years since the closing date of this NOFO to overcome | |

| Criterion | Max points = 100 |
|--|------------------|
| <p>local barriers to affordable housing production and preservation.</p> <ul style="list-style-type: none"> • The timeframe for these efforts (start and end dates) • The barrier(s) to affordable housing that these actions addressed and its measurable outcomes, including the measurable increase in the number of affordable housing units thus far (such as reduced permitting time by X days, reduced construction cost by X, increased density by X units) <p>Examples of legal, regulatory, and other actions you may have taken to overcome barriers to facilitate affordable housing include:</p> <ul style="list-style-type: none"> • Cost: Reduce Home Construction Costs <ol style="list-style-type: none"> 1. Rein in local and state-imposed mandates, costs and fees <ul style="list-style-type: none"> ▪ Cap permitting fees. ▪ Eliminate impact fees unless they are directly quantifiable and proximately relatable to the specific development. ▪ Curtail any other fees, mandates, taxes on new development or construction. ▪ Prohibit requirements to build unrelated offsite projects or infrastructure. ▪ Adopt fee transparency by publishing a list of all development fees. 2. Implement building codes that enable efficient, new home | |

| Criterion | Max points = 100 |
|---|------------------|
| <p>construction and renovation.</p> <ul style="list-style-type: none"> ▪ No retroactive application of new or changed building codes. ▪ No local add-ons to state building, environmental, or labor codes, except as necessary for disaster recovery or resilience or if it reduces the cost of housing. ▪ No state add-ons to ICC codes or federal requirements, except as necessary for disaster recovery or resilience or if it reduces the cost of construction. ▪ Eliminate or sunset green-energy building requirements and non-evidence based building codes. <p>3. Adopt innovative strategies that are open to a variety of construction means and methods.</p> <ul style="list-style-type: none"> ▪ Regulate manufactured and modular homes using objective standards for building and safety rather than the construction method and process ▪ Reexamine prohibitions and restrictions on manufactured or modular construction when comparable site-built housing is permitted | |

| Criterion | Max points = 100 |
|--|------------------|
| <ul style="list-style-type: none"> ▪ Reexamine publicly mandated aesthetic requirements. ▪ Relax restrictions that either explicitly or implicitly mandate traditional, on-site "stick-built" home construction in favor of innovative options <p>4. Repeal mandatory electrifications of appliances and heaters</p> <ul style="list-style-type: none"> • Land: Unlock Land for Residential Housing Development <ol style="list-style-type: none"> 1. Expedite disposal of publicly owned land for use in housing development – for all income levels but especially for middle-income. 2. Remove arbitrary limitations on residential housing development beyond urban centers, including urban growth boundaries, moratoria and commuting penalties. 3. Prohibit tree protection ordinances that have minimum requirements and exorbitant removal fees for single family lots. 4. Allow by-right development for single-family homes. 5. Establish in-lieu fee funds for wetlands mitigation. 6. Adopt regulatory transparency by publishing a list of all required inspections, permits and approvals. | |

| Criterion | Max points = 100 |
|--|------------------|
| <ul style="list-style-type: none"> • Time: Accelerate Construction <ol style="list-style-type: none"> 1. Streamline permitting processes for housing developments. <ul style="list-style-type: none"> ▪ Establish a permit review "fast lane" for permits covering residential & new building permits. ▪ End unnecessary, multiple reviews. ▪ Cap permitting timelines. ▪ Impose a cumulative building timeline, or "shot clock" or other binding timelines of < 60 days for right to build and < 30 days for construction permitting and inspections. ▪ Adopt a unified development ordinance ▪ Re-examine local planning commission and zoning board review timelines, publication requirements and meeting appearance requirements. 2. Leverage technology, including artificial intelligence for expedited approval of permits. 3. Close implementation loopholes for shot-clocks and other timeline commitments. 4. Allow third-party inspections and appropriate builder choice by certified entities for inspections and studies. <ul style="list-style-type: none"> ▪ State-certified inspectors | |

| Criterion | Max points = 100 |
|--|------------------|
| <p>for code inspections.</p> <ul style="list-style-type: none"> ▪ State certified engineers for environmental, site plan and plat reviews. <p>5. Ensure swift dispute resolution with government agencies and private parties regarding construction matters.</p> <p>6. Adopt building contractor license reciprocity between and within states.</p> <p>2. Do you have acute need for affordable housing? (20 points) HUD may only select applications from applicants with acute need for housing affordable to households with incomes below 100 percent of the area median income and seeks to ensure that awards under this NOFO are directed to applicants with certain objective measures of acute need for affordable housing.</p> <p>Priority Geography with Acute Need. You will be awarded 20 points if your application primarily serves a priority geography that has an affordable housing need greater than a <i>threshold calculation for one of three measures</i>. The threshold calculation is determined by the need of the 90th-percentile jurisdiction (top 10 percent) for each factor as computed comparing only jurisdictions with greater than 50,000 population. Threshold calculations are done at the county and place level and applied respectively to county and place applicants. State, MPO, and Multijurisdictional applications can also qualify for priority geography if it proposes to serve a geography that</p> | |

| Criterion | Max points = 100 |
|---|------------------|
| <p>scores in the top 5 percent of its State for the same three measures. Applications that primarily serve locations outside these priority geographies will not be awarded any of these 20 points. The measures are as follows:</p> <ul style="list-style-type: none"> • Affordable housing not keeping pace with the population, measured as (change in population 2021- divided by 2011 population) – (change in number of units affordable and available to households at 80 percent HUD Area Median Family Income (HAMFI) 2021--2011 divided by units affordable and available at 80 percent HAMFI 2011). • Insufficient affordable housing, measured as number of households at 80 percent HAMFI divided by number of affordable and available units for households at 80 percent HAMFI. • Widespread housing cost burden or substandard housing, measured as number of households with housing problems at 100 percent HAMFI divided by number of households at 100 percent HAMFI. Housing problems are defined as: cost burden of at least 50 percent, overcrowding, or substandard housing. <p>HUD has provided a spreadsheet identifying each of these geographies on its website. To see whether you meet the criteria to receive points, visit the PRO Housing Mapping Tool website at the HUD Exchange where you can view the spreadsheet and the map of priority geographies.</p> | |

| | |
|---|-------------------------|
| Criterion | Max points = 100 |
| Rating Factor 2: Soundness of Approach (Exhibit B) | 40 max points |

A sound proposal will result in increased production and preservation of affordable housing within the performance period. Proposals must ensure that 51 percent of newly produced or preserved units directly benefit LMI individuals, and applicants must ensure that activities meet a national objective. Proposals must explain, quantify, and directly connect how your actions to reduce barriers will increase the production of affordable housing with the PRO Housing proposal.

Applicants are encouraged to summarize their project(s) using a table format below followed by a narrative description for all proposed projects that address all of the listed scoring factors. Your narrative must describe each project and provide context for why the activity(ies) was selected, how you will coordinate the activities, and how your overall PRO Housing program activities will be implemented. In subsequent sections you will need to provide further descriptions of the location, budget, leverage, schedule, and expected outputs and outcomes for all of your proposed PRO Housing activities. Those explanations must be consistent with what you include in the table for this factor.

| Activity Name and Description | Activity Type | New Construction and/or Preservation | Income Types(s) | Homeownership or Rental | Proposed National Objective | Barrier Connection | Location | Amount of PRO Funding | Leverage and Other Funding |
|-------------------------------------|---------------|--------------------------------------|-----------------|-------------------------|-----------------------------|--------------------|----------|-----------------------|----------------------------|
| Project Name and Description | | | | | | | | | |

1. How many new units will you produce or preserve during the PRO Housing performance period as a result of the progress you have made removing barriers? (10 points)

Provide the following details for each activity:

- The project(s) and its activities.
- The relevant activity category(ies) from Section III.G.2.d.
- The number of units that are new construction and/or preservation and distribution of homeowners versus rental.
- The percentage of the project's units that will be LMI person and if it will be mixed-income housing.

| Criterion | Max points = 100 |
|---|------------------|
| <ul style="list-style-type: none"> • The CDBG national objective that will be met. • How the project is the result of your successful efforts to remove barriers to affordable housing. State the specific barrier(s) that were addressed that will result in the new units produced or preserved. Barrier(s) stated should connect to those you listed under Rating Factor 1. • The location. • How you will determine buyer/renter eligibility. • The target population(s) for each project or activity. • If applicable, whether current residents will need to be relocated, and if so, how you will meet relocation requirements. <p>HUD recognizes that applicants will select projects that best serve the stated needs and preferences of the communities they serve. HUD will rate higher those applications that prioritize homeownership over rental units, construction of new units over preservation of existing units, and mixed-income housing over entirely LMI housing.</p> <p>2. Outputs and Outcomes: Describe the direct effects/measurable outputs of your proposed PRO Housing program (5 points).</p> <ul style="list-style-type: none"> • Outputs: Describe what you will have achieved upon completion of grant-funded activities, including the specific deliverable(s) and completed projects you will produce for each proposed activity. At a minimum you must address: <ol style="list-style-type: none"> 1. Number of new affordable housing units produced or preserved, including a breakdown by new construction/preservation, homeownership/rental, and mixed income/percent LMI. 2. Number of LMI persons served. 3. Number of new homeowners created. 4. Number of new available units and how many are occupied. 5. Approximate expected sale price or rent for each unit type. 6. Cost effectiveness/subsidy per unit. <p>Additional examples of quantifiable outputs may include:</p> <ul style="list-style-type: none"> • Increases in the land area where housing is allowed, particularly single family housing; • Associated infrastructure projects that enables construction of more affordable housing units; • Increases in number of homes permitted; | |

| Criterion | Max points = 100 |
|--|------------------|
| <ul style="list-style-type: none"> • Decrease in the average time needed to issue a permit; • Reduction in the number of discretionary approvals required; and • Increase in the number of homes built using pre-approved floorplans. <p>3. How did you select the location(s) for your PRO Housing project(s) (3 points) Explain how you selected the project location(s), including a summary of the results of any market analyses used to select the location. Market analyses should show evidence of demand, and comparable projects and their usage rates. For homeownership units provide sales comparisons and buyer demand, and for rental units describe the vacancy rates, achievable rents, and any rent restrictions. This section allows you to enhance, expand upon, and draw connections among the stated locations for each proposed activity listed in the activity section.</p> <p style="padding-left: 40px;">Describe how your proposal preserves and creates affordable housing units in high-opportunity areas, Opportunity Zones, or rural areas.</p> <p style="padding-left: 40px;">Maps, drawings, renderings, and other graphical representations are optional, and they can be provided as attachments outside of the page count (However, any narrative included in the attachments will not be included in the review.)</p> <p style="padding-left: 40px;">Provide evidence of site control. Describe the type of site control (deed, option agreement, or purchase contract). Is the site(s) ready for construction, in need of remediation, demolition, or other cleanup?</p> <p>4. What is your budget? (4 points) Provide a budget for the proposed activities that documents all projected sources of funds and estimates all applicable costs. While form 424-CBW is not included in the page count, it is a required document and will be used in the review of your application. The budget details in Form 424-CBW and in the budget narrative must demonstrate project readiness, cost effectiveness, and convincingly demonstrate that the project(s) will be completed by the end of the performance period. The budget narrative must be consistent with the detailed 424-CBW and the amounts listed throughout the application. HUD will evaluate your proposed project budget to determine which projected sources, including PRO Housing funds and any leveraged funds, are sufficient for the scope of the proposed project as a whole, and on the quality of your proposal.</p> <p>Your budget narrative must:</p> <ul style="list-style-type: none"> • State each activity and the amount of PRO Housing funds, and other funds that will be used to implement each activity. To receive full credit, you must provide budget details for each activity, that makes it clear how the budget was determined for each activity. • Identify the expected number of units, size of units, etc. that went into determining your budget calculation. How much PRO Housing funding will be used on each unit? • Include expected soft costs, contingencies, developer fees, and reserves. | |

Criterion**Max points = 100**

- Identify and explain any funding gaps, and how you plan to address them.
 - Identify other funding sources, whether being proposed for leverage points or not. This may include loans, other subsidies, tax credits, bonds, or local funds.
 - If your PRO Housing project proposal includes loans or other debt, describe the nature of the debt including the terms, interest rates, coverage, and amortization.
 - What is the amount of overall subsidies per proposed unit?
 - Describe how you will ensure that the project will be cost-effective, in line with industry standards, and appropriate for the scope of the project. Specifically state how you would scale your proposal if HUD awards a lesser dollar amount than you are requesting.
 - Specifically identify which project(s) or activities you would scale back or remove from your application if awarded less funding.
5. **Leveraging other funding (7 points)** As noted in Section II.C, the PRO Housing program does not require leveraged funds. Nonetheless, HUD views leveraged commitments as an indicator of support and commitment in the community, and as an indicator that you are financially ready to start proposed construction activities upon receipt of PRO Housing funds. Additional funds may also increase the success and effectiveness of the proposed activities. An application will earn points in accordance with the table below based on the percentage of leveraged commitments for the proposed activities.

| Scoring for Leveraged Funding | |
|---|-----------------------|
| <u>Leverage commitments as percent of grant funds requested</u> | <u>Points awarded</u> |
| 120 percent and above | 7 |
| Between 90.00 and 119.99 percent | 4 |
| Between 75.00 and 89.99 percent | 2 |

Applicants must follow the requirements below in compiling and documenting leverage for purposes of this NOFO. Otherwise, it may not be possible for HUD to count the commitment at the level claimed. These general requirements apply to all leverage resource commitments.

- Resources must be firmly committed as of the application deadline date. "Firmly committed" means that the source, the amount of the resource and its dedication to

| Criterion | Max points = 100 |
|---|------------------|
| <p>PRO Housing Grant activities is explicit. Endorsements or general letters of support alone will not count as resources and should not be included in the application.</p> <ul style="list-style-type: none"> • Leverage documents must represent valid and accurate commitments of future support. They must state the dollar amount and any terms of the commitment. They must also indicate that the funding is available to you for the specific activities proposed in your PRO Housing application. • Resource commitments must be written and signed by a person authorized to make the commitment and dated. • Commitment letters must be on letterhead or they will not be accepted. • If the commitment document is not included in the application and submitted before the NOFO deadline, it will not be considered. • Staff time of the applicant and/or partner(s) (if any) will be an eligible leverage resource if it is firmly committed and monetized, and presented in a letter of commitment. • Funding from a prior PRO Housing award will not be considered leverage. <p>In addition to financial contributions, applicants may credit the dollar amounts of any non-financial contributions (e.g., in kind, donations of land or property, community benefit agreements, etc.) towards their percentage of leveraged commitments. To receive credit for any non-financial contributions, you must state the value, provide an explanation of how the value was determined, and include any relevant documentation for your calculations. Calculations of non-financial contributions must be in line with cost principles and the rules set forth in 2 CFR 200.306.</p> <p>6. What is the schedule for your proposal? (4 points) Provide a detailed schedule for completing all of the proposed activities in advance of the end of the period of performance. The schedule must identify:</p> <ol style="list-style-type: none"> a. Each significant activity with milestones and relevant sub-tasks. b. The planned start and completion dates of each of the milestones and relevant sub-tasks. c. The development schedule, including start of construction, completion, and closing. d. Key approval steps, like permitting, throughout the schedule. e. A schedule for procurement, if needed. f. Convincing projections that all PRO Housing funded projects will be completed by the end of the performance period. <p>You may include additional description of the schedule in other parts of the narrative exhibits to document project readiness, but must still provide a summary of the overall</p> | |

| Criterion | Max points = 100 |
|---|------------------|
| <p>timeline for all activities, including how they relate to each other within the PRO Housing program.</p> <p>7. Developer and program capacity (7 points) HUD will carefully consider the technical capacity of developers to ensure that they can carry out PRO Housing project proposals in an efficient and timely manner. Developers must demonstrate capacity to carry out the proposed activities. HUD will consider the degree to which applicants demonstrate project management on the scale of the idea or proposal and capacity for meeting federal requirements and completing a project of this proposed size.</p> <ul style="list-style-type: none"> ○ Name the developer(s) that will implement the proposed development project. ○ Describe the developer's capacities and credentials related to its role in implementing the project. ○ Describe their experience building projects of similar funding size, number of units, complexity, scope, and tenure. ○ Include examples of federally funded projects they completed of similar scope and size. ○ Describe their experience meeting the requirements of federal programs. ○ Describe their financial capacity to take on the proposed project. ○ If proposing rental projects, what is their capacity and experience with property management? <p>Describe your experience and knowledge of the CDBG program. Explain your experience to manage cross cutting legal requirements, including regulatory and compliance requirements required for federal funds like environmental reviews, income targeting, property standards, and relocation requirements.</p> | |
| Rating Factor 3: Capacity (Exhibit C) | 5 max points |
| <p>What capacity do you have? (5 points)</p> <p>HUD will carefully consider the technical and financial capacity of applicants to ensure that they can carry out PRO Housing project proposals in an efficient and timely manner while responsibly expending federal funds. Applicants must demonstrate clear capacity to manage Federal funds of this size and scope and to lead and carry out the proposed activities.</p> <ul style="list-style-type: none"> ● What is your experience managing | |

| Criterion | Max points = 100 |
|--|--------------------------------|
| <p>federal grant funds?</p> <ul style="list-style-type: none"> • What specific agency or entity within your organization will lead the management of a PRO Housing grant? Provide an organizational chart indicating where management of the PRO Housing grant will be placed. (If you are proposing to act as a pass-through entity by operating a subgrant program, you must address your grant management capacity and explain how you will evaluate a sub-applicant's capacity when they apply to your subgrant program.) • Who are the key personnel that will manage the PRO Housing grant, and ensure that its implementation meets all federal, grant management, and financial requirements? Provide an organizational chart that identifies names and positions of key management of the PRO Housing grant. This chart can be provided as an attachment that does not count against the page limit. Include a description of your existing management structure and staff roles, addressing any gaps, vacancies, or positions contingent on award. If you are applying with a partner or partners, provide this information for each organization. • Describe how the agency or entity has the relevant project management, quality assurance, financial and procurement, and internal control capacity to manage Federal funding, coordinate with other funders, and quickly launch and implement a major project. | |
| <p>Preference Points: Serving Opportunity Zones, Serving Rural Areas</p> | <p>4 Max Preference Points</p> |

| Criterion | | Max points = 100 |
|---|----------------------------------|------------------|
| <p>HUD will offer preference points for proposing to use PRO Housing funding for projects in rural areas or inside Opportunity Zones (OZ).</p> <p>If you are applying for preference points, you must add to the end of Exhibit C a header called "Preference Points" followed by a narrative section that explains how your project satisfies the requirement(s) for the preference points you are seeking. If applicable, this section must also include data or maps to demonstrate the location in a rural area or OZ.</p> <p>This section is considered part of the narrative portion and will count towards the 25-page limit for narratives. To receive credit for preference points, your descriptions in this section must be consistent with the activities proposed in the rest of your narrative and must not contradict any previous statements about work in Opportunity Zones, or in rural areas in your application. Finally, you must address your specific work in an Opportunity Zone under subfactor 1.b. (Acute Need).</p> | | |
| Preference Points | Preference points awarded | |
| Proposal includes work in one or more rural areas. | 2 | |
| Proposal includes work within one or more Opportunity Zones | 2 | |
| <p>You may voluntarily choose to address preference point policy initiatives in your application. Addressing these policy initiatives is not a requirement to apply for or receive an award. If you voluntarily choose to address a policy initiative in your application, you will be required to adhere to the information submitted with your application should you receive an award. The proposed information</p> | | |

| Criterion | Max points = 100 |
|---|------------------|
| will be included as a binding requirement of any Federal award you receive as a term and condition of that award. | |

2. Policy Initiative Preference Points

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

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

Opportunity Zones

You may receive up to two (2) points, if your proposed activities are within an [Opportunity Zone](#). To receive points, you must complete and submit form HUD-2996, Certification for Opportunity Zone Preference Points. If you expect to use less than 50% of the award in Opportunity Zones, you won't receive preference points. Exceptions may be made if your application justifies the lower percentage or demonstrates a significant impact within those zones.

Rural Areas: You may receive up to two (2) points if more than 50 percent of your proposed units are within a rural area. Rural areas are considered any area that is not part of a CDBG entitlement community. To receive points, you must clearly state the rural areas where your project(s) will be located and show that more than 50 percent of the expected units will be located in rural areas. You may reference the PRO Housing priority geography map. If you expect to use less than 50 percent of the award in rural areas, you won't receive preference points.

a. Budget

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

The panel members will also review the budget for consistency throughout the narrative and with Form 424 CBW.

FY26 PRO Housing Certification of Consistency with the Consolidated Plan

You must ensure that the activities in your application are [consistent with your local Consolidated Plan](#).

Criteria for Beneficiaries

Except as described in this NOFO and its appendices, statutory and regulatory provisions governing the CDBG program, including Title I of the Housing and Community Development Act of 1974 and 24 CFR part 570, shall apply to the use of these funds. For CDBG entitlement communities, non-entitlement local governments, multijurisdictional entities, and metropolitan planning organizations, regulatory provisions at 24 CFR part 570 subparts A, C, D, J, K, and O apply, as appropriate. For states, [24 CFR part 570 subpart I](#) applies; however, Appendix IV.5.a.i of this NOFO waives the requirement for states to distribute funds through a method of distribution as is required for annual State CDBG funds.

C. Risk Review

Before making any awards, HUD will evaluate each applicant's likelihood of successfully carrying out the project. Here's what HUD looks at:

Past Performance:

- Government-wide performance data, as noted in [2 CFR 200.206\(a\)](#)
- Public sources like news reports, Inspector General findings, Government Accountability Office reports, and complaints proven to have merit
- History of managing Federal awards (if applicable), including on-time reporting, meeting planned goals, and following previous award rules. And, the extent to which any previously awarded amounts will be expended prior to future awards
- Reports from past audits, including those performed under 2 CFR part 200, subpart F—Audit Requirements
- History of finishing activities on time and using any promised matching or leveraged funds

Organizational Health:

- Financial stability
- Quality of management systems and ability to meet the management standards in 2 CFR part 200
- Ability to follow all required laws and rules
- Capacity, including staffing structures and capabilities

Results:

- Ability to promote self-sufficiency and economic independence
- Number of people served or targeted for assistance

HUD may use the results of the risk review to make final funding decisions and/or set specific conditions on the award.

D. Selection Process

When making award funding decisions, HUD will consider:

- Threshold review results, including eligibility requirements.

- Merit review results.
- Risk review results.

To the extent allowed by law, HUD may also consider:

- The scope of the overall projected impact on the program and administrative goals and priorities in this NOFO.
- Reasonableness of the estimated costs to the government.
- The applicant's readiness to conduct the proposed work.
- Likelihood that the proposed project will result in the benefits expected.
- Broad range of recipients beyond recurrent recipients.
- Geographic dispersion.
- All else being equal, preference for applicants with lower indirect cost rates.
- Applicants with demonstrated success in implementing Gold Standard Science (applicable to research awards).
- Applicants with potential to produce immediate results and potential for longer-term, breakthrough results, based on the goals of this NOFO (applicable to research awards).

To the extent allowed by law, HUD may:

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

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

Pursuant to section 4 of EO 14332 and the HUD Reform Act, senior appointees and/or their designees may exercise their independent judgement outside the merit review

recommendations and consistent with applicable law.

Additional information on Review and Selection Process

HUD's selection process is designed to ensure that grants are awarded to eligible applicants that submit the most meritorious applications. HUD will consider the information you submit by the application deadline date. After the application deadline date, HUD may not, consistent with its regulations in [24 CFR part 4, subpart B](#), consider any unsolicited information that you or any third party may want to provide. HUD may verify information provided in your application as needed by sending a written request for clarification. Responses to such inquiries will be required within two business days.

Application Screening.

1. Eligibility Criteria Screening. HUD will screen each application to determine if the Key Eligibility Criteria are met. If they are not met, the application will be deemed ineligible and will not receive further review. If they are met, HUD will screen the application to determine if it meets all threshold criteria (including screening for technical deficiencies).
2. Corrections to Deficient Applications - Cure Period. Corrections of technical deficiencies must be submitted by the due date and time specified in the curable deficiency notification from HUD. Examples of curable (correctable) technical deficiencies include, but are not limited to, inconsistencies in the funding request and failure to submit a signature and/or date on a certification and are addressed in Section IV.D of this NOFO.
3. Applications that will not be rated or ranked. HUD will not rate or rank applications that are deficient at the end of the cure period or that have not met the Threshold Requirements and such applications will not be eligible for funding.

Preliminary Rating and Ranking. Reviewers will rate each eligible application based solely on the rating factors described in [Section V](#) and assign a preliminary score for each rating factor and total score. HUD will then rank applications in score order.

Final Panel Review. A Final Review Panel will:

1. Review the Preliminary Rating and Ranking documentation to ensure any inconsistencies between preliminary reviewers are identified and rectified and to ensure the Preliminary Rating and Ranking documentation accurately reflects the contents of the application;
2. Assign a final score to each application and rank them in score order; and
3. Recommend for selection the most highly rated applications, subject to the amount of available funding.

Selection Considerations. HUD reserves the right to fund applications out of rank order to prioritize benefit to low- and moderate-income residents and to ensure geographic diversity. A total of 70 points or more is required to be considered for an award for either category of funding.

Tie Scores. If two or more applications have the same score and there are insufficient funds

to select all of them, HUD will select the application(s) with the highest score for the overall Need Rating Factors. If a tie remains, HUD will select the application(s) with the highest score for the overall Soundness of Approach Rating Factors, then overall Capacity Rating Factors.

E. Award Notices

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

The award notice communicates the amount of the award, important dates, and the terms and conditions you need to follow. The notice may also include HUD-imposed award conditions as provided under [2 CFR 200.208](#).

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

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

Adjustments to Funding

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

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

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

b. HUD may adjust the funding for an application to ensure funding diversity, alignment with Administration priorities, and, to the best extent practicable, geographic distribution.

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

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

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

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.

VI. SUBMISSION REQUIREMENTS AND DEADLINES

VI. Submissions Requirements and Deadlines

- A. Deadlines
- B. Submission Methods
- C. Other Submissions
- D. False Statements

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VI. SUBMISSION REQUIREMENTS AND DEADLINES

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

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

A. Deadlines

1. Application submission deadline:

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

08/03/2026

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

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

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

"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. HUD cannot grant extensions for applications that are late, even if the grantee is in the process of submitting when the deadline passes, but has not completed submission when the deadline passes.

2. Grace Period for Grants.gov Submissions

If [Grants.gov](#) rejects your application before the deadline, you have up to 24 hours after the application deadline to correct and resubmit your application. Any application submitted during the grace period but not received and validated by Grants.gov will not be considered

for funding. There is no grace period for paper applications.

3. Grants.gov Customer Support

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

4. Grants.gov Application Submission

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

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

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

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

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

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

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

NOTE: Busy servers, slow processing, large file sizes, improper registration or password

issues are not valid circumstances to extend the deadline dates or the grace period.

5. 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.

6. Late Applications

An application received after the NOFO deadline date that does not meet the Grace Period requirements will be marked late and will not be reviewed by HUD for funding consideration. Improper or expired registration and password issues are not sufficient causes to allow HUD to accept applications after the deadline date.

HUD cannot grant extensions for applications that are late, even if the grantee is in the process of submitting when the deadline passes, but has not completed submission when the deadline passes.

7. Corrections to Deficient Applications

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

HUD will uniformly notify applicants of each curable deficiency. See curable deficiency, also referred to as technical deficiency, definition in [Appendix I.2](#) of this NOFO. Examples of curable (correctable) deficiencies include inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

When HUD identifies a technical 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. Directions for resolving technical errors is found in Sections IV.D and VI.C.2 of this NOFO.

8. Authoritative Versions of HUD NOFOs

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

9. Exemptions

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

B. Submission Methods

1. Electronic Submission

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

For instructions on how to submit in [Grants.gov](#), see the [Quick Start Guide for Applicants](#).

Make sure that your application passes the [Grants.gov](#) validation checks or we may not get it. [Grants.gov](#) will record the date and time of your application submission. HUD will use this information to determine timely applications.

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

2. Electronic Submission Application Waiver

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

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

C. Other Submission Information

1. Intergovernmental Review

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

2. Technical Application Errors

HUD will contact you to fix a [technical error](#) with your timely application after the due date. Use the following submission requirements to respond to HUD's notice.

a. Fix Errors in Electronic Applications

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

The HUD notice will allow between 48 hours and 14 calendar days from the date of the HUD notice to fix an error. If the due date to fix an error falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters is closed, then the due date moves to the next business day.

The start of the cure period will be the date stamp on the email sent from HUD.

To minimize errors, your email containing the requested corrections must also be sent to the HUD representative that contacted you, and you must follow any additional directions contained in their initial message notifying you of the error.

b. Fix Errors in Paper Applications

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

D. False Statements

By submitting an application, you acknowledge your understanding that providing false or misleading information on your application, or during any part of the performance phase of an award, can lead to serious consequences. Those consequences include but are not limited to: fines, repayment, restitution, prison time, termination of any HUD award, and being banned from receiving any future HUD award and doing business with the federal government (18 USC 1001, 18 USC 1012, 18 USC 1010, 18 USC 1014, 18 USC 287, 31 USC 3729 et seq., 31 USC 3801-3812, FAR Part 9.4, 2 CFR Part 180, other remedies in your HUD award).

VII. POST - AWARD REQUIREMENTS AND ADMINISTRATION

VII. Post-Award Requirements and Administration

- A. Administrative, National and Departmental Policy Requirements and General Terms and Conditions
- B. Environmental Requirements
- C. Remedies for Noncompliance
- D. Reporting

VII. POST-AWARD REQUIREMENTS AND ADMINISTRATION

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

You must follow the applicable provisions in the [Administrative, National & Departmental Policy Requirements and Terms for HUD Financial Assistance – 2026](#):

Administrative

1. Build America, Buy America (BABA) (Sections 70901-52 of [Public Law 117-58](#); [41 U.S.C. 8301 et seq](#); and [2 CFR Part 184](#))
2. Uniform Relocation Assistance and Real Property Acquisition Policies Act ([42 U.S.C. § 4601 et seq.](#); [49 CFR part 24](#); and applicable program regulations)
3. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ([2 CFR part 200](#))
4. HUD requirements related to safeguarding resident/client files consistent with [2 CFR 200.303\(e\)](#)
5. The Federal Funding Accountability and Transparency Act (FFATA) ([2 CFR part 170](#))
6. Eminent Domain
7. Participation in HUD-Sponsored Program Evaluation ([12 U.S.C. 1701z-1](#); 12 U.S.C. 1702z-2; [24 CFR part 60](#); and [FR-6278-N-01](#))
8. The Freedom of Information Act (FOIA) ([5 U.S.C. § 552\(b\)](#) and [24 CFR 15.107\(b\)](#))
9. Presidential Executive Actions affecting federal financial assistance programs
 - [Executive Order \(EO\) 14332](#) (*Improving Oversight of Federal Grantmaking*)
 - [EO 14303](#) (*Restoring Gold Standard Science*)
 - [EO 14219](#) (*Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*);
 - [EO 14218](#) (*Ending Taxpayer Subsidization of Open Borders*);
 - [EO 14202](#) (*Eradicating Anti-Christian Bias*);
 - [EO 14205](#) (*Establishment of the White House Faith Office*)
 - [EO 14182](#) (*Enforcing the Hyde Amendment*);
 - [EO 14173](#) (*Ending Illegal Discrimination and Restoring Merit-Based Opportunity*);
 - [EO 14168](#) (*Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government*)
 - [EO 14151](#) (*Ending Radical and Wasteful Government DEI Programs and Preferencing*); and

- [EO 14148](#) (*Initial Rescissions of Harmful Executive Orders and Actions*)

Civil Rights and Other Protections

10. The Fair Housing Act ([42 U.S.C. 3601-3619](#)) and Civil Rights laws (24 CFR 5.105(a))
11. Affirmatively Furthering Fair Housing (AFFH) requirements ([42 U.S.C. § 3608\(e\)\(5\)](#) and [24 CFR 5.150 et seq](#))
12. Economic Opportunities for Low-and Very Low-income Persons ([12 U.S.C. § 1701u](#) and [24 CFR part 75](#))
13. Compliance with Immigration Requirements ([8 U.S.C. § 1601-1646](#); [8 U.S.C. § 1324a](#) ("[Unlawful employment of aliens](#)"); and [Executive Order 14218](#), *Ending Taxpayer Subsidization of Open Borders*)
14. Accessible Technology requirements ([29 U.S.C. § 794d](#); [29 U.S.C. 794](#); and [42 U.S.C. 12131-12165](#) and implementing regulations at 36 CFR part 1194 (Section 508 regulations), [24 CFR § 8.6](#) (Section 504 effective communication regulations), [28 CFR part 35, subpart H](#) (DOJ Web Access Rule), and [28 CFR part 35, subpart E](#) (DOJ's Title II communications regulations))
15. Ensuring, when possible, the consideration of small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms consistent with [2 CFR 200.321](#)
16. Equal Participation of Faith-based Organizations in HUD Programs and Activities consistent with [42 U.S.C. 2000bb et seq.](#); [24 CFR 5.109](#); [Executive Order \(EO\) 14202](#), *Eradicating Anti-Christian Bias*; and [EO 14205](#), *Establishment of the White House Faith Office*
17. Accessibility for Persons with Disabilities requirements ([29 U.S.C. § 794](#) and implementing regulations at [24 CFR parts 8](#) and [100](#); [28 CFR part 35](#))
18. Applicable Violence Against Women Act (VAWA) requirements in the Housing Chapter of VAWA ([34 U.S.C. § 12491-12496](#)); [24 CFR part 5, subpart L](#); and program-specific regulations
19. Trafficking in persons ([Section 106\(g\) of the Trafficking Victims Protections Act of 2000 \(TVPA\), as amended 22 U.S.C. § 7104\(g\)](#) and implementing regulations at [2 CFR part 175](#))

Environmental

20. Environmental requirements that apply in accordance with [24 CFR part 50](#) or [part 58](#); [42 U.S.C. 4321 et seq.](#)

Business Integrity

21. Conducting Business in Accordance with Ethical Standards (Code of Conduct), including [2 CFR 200.317](#), [2 CFR 200.318\(c\)](#), and other applicable conflicts of interest requirements
22. Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment ([41 U.S.C. § 3901](#) and [2 CFR 200.216](#))
23. Waste, Fraud, Abuse, and Whistleblower Protections ([41 U.S.C. § 4712](#))

24. Drug-Free Workplace ([2 CFR part 2429](#))

In addition, if any part or provision of the award agreement or terms of this NOFO are enjoined or held to be void or unenforceable in any jurisdiction, they shall be ineffective as to such jurisdiction and only to the extent of such prohibition or injunction and shall not invalidate or affect the legality or enforceability of the remaining provisions and applications of the Agreement and Notice. In the event the injunction of such provisions is stayed, dissolved, or reversed, the full terms of the award agreement and NOFO, including such provisions, will automatically become effective. This clause is self-executing and will become effective, binding, and enforceable automatically upon issuance of this NOFO.

B. Environmental Requirements

1. Environmental Review

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

[24 CFR part 50](#)

[24 CFR part 58](#)

- Activities under this NOFO are subject to environmental review by a Responsible Entity (as defined by 24 CFR 58.2(a)(7)) under HUD regulations at 24 CFR part 58 or by HUD under 24 CFR part 50. Each Applicant under this NOFO must work with their Responsible Entity under part 58, or HUD under part 50, to complete an environmental review for any awarded funds. As part of the environmental review process, the effect of a proposed project on people and the natural environment within a designated project area must be evaluated. This includes compliance with the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 and all applicable related federal environmental authorities.
- For activities under a grant to an entity not included in the definition of recipient at 24 CFR 58.2(a)(5), such as a nonprofit or quasi-governmental entity, HUD will perform the environmental review under the provisions of 24 CFR part 50.
- Irrespective of whether the Responsible Entity, in accordance with 24 CFR part 58, or HUD, in accordance with 24 CFR part 50, performs the environmental review, the grant recipient must supply all available, relevant information necessary for the Responsible Entity (or HUD, if applicable) to perform an environmental review for each activity, including information for each property when applicable. The Project Grant Recipient also must carry out any mitigation measures required by the Responsible Entity (or HUD, if applicable) or select an alternative project site.
- The recipient, its project partners, and their contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under this NOFO, or commit or expend HUD or non-HUD funds for such eligible activities under this NOFO, until the Responsible Entity has completed the environmental review procedures required by 24 CFR part 58 and if applicable, the environmental certification and Request for Release of Funds and Certification (RROF) have been approved or HUD has performed an environmental review under 24 CFR part 50 and the recipient has received HUD approval of the activity. HUD will not release grant

funds if the recipient or any other party commits grant funds (i.e., it incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its RROF (where such submission is required).

- Reasonable expenses incurred for compliance with these environmental requirements are eligible expenses under this NOFO.

Please email CDBG-PROHousing@HUD.gov with any environmental review questions.

2. NOFO Impact Determination Related to the Environment

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

3. Lead-Based Paint Requirements

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

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

C. Remedies for Noncompliance

HUD may terminate all or a part of your award as described under 2 CFR 200.340 through 200.343 pursuant to the terms and conditions of your award, including, to the extent authorized by law:

- if an award no longer effectuates the program goals or agency priorities; or
- in the case of a partial termination, if HUD determines that the remaining portion of the award will not accomplish the purposes for which the HUD award was made.

HUD may also impose specific conditions on your award or take other remedies as described by 2 CFR 200.339 through 200.343, if you do not comply with your award terms and conditions.

Corrective and remedial actions. To expedite the use of these fund, and to ensure compliance with the requirements of the Appropriations Act, HUD is waiving 42 U.S.C. 5304(e) of the HCD Act to the extent necessary to impose the following alternative requirement: HUD may undertake corrective and remedial actions for States in accordance with the authorities applicable to entitlement grantees in subpart O (including corrective and remedial actions in 24 CFR 570.910, 570.911, and 570.913) or under subpart I of the CDBG regulations at 24 CFR part 570. Before determining appropriate corrective actions, HUD will notify the grantee of the procedures applicable to its review. As in the annual CDBG program, in accordance with 24 CFR 570.300, the policies and procedures set forth in subpart O will apply to local governments receiving direct grants from HUD.

Reduction, withdrawal, or adjustment of a grant or other appropriate action. Prior to a

reduction, withdrawal, or adjustment of a grant or other appropriate action taken pursuant to this section, the recipient shall be notified of such proposed action and given an opportunity within a prescribed time period for an informal consultation. Consistent with the procedures described in this NOFO, the Secretary may adjust, reduce, or withdraw the grant or take other actions as appropriate, except that funds already expended on eligible approved activities shall not be recaptured.

D. Reporting

HUD requires recipients to submit performance, financial, and program reports as outlined below. You must comply with these reporting requirements to remain eligible for HUD funding. See [Section VII.C.](#) of this NOFO.

Further, the Recipient hereby acknowledges that HUD is in the process of implementing new grants management and reporting tools for all records pertinent to the Federal award. Recipient agrees to report on grant performance and financial activities (including vendor and cash disbursement supporting details for the Recipient and its Subrecipients) using these new tools when they are released and to satisfy occasional requests for records pertinent to the federal award, consistent with the requirements for recordkeeping, access to records, and reporting laid out in 2 CFR part 200, which may be amended from time to time. HUD will work with the Recipient to support its transition to the new reporting tools. HUD reserves the right to exercise all of its available rights and remedies for any noncompliance with these grants management and financial reporting requirements, to include, without limitation, requiring additional or more detailed financial reports, suspension of disbursements, and all other legally available remedies, to the furthest extent permitted by law.

| Report | Description | When |
|---|---|--|
| Federal Funding Accountability and Transparency Act (FFATA) | <ul style="list-style-type: none"> Awards equal to or greater than \$30,000 Data on executive compensation and first-tier subawards See Public Law 109-282 and 2 CFR part 170 HUD reports initial prime recipient data to usaspending.gov Submit via SAM.gov | See 2 CFR Appendix A to Part 170(a)(2)(ii) |
| Reporting on Recipient Integrity and Performance Matters | <ul style="list-style-type: none"> Total value of all current Federal awards exceeds \$10,000,000 for any period of time | See 2 CFR Appendix-XII to Part 200 I.(d) |

| Report | Description | When |
|---|--|---|
| | <p>during the period of performance of this Federal award</p> <ul style="list-style-type: none"> See Appendix XII to 2 CFR 200 Submit via SAM.gov | |
| Progress Report | <ul style="list-style-type: none"> Summary of progress status Work to be performed during the next reporting period Any anticipated risks and plans to mitigate those risks | Grantees will be required to submit a progress report on a quarterly basis throughout the grant term through HUD-provided templates and HUD's Disaster Recovery Grant Reporting (DRGR) System |
| Federal Financial Report, SF-425 | <ul style="list-style-type: none"> Summary of key financial data See 2 CFR 200.328 | See 2 CFR 200.328 or award terms |
| Race, Ethnicity, and Other Data Reporting | Recipients that provide HUD-funded program benefits to individuals or families, report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households funded by this program | As requested by HUD |

E. Program Specific Requirements

a. Use of Disaster Recovery Grant Reporting (DRGR) system. HUD must require all grantees under this NOFO to report to HUD using DRGR.

1. Completion of quarterly expenditure reports is mandatory for all grantees. Performance reports are required annually from all grantees. Failure to provide these reports within the required timeframe will result in corrective actions up to and including suspension of grant funds until the report is submitted and approved by HUD.
2. All grantees will be held to the milestones in the program schedule, as approved by HUD. Adjustments to the schedule may be made by the grantee only with prior HUD

approval. All obligations of funds by the grantee or a partner must be recorded as obligations in DRGR on at least a quarterly basis.

b. Closeout. HUD will close out PRO Housing grants in accordance with [Appendix IV](#).

c. To the extent that administrative requirements conflict with the requirements in [Appendix IV](#), the requirements in [Appendix IV](#) will apply.

d. Limited English Proficiency (LEP). Applicants and Partners must take reasonable steps to provide meaningful language access to persons with LEP with regard to any program, activity, or service funded under this NOFO pursuant to Title VI of the Civil Rights Act of 1964 and Executive Order 13166. Applicants and recipients should consult the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons published on January 22, 2007, in the Federal Register (72 FR 2732).

e. Physical Accessibility. Note that all meetings open to the public must be held in facilities that are physically accessible to persons with disabilities. Where physical accessibility is not achievable, Applicants and Partners must give priority to alternative methods of product or information delivery that are accessible to and usable by individuals with disabilities and offer programs and activities to qualified individuals with disabilities in the most integrated setting appropriate in accordance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and HUD's implementing regulations for Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) at 24 CFR part 8, Title II of the Americans with Disabilities Act (42 U.S.C. §§ 12131-12134) and the implementing regulations at 28 CFR part 35, and all other applicable laws and regulations. In addition, all notices of and communications during all training sessions and public meetings shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities and provide persons with disabilities with reasonable accommodations to ensure their equal and full participation as consistent with Section 504 of the Rehabilitation Act of 1973 and HUD's Section 504 regulations (See 24 CFR Section 8.6 and Section 8) and Title II of the Americans with Disabilities Act (42 U.S.C. §§ 12131-12134) and the implementing regulations at 28 CFR part 35 (See 28 CFR part 35, subpart E and 28 CFR § 35.130(b)(7)).

Pursuant to Section 504, covered multifamily housing projects that include substantial alterations to housing or include new construction of housing must comply with the Uniform Federal Accessibility Standards and the 2010 ADA Standards for Accessible Design with exceptions as detailed in HUD's Notice titled Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities ("HUD's Deeming Notice"), which is available at 79 Fed. Reg. 29,671 (May 23, 2014). Under the Fair Housing Act, all new construction of covered multifamily dwellings and rehabilitation that results in a covered multifamily dwelling must contain certain features of accessible and adaptable design that comply with the design and construction requirements at 42 U.S.C. § 3604(f)(3)(C). This requirement is in addition to other accessibility requirements, which may be required by federal, state, or local law.

VIII. CONTACT AND SUPPORT

VIII. [Contact and Support](#)

A. [Agency Contact](#)

B. [Grants.gov](#)

C. [Sam.gov](#)

D. [Debriefing](#)

E. [Applicant Experience Survey](#)

F. [Other Online Resources](#)

VIII. CONTACT AND SUPPORT

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

A. Agency Contact

1. Program and Application Requirements

Name: B. Cory Schwartz

Phone: 202-402-4105

Email: CDBG-PROHousing@hud.gov

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

2. Paper Application Waiver Request

Name: Cory Schwartz

Email: CDBG-PROHousing@hud.gov

Phone: 202-402-4105

HUD Organization: Community Planning and Development / Office of Block Grant Assistance

Street: 451 7th Street SW, Suite 7282

City: Washington

DC DISTRICT OF COLUMBIA

20410

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

B. Grants.gov

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

C. SAM.gov

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

D. Debriefing

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

E. Applicant Experience Survey

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

F. Other Online Resources

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

APPENDIX

Appendix

Appendix I Definitions

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APPENDIX

Appendix I. Definitions

1. Standard Definitions

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

Affirmatively Furthering Fair Housing (AFFH) - statutory obligation to affirmatively further the purposes and policies of the Fair Housing Act (see also [24 CFR 5.151](#), as amended by [90 FR 11020](#)).

Authorized Organization Representative (AOR) is the person with legal authority to: give assurances, make commitments, submit your application, and enter into agreements with HUD. They also have [special permissions](#) to act on behalf of their organization within the Grants.gov system.

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

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

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

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

Minority-Serving Institutions (MSIs) are

- (1) an HBCU as defined in [20 U.S.C. § 1061\(2\)](#) and included on this [list of accredited HBCUs](#);
- (2) a Hispanic-serving institution (as defined in [20 U.S.C. § 1101a\(5\)](#));
- (3) a Tribal College or University (as defined in [20 U.S.C. § 1059c\(b\)\(3\)](#));
- (4) an Alaska Native-serving institution or a Native Hawaiian-serving institution (as defined in [20 U.S.C. § 1059d\(b\)](#));
- (5) a Predominantly Black Institution (as defined in [20 U.S.C. § 1059e\(b\)\(6\)](#));
- (6) an Asian American and Native American Pacific Islander-serving institution (as defined in [20 U.S.C. § 1059g\(b\)\(2\)](#)); or
- (7) a Native American-serving nontribal institution (as defined in [20 U.S.C. § 1059f\(b\)\(2\)](#)).

Opportunity Zone (OZs) are defined in [26 U.S.C. 1400Z-1](#). In general, OZs are census tracts located in low-income communities where new investments, under certain conditions, may be eligible for preferential tax treatment.

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

Small business is defined as a privately-owned corporation, partnership, or sole proprietorship that has fewer employees and less annual revenue than regular-sized business. The definition of "small"—in terms of being able to apply for government support and qualify for preferential tax policy—varies by country and industry. The U.S. Small Business

Administration defines a small business according to a set of standards based on specific industries. See [13 CFR part 121](#).

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

Threshold Requirements are eligibility requirements you must meet before HUD rates your application for funding.

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

2. Program Definitions.

For the purposes of the PRO Housing program, the following definitions of key terms apply. As needed, other definitions related to specific thresholds and rating factors will be provided in those sections of the NOFO. All definitions in Section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302) and in 24 CFR 570.3 apply except as indicated below.

Affordability, as it applies to housing costs, are those which do not overburden LMI households to the point of being unable to afford other necessities and non-housing expenses. HUD defines this as costs including utilities and fees, for which the LMI household/occupant is paying no more than 30 percent of gross income. Additional affordability requirements applicable to this NOFO can be found in Appendix IV and Section III.G.3 of this NOFO.

Affordable Housing. HUD will expect any rating factor responses relying on a definition of affordable housing to apply, at a minimum, the HOME program standards to affordable housing as defined in 24 CFR 92.252(a), (e), and (f) for rental housing and 24 CFR 92.254 (a)(1)-(4) for homeownership.

Change of Use occurs when the use of real property acquired or improved in whole or in part with PRO Housing funds and owned by a grantee or subrecipient is changed from its planned use when the grant agreement was executed. If a change of use occurs that does not comply with the requirements for the use of PRO Housing funding, the grantee must repay the PRO Housing grant. State grantees should review 24 CFR 570.489(j), and entitlement and all other grantees should review 24 CFR 570.505 and 24 CFR 570.503(b)(7).

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

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

- Not influence how an applicant is ranked or scored versus other applicants; and
- Be remedied within the time frame specified in the notice of deficiency.

A Non-Curable Deficiency is missing or incomplete application information that cannot be corrected by an applicant after the submission deadline. A non-curable deficiency is a deficiency that, if corrected, would affect an applicant's score or rank versus other

applicants. If an application includes a non-curable deficiency, the application may receive an ineligible determination, or the non-curable deficiency may otherwise adversely affect the application's score and final funding determination.

Leverage For the purposes of this NOFO, leverage is a federal or non-federal elective contribution that may be either financial or non-financial, and that is firmly committed to address activities described in an applicant's PRO Housing application.

Local government or unit of general local government (UGLG) shall have the same meaning as "unit of general local government" in Section 102(a)(1) of the Housing and Community Development Act of 1974: The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of a state; Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa, or a general purpose political subdivision thereof; a combination of such political subdivisions that, except as provided in Section 5306(d)(4) of this title, is recognized by the Secretary; the District of Columbia; and the Trust Territory of the Pacific Islands. This term "local government" includes entitlement CDBG grantees and non-entitlement communities.

Metropolitan Planning Organization (MPO) shall have the same meaning as defined in Section 8 of the Federal Transit Act of 1991 at 23 U.S.C. 134(b).

Multijurisdictional entity refers to any association of local governments or public agencies which are bound by collective agreement (such as a memorandum of understanding, joint powers authority, interstate compact, or the like), such that HUD determines that the entity is authorized and has administrative capability to carry out the activities under this NOFO on behalf of its member jurisdiction(s).

Planning Activities Consists of all costs of data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans.

Rehabilitation The labor, materials, tools, and other costs of improving buildings, other than minor or routine repairs.

Residential Antidisplacement and Relocation Assistance Plan (RARAP) refers to section 104(d) of the HCD Act [42 U.S.C. 5304(d)] and its implementing regulations at 24 CFR 42.325 which require the RARAP to indicate the steps that will be taken to minimize the displacement of families and individuals from their homes and neighborhoods as a result of any assisted activities, to provide for relocation assistance in accordance with 24 CFR 42.350, and to provide one-for-one replacement units to the extent required by 24 CFR 42.375.

Rural Area: For the purposes of this NOFO, any area outside of a CDBG designated entitlement community. This includes areas that are not currently CDBG entitlement grantees, who have refused participation in the CDBG program.

State government shall have the same meaning as "State" in section 102(a)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)

Uniform Relocation and Real Properties Acquisition Policies Act of 1970, as amended (URA) and its implementing regulations at 49 CFR part 24 establish minimum requirements for the acquisition of real property and the displacement of persons from their homes,

businesses, or farms as a direct result of acquisition, rehabilitation, or demolition for federally assisted programs and projects.

Appendix II: Waiver Requests

Introduction

This attachment provides instructions for seeking waivers of the program requirements applicable to funds under Public Law 119-75 and described in the PRO Housing NOFO.

Waiver requests necessary to carry out an activity described in an application must be submitted with that application. However, changes to a project's funding structure or design may require a change in the proposed CDBG-eligible activity or a modification to a waiver or alternative requirement previously requested. Therefore, applicants may submit waiver requests, and if necessary, requests to modify previous waiver requests.

HUD may, during review of an application or during the post-review negotiation process, determine that the Applicant would require an additional waiver for the proposed project, or find that additional information is needed to make a determination regarding a submitted waiver request. In these cases, HUD may contact any Applicant at any time prior to award announcement to explain the issue and request that the Applicant submit a waiver request for consideration or additional information to support a previous request.

Waiver and Alternative Requirement Categories

Public Law 119-75 authorizes the Secretary of HUD to "waive or specify alternative requirements for any provision of such title I of the [Housing and Community Development Act of 1974, as amended] except for requirements related to fair housing, nondiscrimination, labor standards, the environment, and requirements that activities benefit persons of low- and moderate-income" if the Secretary finds that such waivers or alternative requirements "are necessary to expedite or facilitate the use" of PRO Housing funds.

Grantees are cautioned that all waiver requests may not be approved, and that HUD may impose additional alternative requirements when granting a waiver. Waiver requests shall be submitted to HUD at the following e-mail [address: CDBG-PROHousing@hud.gov](mailto:CDBG-PROHousing@hud.gov), with Waiver Request on the subject line of the email.

To request a waiver of eligibility or administrative requirements, applicants must submit a written request that includes: the requirement to be waived, and if applicable, alternative requirement to be added (meaning how the current requirement should be altered); a detailed statement of how the request is necessary to identify and remove barriers to affordable housing production and preservation; the demographics of the population to be assisted; and a statement of alternative approaches considered to eliminate the need for a waiver.

Eligibility and Administrative Waivers

All applicants must demonstrate that PRO Housing funds will be used for a CDBG-eligible activity (for States, the activities described at 42 U.S.C. § 5305(a); for entitlement CDBG grantees, multijurisdictional entities, and metropolitan planning organizations, the activities described in 24 CFR part 570, subpart C) or an activity eligible under a waiver and alternative requirement. When necessary to expedite or facilitate the use of funds, the Secretary may

grant waivers to add or modify an eligible activity. Waivers to add new eligible activities are rare, generally because the list of existing eligible activities is extensive and able to accommodate proposals to identify and remove barriers to affordable housing productions and preservation.

Grantees may also request a waiver of other regulations that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for statutory requirements related to fair housing, nondiscrimination, labor standards, the environment, and the low- and moderate-income national objective).

National Objective Waivers

All PRO Housing activities are required to meet a national objective. HUD will not consider waiver requests that seek to waive a national objective entirely. Although exceedingly rare, HUD may consider a regulatory waiver request to impose an alternative requirement modifying an existing national objective requirement.

For example, 24 CFR 570.208(a)(1)(i) requires that for activities that serve all the residents in a particular area, at least 51 percent of whom are low- and moderate-income persons, an area that is not primarily residential in character shall not qualify. Most activities that meet this requirement are smaller activities with focused geographic service areas that are easy to document as "primarily residential." For large cities, urban counties, and states, documenting that the entire jurisdiction is "primarily residential" is difficult or impossible. Therefore, applicants may request that HUD waive the requirement that the service area be "primarily residential" in order for the applicant to carry out an activity that benefits its entire jurisdiction. Note that such a waiver would not remove the requirement that the jurisdiction contain at least 51 percent low-and moderate-income persons.

Appendix III: Certifications

Applicants to the PRO Housing program must use the applicable forms in this Appendix to certify their compliance with various requirements. Each applicant type has a required specific certification form. Applicants should complete the certifications relevant to them and submit them with their application. Please note that all applicants must complete the lobbying certification.

- Section I: Entitlement Local Government
- Section II: State
- Section III: Metropolitan Planning Organizations (MPOs) and Non-entitlement Local Government Applicants
- Section IV: Multijurisdictional Entities
- Section V: Optional Urgent Need Certification
- Section VI: Lobbying Certification for All Applicants

Section I PRO HOUSING CERTIFICATIONS FOR ENTITLEMENT LOCAL GOVERNMENT

APPLICANTS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

The Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (URA), and Residential Anti-displacement and Relocation Assistance Plan (RARAP) as required by section 104(d) of the Housing and Community Development Act of 1974, as amended -- It will comply with the acquisition and relocation requirements of the URA (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR part 24. It has in effect and is following a RARAP as required 42 U.S.C. 5304(d) and (k) and implementing regulations at 24 CFR part 42.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated 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 Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The submission of the PRO Housing application is authorized under state and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations (this NOFO, CDBG regulations, and any other specific regulations named herein). (24 CFR 91.225(a)(4))

Section 3 -- It will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75.

Build America, Buy America (BABA) – It will comply with Title IX, subpart A of the Infrastructure Investment and Jobs Act of 2021 (41 U.S.C. 8301 et seq.).

Use of Funds --

1. Maximum Feasible Priority. With respect to activities expected to be assisted with PRO Housing funds, it has developed its proposal to give maximum feasible priority to

activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The proposal may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional PRO Housing Certification).

2. **Overall Benefit.** The aggregate use of PRO Housing funds shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons.
3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with PRO Housing funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if PRO Housing funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with PRO Housing funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than PRO Housing funds. In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than PRO Housing funds if the jurisdiction certifies that it lacks PRO Housing funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing, consistent with 42 USC 5304(l):

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K and R; 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)).

Compliance with RFRA -- The grant will be conducted and administered in conformity with the requirements of the Religious Freedom Restoration Act (42 U.S.C. 2000bb) and 24 CFR 5.109, allowing the full and fair participation of faith-based entities.

Environmental Review -- It will comply with environmental review procedures and requirements at 24 CFR part 58 or 24 CFR part 50.

Compliance with Laws -- It will comply with applicable laws (42 USC 5304(b)(6)).

Signature of Authorized Official Date

Printed Name and Title of Authorized Official

Section II PRO HOUSING CERTIFICATIONS FOR STATE APPLICANTS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing.

The Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (URA), and Residential Anti-displacement and Relocation Assistance Plan (RARAP) as required by section 104(d) of the Housing and Community Development Act of 1974, as amended -- It will comply with the acquisition and relocation requirements of the URA (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR part 24. It has in effect and is following a RARAP as required 42 U.S.C. 5304(d) and (k) and implementing regulations at 24 CFR part 42.

Anti-Lobbying --To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated 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 Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the PRO Housing application is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations (this NOFO, CDBG regulations, and any other specific regulations named herein). (24 CFR 91.225(a)(4)).

Section 3 -- It will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75.

Build America, Buy America (BABA) – It will comply with Title IX, subpart A of the Infrastructure Investment and Jobs Act of 2021 (41 U.S.C. 8301 et seq.)

Consultation with Local Governments -- It has consulted with affected units of local government

Use of Funds --

1. Maximum Feasible Priority. With respect to activities expected to be assisted with PRO Housing funds, it has developed its proposal to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The proposal may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional PRO Housing Certification).
2. Overall Benefit. The aggregate use of PRO Housing funds shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons.
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with PRO Housing funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if PRO Housing funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with PRO Housing funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than PRO Housing funds. In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than PRO Housing funds if the jurisdiction certifies that it lacks PRO Housing funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing, consistent with 42 USC 5304(l):

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair

Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K and R; 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)).

Compliance with RFRA -- The grant will be conducted and administered in conformity with the requirements of the Religious Freedom Restoration Act (42 U.S.C. 2000bb) and 24 CFR 5.109, allowing the full and fair participation of faith-based entities.

Environmental Review -- It will comply with environmental review procedures and requirements at 24 CFR part 58 or 24 CFR part 50.

Compliance with Laws -- It will comply with applicable laws (42 USC 5304(b)(6)).

Signature of Authorized Official Date

Printed Name and Title of Authorized Official

Section III PRO HOUSING CERTIFICATIONS FOR METROPOLITAN PLANNING ORGANIZATIONS (MPOs) AND NON-ENTITLEMENT LOCAL GOVERNMENT APPLICANTS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The applicant will affirmatively further fair housing.

The Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (URA), and Residential Anti-displacement and Relocation Assistance Plan (RARAP) as required by section 104(d) of the Housing and Community Development Act of 1974, as amended -- It will comply with the acquisition and relocation requirements of the URA (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR part 24. It has in effect and is following a RARAP as required by 42 U.S.C. 5304(d) and (k) and implementing regulations at 24 CFR part 42.

Anti-Lobbying -- To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated 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 Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Applicant -- The submission of the PRO Housing application is authorized under State and local law (as applicable) and the applicant possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations (this NOFO, CDBG regulations, and any other specific regulations named herein).

Section 3 -- It will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75.

Build America, Buy America (BABA) – It will comply with Title IX, subpart A of the Infrastructure Investment and Jobs Act of 2021 (41 U.S.C. 8301 et seq.)

Use of Funds --

1. Maximum Feasible Priority. With respect to activities expected to be assisted with PRO Housing funds, it has developed its proposal to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The proposal may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional PRO Housing Certification).
2. Overall Benefit. The aggregate use of PRO Housing funds shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons.
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with PRO Housing funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if PRO Housing funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with PRO Housing funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than PRO Housing funds. In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than PRO Housing funds if the jurisdiction certifies that it lacks PRO Housing funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing, consistent with 42 USC 5304(l):

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K and R; 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)).

Compliance with RFRA -- The grant will be conducted and administered in conformity with the requirements of the Religious Freedom Restoration Act (42 U.S.C. 2000bb) and 24 CFR 5.109, allowing the full and fair participation of faith-based entities.

Compliance with Laws -- It will comply with applicable laws (42 USC 5304(b)(6)).

Signature of Authorized Official Date

Printed Name and Title of Authorized Official

Section IV PRO HOUSING CERTIFICATIONS MULTI-JURISDICTIONAL ENTITY APPLICANTS

The multijurisdictional entity certifies that:

Affirmatively Further Fair Housing – The jurisdiction(s) will affirmatively further fair housing.

The Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (URA), and Residential Anti-displacement and Relocation Assistance Plan (RARAP) as required by section 104(d) of the Housing and Community Development Act of 1974, as amended -- It will comply with the acquisition and relocation requirements of the URA (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR part 24. As applicable, it has in effect and is following a RARAP as required by 42 U.S.C. 5304(d) and (k) and implementing regulations at 24 CFR part 42.

Anti-Lobbying --To the best of the jurisdictions' knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated 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 Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction – The submission of the PRO Housing application is authorized under State and local law (as applicable) and the jurisdiction(s) possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations (this NOFO, CDBG regulations, and any other specific regulations named herein).

Section 3 – It will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75.

Build America, Buy America (BABA) – It will comply with Title IX, subpart A of the Infrastructure Investment and Jobs Act of 2021 (41 U.S.C. 8301 et seq.).

Use of Funds --

1. Maximum Feasible Priority. With respect to activities expected to be assisted with PRO Housing funds, it has developed its PRO Housing proposal to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The PRO Housing proposal may also include PRO Housing-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional PRO Housing Certification).
2. Overall Benefit. PRO Housing funds shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons.
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with PRO Housing funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if PRO Housing funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part

with PRO Housing funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than PRO Housing funds. In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than PRO Housing funds if the jurisdiction certifies that it lacks PRO Housing funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing, consistent with 42 USC 5304(I) and as applicable:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K and R; 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)).

Compliance with RFRA-- The grant will be conducted and administered in conformity with the requirements of the Religious Freedom Restoration Act (42 U.S.C. 2000bb) and 24 CFR 5.109, allowing the full and fair participation of faith-based entities.

Compliance with Laws -- It will comply with applicable laws (42 USC 5304(b)(6)).

Signature of Authorized Official Date

Printed Name and Title of Authorized Official

Section V OPTIONAL PRO HOUSING URGENT NEED CERTIFICATION

Submit the following certification only when one or more of the activities in the PRO Housing proposal are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the PRO Housing proposal includes one or more specifically identified PRO Housing-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources

are not available to meet such needs.

Signature of Authorized Official Date

Printed Name and Title of Authorized Official

Section VI LOBBYING CERTIFICATION FOR ALL APPLICANTS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature of Authorized Official Date

Printed Name and Title of Authorized Official

Appendix IV. PRO Housing Post-Award Requirements

This Section contains the post-award requirements applicable to the Pathways to Removing Obstacles to Housing (PRO Housing) funds made available by the Consolidated Appropriations Act, 2026 (Public Law 119-75, approved February 3, 2026) [FY26 Appropriations Act]. The program authority for PRO Housing is Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and the FY26 Appropriations Act.

Consistent with the FY26 Appropriations Act, funds shall be awarded directly to state governments, local governments, metropolitan planning organizations, and multi-jurisdictional entities. A recipient of a PRO Housing grant is a "grantee."

1. Use of Funds

- a. **General:** The FY26 Appropriations Act makes funds available for the identification and removal of barriers to affordable housing production and preservation, including new construction.
- b. **Applicable Statutory and Regulatory Requirements.** All recipients of FY26 PRO Housing grants are subject to: (1) the requirements of the FY 26 Appropriations Act; (2) this NOFO, including all appendices; and (3) applicable regulations governing the CDBG program at 24 CFR part 570, unless modified

by waivers and alternative requirements published by HUD in this NOFO or other applicable Federal Register Notice. Non-entitlement units of general local government, multijurisdictional entities, and metropolitan planning organizations will be subject to CDBG regulations applicable to entitlement communities, unless otherwise noted. Additionally, references to entitlement communities within this Section also include non-entitlement units of general local government, multijurisdictional entities, and metropolitan planning organizations. The PRO Housing grant program is intended to address the problem of barriers to affordable housing. The Appropriations Act and the PRO Housing NOFO establish the purpose and define the eligible uses of PRO Housing funds. In addition, HUD is waiving the consolidated plan regulations to the extent necessary to adjust reporting to fit the requirements of the FY26 Appropriations Act, the PRO Housing competition, and the use of the Disaster Recovery Grant Reporting (DRGR) system. For non-entitlement units of general local government, metropolitan planning organizations, and multijurisdictional entities that are not recipients of other HUD funding, as identified above, the consolidated plan requirements at 24 CFR 91 are not applicable, including the certification of consistency with the consolidated plan. The waivers and alternative requirements apply only to PRO Housing funds.

c. PRO Housing Action Plan, Action Plan Amendments, Reductions, and Leverage Modifications.

- *Action Plan:* A grantee's application (or approved components of a grantee's application) will become the basis for its PRO Housing Action Plan. Once the grantee has received DRGR system access, the grantee will enter in DRGR the approved activities and narrative information and HUD will ensure that the information is consistent with the application and HUD's approval. This information is the grantee's PRO Housing Action Plan. The grantee should publish the PRO Housing Action Plan on its official website(s) in an accessible format.
- *Amendments:* A grantee may request to make substantial amendments to its PRO Housing Action Plan. All requests for amendments must be submitted to HUD. A substantial amendment must be approved before a grantee revises its PRO Housing Action Plan. Amendments to the PRO Housing Action Plan that do not fall within the definition of a substantial amendment are "non-substantial amendments." HUD can help determine whether the amendment would constitute a substantial amendment and help ensure the proposed change complies with this NOFO and all applicable requirements. The grantee is encouraged to work with its HUD representative to ensure the proposed change is consistent with this NOFO, all applicable regulations, and Federal law.
 - **Substantial Amendments:** Substantial amendments are: a change in program benefit, beneficiaries, or eligibility criteria; the allocation or re-allocation of more than ten percent of the award; or the addition or deletion of an activity. HUD will approve or

disapprove any requested amendment that is a substantial amendment. If the proposed substantial amendment affects the application's narrative response to a rating factor, the application may need to be rescored and reranked. HUD will not approve substantial amendments if the amended PRO Housing Action Plan would result in the application failing to meet the competition's award threshold.

- "Non-substantial amendments": If a PRO Housing Action Plan is revised or scaled as discussed in an applicant's narrative response because HUD awarded less than the amount requested, then the application is not subject to rescoring and reranking.
- *Reductions*: HUD reserves the right to amend the grantee's award and reduce the grant amount or recapture the grant consistent with section III.G.10 of this NOFO. If a grantee is awarded an amount less than it originally requested, changes to budgets and activities that are made in the grantee's initial action plan to align with the actual award amount are not considered substantial amendments. HUD will provide technical assistance as needed to ensure that scaled awards still score in the fundable range for the competition.
- *Leverage*: A grantee is required under this NOFO to show evidence that firmly committed leverage resources were actually received and used for their intended purposes through annual reports as the project proceeds. Sources of leverage funds may be substituted after grant award, as long as the dollar amount of leverage is equal to or greater than the total amount of leverage identified as firmly committed in the application submissions to HUD. Substitution of a leverage source in the same amount committed in the Application is not a substantial amendment. Sections II.C and V.B, and Appendix IV.5.a.b.5 describes additional leverage reporting requirements in DRGR. Applicants should note that some activities that can be carried out to identify and remove barriers to affordable housing production may contain unallowable costs pursuant to 2 CFR 200.444. Any activity to carry out the regular responsibilities of the unit of general local government or for buildings or portions thereof used for the general conduct of government is unallowable. Applicants should plan their approaches accordingly to ensure that PRO Housing award funds are not used for such costs. However, grantees may use leverage funding for such unallowable costs.

2. Timely Expenditure of Funds.

- A grantee must expend funds in a manner that meets all PRO Housing program requirements, including reporting, by the end of the period of the performance of the PRO Housing grant, which is six years from the project start date.
- Grantees must comply with 2 CFR 200.305, as may be amended, and therefore may not draw down funds in advance of need.

- Pursuant to 31 U.S.C. 1552 and 24 CFR 570.200(k) (entitlements, non-entitlement local governments, multijurisdictional entities, and metropolitan planning organizations) and 570.480(h) (states), any unexpended FY26 funds in a grantee's account line of credit will cancel on September 30, 2034.
3. **Authority to Grant Waivers.** The Appropriations Act authorizes the Secretary to waive or specify alternative requirements for any provision of title I of the Housing and Community Development Act of 1974 (HCD Act), as amended, except for requirements related to fair housing, nondiscrimination, labor standards, the environment, and requirements that activities benefit persons of low- and moderate-income upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of funds authorized for the identification and removal of barriers to affordable housing production and preservation. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.
4. **Overview of Grant Process.** To begin expenditure of PRO Housing funds, the following steps are necessary:
- For the FY 2026 PRO Housing program, HUD is waiving 42 USC 5304(a)(2) and associated regulatory requirements in 24 CFR parts 91 and 570 related to citizen participation. PRO Housing applicants are not required to engage in public participation for the PRO Housing program, but may choose to hold an in-person public hearing (which may be a community meeting for non-government applicants). They may choose to allow a time for public comment before the application is submitted to allow for consideration and incorporation of public comments into the application as needed. Public comments should be submitted in-person, by mail, or electronically. If a public hearing is held, a summary of comments received during the public comment period can be provided with the application, and will not affect the applicant's chances for receiving an award (Attachment E);
 - HUD reviews applications in accordance with this NOFO and selects highest scoring Applicants for awards;
 - If the application is selected for award, HUD sends an award letter selection letter to awardee outlining next steps before award is effective;
 - HUD sends the unsigned grant agreement to the awardee;
 - Awardee ensures that the HUD-selected application is posted on its official website;
 - Awardee (hereinafter referred to as "grantee") signs and returns the grant agreement;
 - HUD signs the grant agreement and this is the effective date of the award;
 - HUD establishes the line of credit for the grantee;
 - Grantee requests and receives DRGR system access (if the grantee does not already have it);

- Grantee enters the HUD-approved activities from its application into DRGR (the PRO Housing Action Plan) and submits it to HUD within the system (funds can be drawn from the line of credit only for activities that are established in DRGR);
- HUD reviews the PRO Housing Action Plan for consistency with HUD's approval of the application;
- The Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification; or HUD has performed an environmental review under 24 CFR part 50 and the recipient has received HUD approval of the project; and
- The grantee begins to draw down funds from its line of credit.

5. **Applicable Rules, Statutes, Waivers, and Alternative Requirements.** This section describes requirements imposed by the Appropriations Act, applicable waivers, and alternative requirements. For each statutory waiver and alternative requirement described in the NOFO, the Secretary has determined that such waiver is necessary to expedite or facilitate the use of PRO Housing funds and for regulatory waivers, the Secretary has determined good cause exists, and/or the action is not inconsistent with the overall purpose of the [Housing and Community Development Act of 1974](#) Act. The waivers and alternative requirements provide additional flexibility in program design and implementation to identify and remove barriers to affordable housing production and preservation, while meeting the unique requirements of the Appropriations Act. The following requirements apply only to the PRO Housing funds awarded under this NOFO, and not to funds provided under any other component of the CDBG program, such as the annual formula Entitlement or State CDBG programs, Section 108 Loan Guarantee Program, the Neighborhood Stabilization Program, or any other award under the Appropriations Act. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their activities (for waiver request instructions, see Appendix II). Except where noted, waivers and alternative requirements described below apply to all grantees under this NOFO. Except as described in this NOFO, statutory and regulatory provisions governing the State CDBG program shall apply to any State government receiving an award under this NOFO, while statutory and regulatory provisions governing the Entitlement CDBG program shall apply to local governments, multijurisdictional entities, and metropolitan planning organizations. Applicable statutory provisions can be found under title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq.). Applicable State and Entitlement regulations can be found at 24 CFR part 570. Consolidated plan and public participation requirements found at 24 CFR part 91 are waived for the FY 2026 PRO Housing program. All references in this NOFO pertaining to timelines and/or deadlines are in terms of calendar days unless otherwise noted. The "date of this NOFO" shall mean the publication date of the PRO Housing NOFO unless otherwise noted.

a. *Grant Administration.*

a. PRO Housing Action Plan and general requirements. The requirements

for CDBG action plans, located at 42 U.S.C. 5304(a)(1), 42 U.S.C. 5304(m), 42 U.S.C. 5306(d)(2)(C)(iii), 24 CFR 91.220, and 91.320, are waived for funds provided under this NOFO. Instead, the NOFO application will serve as the applicant's PRO Housing Action Plan. HUD will monitor the grantee's activities and use of funds for consistency with its PRO Housing Action Plan and all other requirements, including performance and timeliness.

1. *Application-related requirements.* The application must meet the criteria of this NOFO and must identify the proposed use(s) of the grantee's award, including criteria for eligibility, and how the uses identify and remove barriers to affordable housing production and preservation.
2. *Funds awarded to a State government.* For each program or activity that will be carried out by the State government, the application as entered into the PRO Housing Action Plan must describe: (1) the projected use of the PRO Housing funds, including the entity(ies) administering the program/activity, budget, and location; (2) proposed start and end dates; and (3) how the projected use will meet CDBG eligibility criteria and a national objective; and (4) estimated performance outcomes (i.e., a performance measure) as identified in the Section V.B. of this NOFO or as otherwise determined and approved by HUD upon award of PRO Housing funds. If a State government chooses to use a method of distribution to allocate funds to local governments, it must describe in its application all criteria used to determine the distribution, including the relative importance of each criterion. Upon making awards, a State government must enter the information into the PRO Housing Action Plan as described above.
3. *Funds awarded directly to a local government, multijurisdictional entity, or metropolitan planning organization.* The local government, multijurisdictional entity, or metropolitan planning organization's application, as entered into the PRO Housing Action Plan, shall describe: (1) the projected use of the PRO Housing funds, including the entity(ies) administering the program/activity, budget, and location; (2) proposed start and end dates; (3) how the projected use will meet CDBG eligibility criteria and a national objective; and (4) estimated performance outcomes (i.e., a performance measure) as identified in the Section V.B. of this NOFO.
4. *General grant oversight:*
 1. The grantee must maintain adequate capacity of its administering agency(ies) or entity(ies), and the capacity of any local government or other organization or Partner

expected to carry out PRO Housing projects or activities. The grantee will plan and provide for increasing the capacity of subrecipients as needed and where capacity deficiencies (e.g., outstanding Office of Inspector General audit findings) have been identified. Grantees are responsible for providing adequate technical assistance to Partners, subrecipients, or subgrantees to ensure projects are timely, compliant, efficient, and effective with the use of funds. Although local governments or other organizations may carry out programs and projects, each grantee under this NOFO remains legally and financially accountable for the use of all funds and may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as oversight (also see paragraph a.ix under section 5), policy development, and financial management; and

2. The grantee will manage program income (e.g., including in agreements whether subrecipients may retain it), and the purpose(s) for which it may be used. Waivers and alternative requirements related to program income can be found in this NOFO at paragraphs a.ii and a.xvi of this section.
5. *Obligation and expenditure of funds:* HUD will issue a grant agreement obligating the funds to the grantee. Only the funds described by the grantee in its application and approved by HUD will be obligated. In addition, HUD will establish the line of credit and the grantee will receive DRGR system access (if it does not have access already). The grantee must also enter its approved application activities in the PRO Housing Action Plan before it may draw funds.
6. *Applicable Environmental Requirements:* Each activity must meet the applicable environmental requirements. After the Responsible Entity completes an environmental review(s) pursuant to 24 CFR part 58, as applicable (and paragraph a.xviii, as applicable), and receives from HUD or the State an approved Request for Release of Funds and certification (as applicable), or HUD has performed an environmental review under 24 CFR part 50 and the recipient has received HUD approval of the project, the grantee may draw down funds from the line of credit for the activity.
7. *Anticipated outcomes and expenditure plan.* Each grantee must include in its PRO Housing Action Plan projected expenditures and anticipated outcomes.
8. *PRO Housing Action Plan Amendments and Submission to HUD.* Each proposed amendment must be highlighted, or otherwise

identified, within the context of the entire PRO Housing Action Plan and be submitted to HUD. For substantial amendments, grantees must complete public participation requirements of this NOFO and any other requirements in this Appendix before HUD can approve the amendment. The beginning of every amendment must include a section that identifies exactly what content is being added, deleted, or changed. This section must also include a chart or table that clearly illustrates where funds come from and where they are moving. The amendment must include a revised budget allocation table that reflects the entirety of all funds, as amended. A grantee's most recent version of its PRO Housing Action Plan must be accessible for viewing as a single document at any given point in time. Every amendment to the PRO Housing Action Plan (substantial and non-substantial) must be numbered sequentially and posted on the grantee's website. HUD may seek additional information from the grantee to determine whether a proposed amendment is a substantial amendment.

b. HUD performance review authorities and grantee reporting requirements in the DRGR System.

1. *Performance review authorities.* 42 U.S.C. 5304(e) requires that the Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the grantee has carried out its activities in a timely manner, whether the grantee's activities and certifications are carried out in accordance with the requirements and the primary objectives of the HCD Act and other applicable laws, and whether the grantee has the continuing capacity to carry out those activities in a timely manner. This NOFO waives the requirements for submission of a performance report, pursuant to 24 CFR 91.520. In the alternative, and to ensure consistency between grants awarded under the FY26 Appropriations Act, HUD is requiring that grantees report quarterly by entering information in the DRGR system in sufficient detail to permit the Department's review of grantee performance on this quarterly basis and to enable remote review of grantee data to allow HUD to assess compliance and risk. The Department will use this reporting to analyze observable housing production, preservation, and cost trends in the participating jurisdictions or geographic areas.
2. *PRO Housing Action Plan.* Once an applicant receives a PRO Housing award, the grantee's application (or approved components of a grantee's application) will become the basis for its PRO Housing Action Plan. Each grantee must enter its PRO Housing Action Plan into DRGR, including performance measures. As more detailed information about uses of funds is identified by the grantee, the grantee must enter this information

into the DRGR system at a level of detail that is sufficient to serve as the basis for acceptable performance reports, permits HUD review of compliance requirements, and allows public understanding of progress. The information must also be entered into the DRGR system so that the grantee is able to draw its PRO Housing funds from the line of credit. To enter an activity into the DRGR system, the grantee must know the activity type, national objective, activity budget, proposed performance outcomes, and the organization that will be responsible for the activity. In addition, a Universal Entity Identifier (UEI) number must be entered into the system for any entity carrying out a PRO Housing funded activity, including the grantee, recipient(s) and subrecipient(s), contractor(s), and developers.

3. *Tracking oversight activities in the DRGR system; use of DRGR data for HUD review and dissemination.* HUD will use data entered into the DRGR PRO Housing Action Plan and the Annual Performance Report (APR), transactional data from the DRGR system, and other information provided by the grantee to provide reports to Congress and the public, as well as to (1) monitor for anomalies or performance problems; (2) reconcile budgets, obligations, funding draws, and expenditures; (3) calculate expenditures to determine compliance with program caps and the overall percentage of funds that benefit low- and moderate-income persons; and (4) analyze the risk of grantee programs to determine priorities for the Department's monitoring.
4. *Tracking program income in the DRGR system.* Grantees must use the DRGR system to draw grant funds for each activity. Grantees must also use the DRGR system to track program income receipts, disbursements, and revolving loan funds. If a grantee permits local governments or subrecipients to retain program income, the grantee must establish program income accounts in the DRGR system. The DRGR system requires grantees to use program income before drawing additional grant funds and ensures that program income retained by one organization will not affect grant draw requests for other organizations.
5. *DRGR System Annual Performance Report (APR).* Each grantee must submit an APR through the DRGR system no later than 30 days following the end of the fiscal year. Within 3 days of submission to HUD, each APR should be posted on the grantee's official website. HUD will also post the reports via the DRGR Public website. The grantee's first APR is due no later than 30 days following the end of the fiscal year in which the grant award is made. For example, a grant award made in April requires an APR to be submitted by October 30. APRs must be submitted on

an annual basis until the grant program is completed and meets the criteria for closeout. During the grant closeout process, a final APR will be required to ensure complete reporting. Each APR will include information about the uses of funds in activities identified in the DRGR system PRO Housing Action Plan during the applicable year. This includes, but is not limited to, the: project name, activity, location, and national objective; funds budgeted, obligated, drawn down, and expended; the funding source and total amount of any non-CDBG funds to be expended on each activity; beginning and actual completion dates of completed activities; achieved performance outcomes, such as number of housing units complete or number of low-and moderate-income persons benefiting; and the race and ethnicity of persons assisted under direct-benefit activities. The DRGR system will automatically display the amount of program income receipted, the amount of program income reported as disbursed, and the amount of grant funds disbursed. In addition, leveraged funds shall be identified for each activity, as applicable, in the DRGR system, and use of leverage funds committed in the grantee's PRO Housing Action Plan shall be included in the grantee's APR.

- c. Public participation waiver. To permit a more streamlined process and to ensure PRO Housing grants are awarded in a timely manner, provisions of [42 U.S.C. 5304\(a\)\(2\) and \(3\)](#), [24 CFR 570.486](#), [91.105\(a\)\(b\) and \(c\)](#), and [91.115\(a\)\(b\) and \(c\)](#), with respect to public participation requirements, are waived.
1. *Non-substantial amendment.* The grantee is not required to undertake public comment when it makes any amendment that is not substantial. Similar to substantial amendments, non-substantial amendments require HUD acceptance in the DRGR system prior to taking effect.
 2. *Physical Accessibility.* Note that all meetings must be held in facilities that are physically accessible to persons with disabilities. Where physical accessibility is not achievable, applicants and partners must give priority to alternative methods of product or information delivery that offer programs and activities to qualified individuals with disabilities in the most integrated setting appropriate in accordance with HUD's implementing regulations for Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) at 24 CFR part 8 and all applicable laws and regulations. In addition, all notices of and communications during all training sessions and public meetings shall be provided in a manner that ensures effective communication for persons with hearing, visual, and other communication or speech-related disabilities or provide other means of accommodation for persons with disabilities. See Section 504 of the Rehabilitation Act of 1973 and HUD's section

504 regulations, [24 CFR 8.6](#).

3. *Post-award requirements.*

- *Website.* The PRO Housing application and grant award information must be navigable by communities on the grantee (or relevant agency) homepage. Grantees are also encouraged to notify affected communities through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with neighborhood organizations.
- *Availability and accessibility of the Application.* The grantee must make the application, any amendments, and all performance reports available to the public on its website(s) and on request. In addition, the grantee must make these documents available on its website in a form accessible to persons with disabilities and non-English-speaking persons. During the term of the grant, the grantee will provide the public, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the application and to the grantee's use of grant funds.
- *Public complaints.* The grantee will provide a timely written response to every public complaint. As required by law, the grantee will provide a response within 15 working days of the receipt of the complaint, where practicable.

d. Direct grant administration and means of carrying out eligible activities.

1. *Requirements applicable to State grantees.* Requirements at 42 U.S.C. 5306 are waived, to the extent necessary, to allow a State to directly carry out PRO Housing activities eligible under this NOFO, rather than distribute all funds to local governments. Pursuant to this waiver, the standard at section 570.480(c) and the provisions at 42 U.S.C. 5304(e)(2) will also include activities that the State carries out directly. In addition, activities eligible under this NOFO may be carried out, subject to State law, by the State through its employees, through procurement contracts, or through assistance provided under agreements with subrecipients or recipients in all geographic areas within its jurisdiction, including entitlement areas and tribal areas, so long as the State is consistent with its PRO Housing Action Plan, including description of capacity and commitments to work with partners. Notwithstanding this waiver, State grantees continue to be responsible for civil rights, labor standards, and environmental protection requirements contained in the HCD Act and 24 CFR

part 570, as well as ensuring such compliance by subgrantees.

2. *Requirements for all grantees – direct administration and assistance to neighborhood organizations described in 42 U.S.C 5305(a)(15) of the HCD Act.* Activities made eligible at 42 U.S.C. 5305(a)(15) may only be undertaken by the eligible entities described in that section, whether the assistance is provided to such an entity from the State or from a local government.
- e. Requirement for stakeholder engagement during plan preparation. Currently, the HCDA and regulations require States to consult with affected units of local government in non-entitlement areas of the State in determining the State's proposed method of distribution. HUD is waiving 42 U.S.C. 5306(d)(2)(C)(iv), 42 U.S.C. 5306(d)(2)(D), 24 CFR 91.325(b), and 91.110.
- f. Use of the "upper quartile" or "exception criteria" for low- and moderate-income area benefit activities. Per the requirements at 42 U.S.C. 5305(c)(2)(A), certain communities are allowed to use a percentage less than 51 percent to qualify activities under the low- and moderate-income area benefit category. This exception is referred to as the "exception criteria" or the "upper quartile." For entitlement communities that meet the regulatory exception criteria, the community may apply the criteria if it receives funds from a State PRO Housing grantee and the State grantee permits the use.
- g. Use of "uncapped" income limits. The Quality Housing and Work Responsibility Act of 1998 (Title V of Public Law 105-276) enacted a provision that directed the Department to grant exceptions to at least 10 jurisdictions that are currently "capped" under HUD's low and moderate-income limits. Under this exception, a number of CDBG entitlement grantees may use "uncapped" income limits that reflect 80 percent of the actual median income for the area. Each year, HUD publishes guidance on its website identifying which grantees may use uncapped limits. The uncapped limits apply to activities funded pursuant to this NOFO in jurisdictions covered by the uncapped limits.
- h. Grant administration responsibilities.
 1. *Grantee responsibilities.* Per the Appropriations Act, each grantee shall administer its award in compliance with all applicable laws and regulations. Each grantee shall be financially accountable for the use of all funds provided in this NOFO and may contract for administrative support, but grantees may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as oversight, policy approval or adoption, and financial management.
- i. Waiver and alternative requirement for distribution to CDBG metropolitan cities and urban counties – applicable to State grantees only. Section

5302(a)(7) of title 42, U.S.C. (definition of "nonentitlement area") and provisions of 24 CFR part 570 that would prohibit or restrict a State from distributing CDBG funds to entitlement communities and Indian tribes under the CDBG program, are waived, including 24 CFR 570.480(a) and 570.486(c). Instead, the State may distribute funds to local governments, including entitlement communities, and Indian tribes.

- j. Waiver and alternative requirement for activities located in entitlement jurisdictions – applicable to State grantees only. Pursuant to 24 CFR part 570.486(c), any activity carried out in entitlement jurisdictions must significantly benefit residents of the non-entitlement UGLG carrying out the activity, and the state must determine that activity is meeting its needs in accordance with 42 U.S.C. 5306(d)(2)(D). The provisions of 24 CFR 570.486(c) are waived to the extent necessary to allow states, either directly or through units of general local government, to use funds for activities located in entitlement areas without contribution from the entitlement jurisdiction, consistent with the waiver and alternative requirements in this Appendix. HUD is granting this waiver to facilitate and expedite the use of PRO Housing funds.
- k. Use of subrecipients—applicable to State grantees only. The State CDBG program rule does not make specific provision for the treatment of entities that the CDBG Entitlement program calls "subrecipients." The waiver allowing the State to directly carry out activities creates a situation in which the State may use subrecipients to carry out activities in a manner similar to an entitlement community. Therefore, for States taking advantage of the waiver to carry out activities directly, the requirements at 24 CFR 570.502, 570.503, and 570.500(c) apply, except the requirements that specific references to 24 CFR part 200 must be included in subrecipient agreements. Pursuant to 24 CFR 570.489(n) and 570.502, State grantees must ensure that its costs and those of its state recipients and subrecipients are in conformance with 2 CFR 200 subpart E, as may be amended and incorporated in HUD regulations, whether carrying out activities directly or through the use of a subrecipient.
- l. Recordkeeping.
- *State governments.* When a State carries out activities directly, the requirements at 24 CFR 570.490(b) are waived and the following alternative provision shall apply: the State shall establish and maintain such records as may be necessary to facilitate review and audit by HUD of the State's administration of PRO Housing funds under 24 CFR 570.493. Consistent with applicable statutes, regulations, waivers and alternative requirements, and other Federal requirements, the content of records maintained by the State shall be sufficient to: enable HUD to make the applicable determinations described at 24 CFR 570.493; make compliance

determinations for activities carried out directly by the State; compliance with requirements of this NOFO and any other Notice governing the use of PRO Housing grants; and show how activities funded are consistent with the descriptions of activities proposed for funding in the PRO Housing Action Plan and DRGR system. For fair housing and equal opportunity purposes, and as applicable, such records shall include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the program.

- *Local government, MPO, and multijurisdictional entities.* Non-state grantees are subject to the recordkeeping requirements of 24 CFR 570.506.
- m. Change of use of real property – applicable to State grantees only. This waiver conforms to the change of use of real property requirement for States carrying out activities directly. For purposes of this program, all references to "unit of general local government" in 24 CFR 570.489(j), shall be read as "unit of general local government or State."
- n. Responsibility for review and handling of noncompliance – applicable to State grantees only. This change is in conformance with the waiver allowing the State to carry out activities directly.
- o. 24 CFR 570.492 is waived and the following alternative requirement applies for any State receiving a direct award under this NOFO: the State shall make reviews and audits, including onsite reviews of any subrecipients, designated public agencies, and local governments, as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2), as amended, and as modified by this NOFO. In the case of noncompliance with these requirements, the State shall take such actions as may be appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or consequences, and prevent a recurrence. The State shall establish remedies for noncompliance by any designated subrecipients, public agencies, or local governments.
- p. Program income alternative requirement. The Department is waiving applicable program income rules at 42 U.S.C. 5304(j), 24 CFR 570.500(a) and (b), 570.504, and 570.489(e) to the extent necessary to provide additional flexibility as described under this NOFO. The alternative requirements provide guidance regarding the use of program income received before and after grant closeout and address revolving loan funds.
 - *Definition of program income.* For the purposes of this subpart, "program income" is defined as gross income generated from the use of PRO Housing funds and received by a PRO Housing grantee, or a subrecipient of a PRO Housing grantee, unless excluded from the definition as described in paragraph 17.a.(2)

and paragraph 17.d. below. When income is generated by an activity that is only partially assisted with PRO Housing funds, the program income to the PRO Housing grant shall be prorated to reflect the percentage of PRO Housing funds used (e.g., a single loan supported by PRO Housing funds and other funds; a single parcel of land purchased with PRO Housing funds and other funds). Program income includes, but is not limited to, the following:

1. Proceeds from the disposition by sale or long-term lease of real property purchased or improved with PRO Housing funds;
2. Proceeds from the disposition of equipment purchased with PRO Housing funds;
3. Gross income from the use or rental of real or personal property acquired with PRO Housing funds by a State, local government, or subrecipient of a State, local government, less costs incidental to generation of the income (i.e., net income);
4. Net income from the use or rental of real property owned by a State, local government, or subrecipient of a State, or local government, that was constructed or improved with PRO Housing funds;
5. Payments of principal and interest on loans made using PRO Housing funds;
6. Proceeds from the sale of loans made with PRO Housing funds;
7. Proceeds from the sale of obligations secured by loans made with PRO Housing funds;
8. Interest earned on program income pending disposition of the income, but excluding interest earned on funds held in a revolving fund account;
9. Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income, where the special assessments are used to recover all or part of the PRO Housing portion of a public improvement; and
10. Gross income paid to a State, local government, or paid to a subrecipient thereof from the ownership interest in a for-profit entity in which the income is in return for the provision of PRO Housing assistance.
11. "Program income" does not include the following:

- The total amount of funds which is less than \$25,000 received in a single year and retained by a State, local government, or retained by a subrecipient thereof; or
- Amounts generated by activities both eligible and carried out by an entity under the authority of section 105(a)(15) of the HCD Act.
- *Retention of program income.* Per 24 CFR 570.504(c), a local government receiving a direct award under this NOFO may permit a subrecipient to retain program income. State grantees may permit a local government or tribe, which receives or will receive program income, to retain the program income, but are not required to do so.
- Program income – use, closeout, and transfer.
 - a. Program income received (and retained, if applicable) before or after closeout of the grant that generated the program income, and used to continue activities, is treated as additional PRO Housing grant funds subject to the requirements of this NOFO and must be used in accordance with the grantee's PRO Housing Action Plan. To the maximum extent feasible, program income shall be used or distributed before additional withdrawals from the U.S. Treasury are made, except as provided in subparagraph d of this paragraph.
 - b. In addition to the regulations dealing with program income found at 24 CFR 570.489(e) and 570.504, except as modified by this NOFO, the following rules apply: A grantee may transfer program income before closeout of the PRO Housing grant that generated the program income to its annual CDBG program. In addition, a State grantee may transfer program income before closeout to any annual CDBG-funded activities carried out by a local government within the State, including a local government that is an Entitlement CDBG grantee if that Entitlement grantee received PRO Housing funding from the State or from HUD.
 - c. Program income received by a grantee, or received and retained by a subgrantee, after closeout of the grant that generated the program income, may also be transferred to a grantee's annual CDBG award. In all cases, any program income received, and not used to continue PRO Housing activities, will not be subject to the waivers and alternative requirements of this NOFO. Rather, those funds will be

subject to the applicable formula CDBG program rules.

d. Revolving loan funds.

- Local government grantees, State grantees, and local governments or tribes (as permitted by a State grantee) may establish revolving funds to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities. These activities generate payments, which will be used to support similar activities going forward. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments which could be funded from the revolving fund. Such program income is not required to be disbursed for non-revolving fund activities.
- State grantees may also establish a revolving fund to distribute funds to local governments or tribes to carry out specific, identified activities. The same requirements, outlined above, apply to this type of revolving loan fund. Last, note that no revolving fund, established per this NOFO, shall be directly funded or capitalized with an advance of PRO Housing grant funds.

q. Reimbursement of expenses. The provisions of 24 CFR 570.489(b) are applied to permit a State CDBG grantee to reimburse itself for otherwise allowable planning and administrative costs incurred by itself or its subrecipients on or after the NOFO publication on HUD.gov. An entitlement CDBG grantee is subject to the provisions of 24 CFR 570.200(h) but may reimburse itself or its subrecipients for otherwise allowable costs incurred on or after the NOFO publication date. 24 CFR 570.200(h)(1)(i) will not apply to the extent that it requires pre-agreement activities to be included in a consolidated plan. The Department expects all grantees to include all pre-agreement activities in their applications. The provisions at 24 CFR 570.200(h) and 570.489(b) apply to grantees reimbursing costs incurred by themselves or its recipients or subrecipients prior to the execution of a grant agreement with HUD.

r. Environmental requirements.

- Clarifying note on the process for environmental release of funds when a State carries out activities directly. In the CDBG program, a State distributes CDBG funds to local governments and takes

on HUD's role in receiving environmental certifications from the grant recipients and approving releases of funds. For State grantees under this PRO Housing NOFO, HUD allows the State to carry out activities directly, in addition to distributing funds to subrecipients and/or subgrantees. Thus, per 24 CFR 58.4, when a State carries out activities directly, the State must submit the certification and request for release of funds to HUD for approval.

- Historic preservation reviews. To facilitate expedited historic preservation reviews under Section 106 of the of the National Historic Preservation Act of 1966 (54 U.S.C. § 306108), HUD strongly encourages grantees to allocate general administration funds to support the capacity of the State Historic Preservation Officer (SHPO)/Tribal Historic Preservation Officer (THPO) to review PRO Housing projects.

s. Procurement.

- State grantees. Per 24 CFR 570.489(d), a State must have fiscal and administrative requirements for expending and accounting for all funds. Furthermore, per 570.489(g), a State shall establish requirements for procurement policies and procedures for local governments based on full and open competition. All local governments receiving funds from a State through a method of distribution (also called state recipients, subgrantees, or local governments) are subject to the procurement policies and procedures required by the State. A State may meet the above requirements by electing to follow 2 CFR part 200, as may be amended. If a State has adopted part 200 in full, it must follow the same policies and procedures it uses when procuring property and services with its non-Federal funds. However, the State must ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations per 2 CFR 200.317.
- Direct grants to local governments. Local governments receiving a direct grant from HUD will be subject to the procurement requirements of 4 CFR 200.318 through 200.327, as may be amended.

t. Public website. A grantee is encouraged to maintain a public website which provides information accounting for how all grant funds are used and managed/administered, including details of all contracts and ongoing procurement policies. Each grantee should make the PRO Housing Action Plan (including all amendments) and each APR (as created using the DRGR system) available on its website(s).

u. Timely distribution of funds. The provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived under this

NOFO. HUD expects each grantee to expeditiously obligate and expend all funds, including any recaptured funds or program income, and to carry out activities in a timely manner. To track grantees' progress, HUD will evaluate timeliness in relation to each grantee's established expenditure plan. The Department will, absent substantial evidence to the contrary, deem a grantee to be carrying out its programs and activities in a timely manner if the schedule for carrying out its activities is substantially met. In determining the appropriate corrective action pursuant to this section, HUD will take into account the extent to which unexpended funds have been obligated by the grantee and its subrecipients for specific activities at the time the finding is made and other relevant information.

- v. Review of continuing capacity to carry out CDBG-funded activities in a timely manner. If HUD determines at any time that the grantee has not carried out its PRO Housing activities and certifications in accordance with the requirements and criteria described in this NOFO, HUD will undertake a further review to determine whether the grantee has the continuing capacity to carry out its activities in a timely manner. In making the determination, the Department will consider the following alternative requirements to provisions under 42 U.S.C. 5304(e): the nature and extent of the grantee's performance deficiencies, types of corrective actions the grantee has undertaken, and the success or likely success of such actions.
- w. Corrective and remedial actions. To ensure compliance with the requirements of the FY26 Appropriations Act and to effectively administer the PRO Housing program, HUD is waiving 42 U.S.C. 5304(e) of the HCD Act to the extent necessary to impose the following alternative requirement: HUD may undertake corrective and remedial actions for States in accordance with the authorities applicable to entitlement grantees in subpart O (including corrective and remedial actions in 24 CFR 570.910, 570.911, and 570.913) or under subpart I of the CDBG regulations at 24 CFR part 570. Before determining appropriate corrective actions, HUD will notify the grantee of the procedures applicable to its review. As in the annual CDBG program, in accordance with 24 CFR 570.300, the policies and procedures set forth in subpart O will apply to local governments receiving direct grants from HUD.
- x. Reduction, withdrawal, or adjustment of a grant or other appropriate action. Prior to a reduction, withdrawal, or adjustment of a grant or other appropriate action taken pursuant to this section, the recipient shall be notified of such proposed action and given an opportunity within a prescribed time period for an informal consultation. Consistent with the procedures described in this NOFO, the Secretary may adjust, reduce, or withdraw the grant or take other actions as appropriate, except that funds already expended on eligible approved activities shall not be recaptured.

- y. Use of PRO-Housing funds as Match. As provided by the HCD Act, PRO Housing funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible PRO Housing activity.
- z. URA and section 104(d) Requirements. As a reminder to all applicants, in addition to the URA requirements detailed elsewhere in this NOFO, PRO Housing funds are subject to section 104(d) of the Housing and Community Development Act of 1974, as amended, and its implementing regulations at 24 CFR part 42, Displacement, Relocation Assistance and Real Property Acquisition for HUD and HUD-Assisted Programs. Section 104(d) applies to the demolition or conversion of lower-income dwelling units in connection with Community Development Block Grant (CDBG) program assisted activities. In addition, should HOME Investment Partnerships (HOME) funding comprise a funding source for a PRO Housing project activity, HOME funding is also subject to section 104(d) requirements.
- aa. Demolition. Where demolition is part of a PRO Housing funded activity, compliance with the HCDA Section 104(d) (42 U.S.C. 5304(d) and (k)) is required.

6. *Certifications and Collection of Information*

1. Certifications waiver and alternative requirement. 42 USC 5304(b) and (c), 42 USC 5306(d)(2)(C) and (D), and sections 91.325 and 91.225 of title 24 of the Code of Federal Regulations are waived. Applicants for an award under this PRO Housing NOFO must make the applicable certifications required by Appendix B and submit the certifications with its application.
2. Information collection approval note. OMB has granted emergency approval in lieu of an overly abbreviated comment period. A 60-day notice is forthcoming shortly. Comments on the 60-day notice should be directed to [regulations.gov](https://www.regulations.gov). The information collection requirements contained in this document were approved by the OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number [Paperwork Reduction Act Number 2506-0220]. 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 currently valid OMB control number. The public reporting burden for the collection of information is estimated to average 35.59 hours for applications per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data for the application, quarterly reports, and final reports. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required to receive the benefits to be derived.

7. **Duration of Funding:** HUD expects all grantees to expend all PRO Housing funds by the end of the period of performance end date established by this NOFO. For amounts

provided by the FY26 Appropriations Act, the cancellation date is September 30, 2034. In no circumstance will HUD extend a period of performance beyond such cancellation dates.

8. **Catalog of Federal Domestic Assistance:** The primary Catalog of Federal Domestic Assistance (CFDA) number for the grants under this NOFO is 14.023. Additional supporting CFDA's are: 14.218; 14.228.