



U.S. Department of Housing  
and Urban Development

# Choice Neighborhoods Implementation Grants for Fiscal Year 2025

FR-6900-N-34

Applications are due by 11:59:59 PM Eastern Time on 03/09/2026.

Public and Indian Housing

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# BEFORE YOU BEGIN

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

## **SAM.gov Registration**

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

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

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

## **Grants.gov Registration**

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

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 FR-6900-N-34 . The application package has all the online forms you need to apply. You also need to access the Download Instructions link and review the content before you apply.

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

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

### **Application Deadline**

Applications are due by 11:59:59 PM Eastern Time on 03/09/2026.

### **HUD Listserv**

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

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

# I. BASIC INFORMATION

## 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:**  
Public and Indian Housing

**Announcement Type:**  
Initial

**Program Type:**  
Discretionary

**Paperwork Reduction Act Information:**  
2501-0044; 2577-0269

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

Key Facts

**Opportunity Name:**  
Choice Neighborhoods Implementation Grants for Fiscal Year 2025

**Opportunity Number:**  
FR-6900-N-34

**Federal Assistance Listing:**  
14.889

Key Dates

**Application Due Date:**  
11:59:59 PM Eastern Time on:  
03/09/2026

**Anticipated Award Date:**  
08/31/2026

**Estimated Performance Period Start Date:**  
08/31/2026

**Estimated Performance Period End Date:**  
09/30/2034

1. NOFO Summary

The Choice Neighborhoods program focuses on the revitalization of severely distressed public housing. Implementation Grants provide funding to support the redevelopment of the target housing project, supportive services for residents of the target housing project, and physical improvements in the surrounding neighborhood. Only local governments and public

housing agencies that previously received a Choice Neighborhoods Planning Grant are eligible to apply for an Implementation Grant under this NOFO.

## 2. Funding Details

### Type of Funding Instrument

G (Grant)

### Available Funds

Funding of approximately **\$75,000,000** is available through this NOFO. Subject to appropriations, HUD reserves the right to award fiscal year 2026 funds based on this NOFO competition.

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.

To determine the most you can request with your application, you need to:

1) **Calculate the development cost** for housing activities outlined in your Transformation Plan.

2) **Add funding** for non-housing activities.

See Section IV.B for detailed instructions on how to do these calculations.

You may request either the calculated amount or \$26,000,0000, whichever is less. HUD reserves the right to award a lower amount.

Make sure to use the FY 2025 Implementation Grant Sizing worksheet (HUD-53235) and include it with your application.

### Number of Awards

HUD expects to make approximately 4 awards from the funds available under this NOFO.

### Length of Performance Period:

Other

Length of Periods Explanation:

Per the FY 2025 Appropriations, the cancelation date for this funding is September 30, 2034.

## B. Agency Contact(s)

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

## II. ELIGIBILITY

### II. Eligibility

#### A. Eligible Applicants

#### B. Cost Sharing or Matching

## II. ELIGIBILITY

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

### A. Eligible Applicants

#### 1. Eligible Entity Types:

01 (County governments)

02 (City or township governments)

08 (Public housing authorities/Indian housing authorities)

#### Additional Information on Eligibility

Individuals are ineligible applicants.

#### 2. Restrictions

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

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

##### b. Application Eligibility

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

**Key Eligibility Criteria.** There are three main eligibility requirements for Choice Neighborhoods funding: you must be an eligible applicant entity; your application must target an eligible housing project; and your application must target housing in an eligible neighborhood.

**1. Applicant Entity.** Local government and public housing agencies (PHAs) must apply jointly. Either one can be the lead applicant.

a. Troubled Status for PHAs. Under section 24(j) of the 1937 Act, a “troubled” PHA might still be eligible to apply if:

- (1) Its troubled status is mainly due to reasons that don't stop it from carrying out a revitalization program;
- (2) It's making substantial progress in fixing its deficiencies that resulted in its troubled status;
- (3) It hasn't been found to violate fair housing or civil rights laws; or
- (4) HUD determines it can carry out a revitalization program.

If a PHA is on the most recent Operational Troubled List, HUD will use available documents and information to decide if that PHA is still eligible for funding. Troubled PHAs may also consult HUD's field office to discuss how the troubled designation affects their ability to manage a Choice Neighborhoods Implementation Grant.



**2. Target Housing.** Each application must focus on the revitalization of at least one severely distressed public housing project.

a. To be eligible for a grant under this NOFO, the Target Housing project must have been part of a FY 2023 or earlier Choice Neighborhoods Planning Grant. Your application may focus on *fewer* projects/units than were included in the Target Housing in the Planning Grant. But *no additional* housing projects/units may be included as the Target Housing for your application under this NOFO.

b. Severely distressed. The definition of “severely distressed housing” (from section 24(j)(2) of the 1937 Act) is included in the [Appendix](#). HUD recognizes that the determination of severe physical distress was certified when the Choice Neighborhoods Planning Grant application was submitted. Thus, your application under this NOFO must include a letter from the PHA confirming that it has not done any rehabilitation work that would make the previous Certification of Severe Physical Distress invalid.

c. Prior Choice Neighborhoods Implementation Grants. The Target Housing of a previously funded Choice Neighborhoods Implementation Grant may not be the Target Housing of a subsequent Implementation Grant application.

**3. Target Neighborhood.** Each application must focus on one neighborhood. The Target Neighborhood for this grant must be the same neighborhood as funded by a FY 2023 or earlier Choice Neighborhoods Planning Grant. The Target Neighborhood boundary submitted with your application must match the neighborhood boundary for your CN Planning Grant as approved by HUD prior to publication of this NOFO. You must submit an updated report for the Target Neighborhood created with HUD's online [Choice Neighborhoods Mapping Tool](#). This report is not needed to establish eligibility, but is still used for HUD to assign points for certain rating factors.

## B. Cost Sharing or Matching

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

Section 24(c)(1)(A) of the 1937 Act (42 U.S.C. 1437v(c)(1)(A)) establishes a matching requirement for Choice Neighborhoods grants. In addition, Section 24(c)(1)(B) of the 1937 Act states that if a grantee uses more than five percent of the grant amount for Supportive Services, it must provide matching funds in an amount equal to the amount used in excess of five percent. By the end of the CN grant term, grantees must secure and use at least five percent of the CN grant amount in cash or in-kind donations. Other section 24 funding CANNOT be considered match. Generally other federal sources are only allowed to count as cost share or match if permitted by a program's authorizing statute. Grantees must show evidence that matching resources were received and used for their intended purposes through quarterly reports. Sources of matching funds may be substituted after grant award, as long as the dollar requirement is met. Grantees must pursue and enforce any commitment (including commitments for services) obtained from an entity for any contribution or commitment to the project or surrounding area that was part of the match amount.

## III. PROGRAM DESCRIPTION

### III. Program Description

#### A. Purpose

#### B. Goals and Objectives

#### C. Authority

#### D. Unallowable Costs

#### E. Indirect Costs

#### F. Program History

#### G. Other Information

## III. PROGRAM DESCRIPTION

### A. Purpose

The Choice Neighborhoods program aims to transform severely distressed public housing and the surrounding areas. Local governments, public housing agencies, residents, and other partners (like schools, police, business owners, nonprofits, and private developers) work together to create and carry out neighborhood plans to accomplish these goals. These plans improve public housing, help residents become self-sufficient, and revitalize the neighborhood. Choice Neighborhoods uses public and private money to support local plans for struggling neighborhoods. The program has three main goals:

1. **Housing:** Redevelop severely distressed public housing into good quality, mixed-income housing that meets residents' needs and helps revitalize the community.
2. **People:** Help residents in the Target Housing improve their lives through upward mobility, employment, and self-sufficiency.
3. **Neighborhood:** Revitalize distressed neighborhoods by attracting long-term reinvestment from private and other public sources, leading to economic development, better amenities, services, and job opportunities for residents.

HUD offers two types of Choice Neighborhoods grants: Planning Grants and Implementation Grants. This specific funding opportunity is for **Implementation Grants**. Successful applicants will use these funds to carry out a comprehensive neighborhood revitalization strategy, or "Transformation Plan," which they've already developed through a Planning Grant. (Planning Grants are awarded separately and help fund the creation of a Transformation Plan.)

### B. Goals and Objectives

Each Transformation Plan should address these objectives:

**Housing Objectives:** Transform severely distressed public housing:

1. **Redevelop and Reposition Distressed Housing.** Convert public housing projects to Section 8 properties and make them part of a mixed-income development with affordable units for all income levels.
2. **High Quality.** Housing is well-designed, well-built, connected to, and improves the surrounding neighborhood.
3. **Financially Viable.** Housing is built within budget and is able to support itself financially over the long term.

**People Objectives:** Promote upward mobility, employment and self-sufficiency, and improved quality of life for residents in the target housing, including:

1. **Income and Employment.** Resident employment and income increase, which supports economic stability and provides residents a path for moving out of subsidized housing.
2. **Training and Education.** Children and youth have access to services that improve

their education and prepare them for college or careers.

3. **Maintaining Independence.** Elderly people and people with disabilities have access to services that help them stay independent.

**Neighborhood Objectives:** Support long-term neighborhood revitalization:

1. **Economic Opportunity.** Neighborhood has or is connected to a variety of businesses and employers, offering good jobs and economic opportunities for residents.
2. **Assets and Amenities.** Neighborhood has amenities typically found in areas with more opportunities, such as grocery stores, retail goods and services, financial institutions, health facilities, parks, public transit, and high-quality educational opportunities.
3. **Community Confidence.** Neighborhood has a more positive public image with improved appearance and a strong sense of place.
4. **Safety.** Neighborhood has lower crime rates and residents feel safer.

## C. Authority

The funding authority for Choice Neighborhoods grants under this NOFO is provided by the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4, approved March 15, 2025) (FY 2025 Appropriations). The program authority for the Choice Neighborhoods Initiative is section 24 of the 1937 Act (42 U.S.C. 1437v), as applied by the FY 2025 Appropriations.

## D. Unallowable Costs

Ineligible activities include, but are not limited to:

- a. Any activities carried out on or before the date of the letter announcing the award of the Choice Neighborhoods grant.
- b. Gifts/prizes for participation incentives (e.g. gift cards provided to residents that complete a survey or needs assessment and meals provided at planning meetings).
- c. Construction or rehabilitation of a K-12 school building or a higher educational institution.

## E. Indirect Costs

This program is subject to an OMB-approved deviation from the negotiated rate requirements. The deviation is as follows:

In accordance with section 24 of the 1937 Act, as amended, funding under this program may only be used for direct costs. Therefore, indirect costs are not permitted under this NOFO.

## F. Program History

Here are the major changes to this NOFO since the version published in FY 2023.

- Simpler NOFO format: to align with Appendix I of 2 CFR 200.
- Updated project eligibility: only public housing can be the Target Housing and must

have been the subject of a previously awarded Choice Neighborhoods Planning Grant.

- Reduced maximum grant award: maximum award reduced from \$50 million to \$26 million.
- The definition of “Replacement Housing” no longer includes public housing units.
- The amount of CN funding that can be allocated to Supportive Services is back to 15 percent and for Critical Community Improvements (CCIs) is now 10 percent.
- Streamlined application: deleted several rating factors and restructured other rating factors.

## G. Other Information

For Choice Neighborhoods Implementation Grants, the ultimate beneficiaries are the residents of the target neighborhood, including those living in the target housing development. Cities or other municipalities also benefit from the neighborhood plans that help revitalize low-income communities.

**1. Eligible Activities** - Choice Neighborhoods grants must be used for activities approved by HUD and be conducted in accordance with section 24 of the US Housing Act of 1937, as amended, by the Choice Neighborhoods Appropriations, and the requirements of this NOFO. Eligible activities include:

(a) Costs related to the development of housing to be Replacement Units, Affordable Housing (as defined in this NOFO), or Homeownership Units, including demolition, construction, acquisition or rehabilitation, architectural and engineering fees, legal fees, and other related expenses.

(b) Providing supportive services for residents, primarily focused on case management, service coordination and assistance to enable residents to access programs from other key agencies and local service providers that will promote upward mobility, employment and self-sufficiency, and improved quality of life for households living in the target housing. Programs and services include those that will increase income and employment; improve education outcomes and ultimately prepare students to graduate from high school college- and/or career-ready; maintain independence for elderly persons and persons with disabilities; and remove impediments to these goals (such as those related to transportation, substance abuse and health, housing stability, and childcare).

(c) Relocation assistance, including tenant-based rental assistance renewable under section 8 of the United States Housing Act of 1937, and supportive services for families that are displaced, including mobility and relocation counseling over multiple years, reasonable moving costs, and security deposits.

(d) Critical Community Improvements, as defined in this NOFO.

(e) Supportive Services Endowment.

(f) Administrative costs of the applicant directly related to carrying out grant activities.

## 2. Program Requirements.

**a. Right to Return for Tenants.** Grantees must provide each tenant who occupies a unit at

the Target Housing under a valid lease or occupancy on the date of the grant award the opportunity to return to a replacement unit if the tenant was lease-compliant at the time of departure from the housing prior to relocation and remained lease-compliant during the relocation period. A returning tenant shall be provided the highest-level preference for occupancy of replacement units before such units are made available to any other households. Accordingly, the Housing Plan must provide an adequate number of replacement housing units that can be occupied by households with incomes up to 80 percent AMI (e.g., units that are not limited by another funding source such as LIHTC equity that has a lower income limit) and provides a sufficient number of bedrooms per unit and accessible units to ensure families are not displaced. The tenant also has the option not to occupy a replacement unit and may retain tenant-based voucher assistance provided under section 8(o) of the United States Housing Act of 1937 for relocation from the properties revitalized under this NOFO. These preferences are retained even if the resident has already received permanent relocation assistance. This preference remains available until the initial lease-up of the replacement units. If a household is “rightsized” (e.g., splits into two separate households) through the relocation resulting from Choice Neighborhoods, the original head of household will have the right to return. Once all the original heads of household have been housed, the Grantee is required to offer the second household any units that are available. If no units are available, then the second household will be moved to the top of the waiting list for the replacement units in this project. Both the original household and the second household are required to be lease-compliant at the time of relocation and throughout relocation.

**b. One-for-One Replacement of Units.** Each Transformation Plan that provides for public housing dwelling units to be demolished or disposed must provide as follows:

(1) **Existing Units.** For all public housing dwelling units still physically standing as of the application due date which will be demolished or disposed, the Transformation Plan must provide for replacement of the same number of units. The number of bedrooms replaced may be greater or fewer than those still physically standing, provided that the overall unit mix first meets the needs of the existing residents, then considers the needs of households on the waiting list and is aligned with the results of a recent housing market study.

(2) **Types of Units.** Replacement Housing is rental housing that will replace demolished, disposed of, or otherwise reduced public housing. Refer to the definition of Replacement Housing in [Appendix II](#).

(a) **Section 8 Project-Based Voucher Units by Other (PBV by Others).** Section 8 project-based vouchers (PBV) developed by an entity other the Housing Implementation Entity and without Choice Neighborhoods funding (referred to as ‘PBV by Others’) can count as Replacement Housing if the PHA with jurisdiction over the geographic area where the project will be located has an established PBV program in accordance with 24 CFR Part 983. Units must be in mixed-income developments and, if located outside the target neighborhood, must satisfy the location requirements listed below. PBV by Others can only account for up to one-third of the Replacement Units. If an application qualifies for the exception that allows tenant-based vouchers to count as Replacement Housing and the plan proposes to exercise that option, the sum of tenant-based vouchers and PBV by Other cannot exceed one-half of the



replacement units. If awarded a grant, information will be provided to the Choice Neighborhoods office as projects are identified for review and approval to count as Replacement Units. In the event the proposed PBVs are not developed, the Lead Applicant and Housing Implementation Entity will still be responsible for meeting the one-for-one requirement.

**(b) Tenant-based Vouchers as Replacement Housing.** Tenant based vouchers can only count as Replacement Housing in housing markets where there is an adequate supply of affordable rental housing in areas of low poverty. As part of the Choice Neighborhoods mapping tool, HUD has included the counties that meet the standards in (i) Vacancy and (ii) Voucher Dispersion below. This information will be included in the pdf report sent via email after you draw the neighborhood's boundary on the mapping tool that you must include as an attachment in your application. If the report indicates those criteria are met, then Choice Neighborhoods applicants working in an eligible community may submit a grant application based on qualifying for this exception.

(1) Criteria.

(i) Vacancy: Be located in a county/parish with a rental vacancy rate (as measured in the American Communities Survey (ACS)) that exceeds the HUD conventional range for a "balanced" rental market by a percentage point or more in accordance with the table below. For example, in a market with slow population growth (population growth of one percent annually or less), HUD has determined that market to be "soft" or "loose" if rental vacancy rates in the county are greater than 5.9 percent.

Annual Population Growth	Vacancy Rate of Loose Rental Market
Slow (<1%)	>5.9%
Moderate (1-2.9%)	>7.4%
Rapid (>3%)	>9.0%

(ii) Voucher Dispersion: Be located in a Core Based Statistical Area (CBSA) or non-CBSA County where vouchers currently in use are primarily in lower poverty neighborhoods. Data from IMS/PIC shows the location of current housing choice voucher holders in the CBSA (or county/parish outside a CBSA). To qualify on this standard, the median neighborhood poverty rate or extremely low-income percentage for voucher holders in the CBSA (or county/parish outside a CBSA) must be 20 percent or less. In other words, at least 50 percent of all voucher holders in the CBSA must be in neighborhoods with a 20 percent poverty rate (or extremely low-income rate) or less. An applicant may also meet this requirement if the success rate of only the housing agency that will administer the replacement vouchers meets the criteria above.

(2) If eligible for this exception, the tenant based-vouchers can count for up to one-third of the Replacement Housing. Please note that this exception does not supersede an entity's obligation to comply with other one-for-one replacement requirements associated with other program requirements/funding sources (e.g., the Rental Assistance Demonstration, Section

104(d) of the Housing and Community Development Act, etc.).

(3) **Location.** Replacement Housing units developed by the Housing Implementation Entity must be located within the target neighborhood. The exception is that 'PBV by Others' (described below) may be located outside the target neighborhood if they meet the following criteria:

- (a) Are located within the metropolitan area up to 20 miles from the target housing site;
- (b) Offer access to economic opportunities and public transportation and be accessible to social, recreational, educational, commercial, health facilities and services, and other municipal services and facilities that are comparable to those that will be provided in the target neighborhood; and
- (c) Meet the site and neighborhood standards listed in 24 CFR 983.55, or successor regulation.

**c. Project Milestones.** In order to ensure grant funds are expended prior to the expenditure deadline, grantees must proceed in a timely fashion. Early milestones that must be met include:

- (1) Key Supportive Services programs and activities must be made available to residents within 120 days of grant award.
- (2) An updated budget and program schedule must be submitted within 120 days after grant award.
- (3) A copy of the executed development services agreement with the Housing Implementation Entity must be submitted within 120 days after grant award.
- (4) A detailed/updated People Plan must be submitted within 12 months of grant award.
- (5) A detailed/updated Neighborhood Plan must be submitted within 12 months of grant award.
- (6) The financial closing for the first housing phase using grant funds must occur within 18 months of grant award, and the construction Notice to Proceed or equivalent must start within 90 days after the closing date.

**d. Replacement Housing Development Activities.**

- (1) All Replacement Units must meet the definition provided in the Appendix. Such units must also be developed in mixed-income projects, with the exception of projects designated for seniors and/or residents with disabilities. For phases using grant funds, HUD will review the development proposal in accordance with the regulations at 24 CFR 905.606 and the Cost Controls and Safe Harbor Standards for Rental Mixed-Finance Development, dated April 2003, or subsequent guidance.
- (2) Any RAD conversion must be done in accordance with the protocol for reviewing RAD/Choice Neighborhoods projects or subsequent guidance (available on the Choice Neighborhoods website at [https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/cn/grants](https://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/cn/grants)).
- (3) For Replacement Units to be provided as PBV by Others, the PHA that administers the vouchers must comply with 24 CFR part 983. In addition, the Choice Neighborhoods office must review project information in advance of the AHAP or HAP contract to confirm the



project satisfies the CN program objectives (e.g., is in a mixed-income development and, if located outside the target neighborhood, meets the location requirements set forth in this NOFO).

**e. Affordable Housing Development Activities.** Affordable Housing units (non-replacement rental units, as defined in the NOFO) developed with Choice Neighborhoods funds must be done in accordance with a proposal approved by HUD. Such units must be available to families earning up to 120 percent of AMI for at least 20 years. Affordable Housing units must be in the same building with replacement units, except for buildings with one to four units total. Further, Affordable Housing units cannot include other funding that has a lower income restriction (such as LIHTC equity). The affordability restrictions shall be contained in a legally enforceable document recorded in the appropriate recorder's office or registry of deeds and consistent with the long-term viability of the project. HUD will review the development proposal in accordance with the regulations at 24 CFR 905.606 and the Cost Controls and Safe Harbor Standards for Rental Mixed-Finance Development, dated April 2003, or subsequent guidance.

**f. Homeownership Development Activities.** Homeownership units developed with Choice Neighborhoods funds must be developed in accordance with a homeownership proposal, which must be consistent with fair housing and civil rights requirements, approved by HUD. Such units must be sold to families earning up to 120 percent of AMI and grantees shall commit to an affordability period of at least 20 years.

### **g. Acquisition.**

(1) Acquisition Proposal. Site Acquisition Proposal. If a Grantee proposes to use Grant Funds to acquire vacant land (or land with existing dilapidated structures to be torn down prior to redevelopment) for the future development of new replacement housing units but is not yet prepared to submit a Development Proposal, the Grantee must submit a site acquisition proposal to HUD for review and approval prior to acquisition in accordance with 24 CFR 905.608. Once the Grantee finalizes its plan for development of the site, the Grantee must submit a Development Proposal to HUD for review and approval in accordance with 24 CFR 905.606.

(2) Land for Replacement Units outside the target neighborhood. For acquisition of land for replacement housing outside the target neighborhood, grantees must comply with 24 CFR part 905.602(d) (site and neighborhood standards).

(3) Land for Economic Development-Related Activities.

(a) Acquisition of land for this purpose is eligible only if the economic development-related activities specifically promote the economic self-sufficiency of residents.

(b) Limited infrastructure and site improvements associated with developing retail, commercial, or office facilities, such as rough grading and bringing utilities to (but not on) the site, are eligible activities with prior HUD approval.

(4) Acquisition of land for Federally funded projects is subject to the Uniform Relocation

Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and its implementing regulations at 49 CFR part 24.

**h. Building Codes and Design Standards.** Housing units must meet all federal, local and state building regulations/codes and be built to market rate standards. HUD is seeking excellence in design. Applicants are encouraged to design projects that are compatible with and support revitalization of the surrounding neighborhood. Local architecture and design elements should be incorporated so the housing blends in with and enhances the physical character of the neighborhood. Amenities should be provided that address the needs of residents and support self-sufficiency. Housing units should be able to withstand severe weather events. Site and building designs must incorporate all federal accessibility requirements as referenced in Section VII of the NOFO and should seek to incorporate Universal Design concepts, such as livability and visitability.

#### **i. People Plan and Supportive Services.**

(1) **Term Period.** Supportive Services activities and case management must last for either the end of the grant term or when the last phase with replacement units is leased, whichever is sooner. Activities should be carefully planned so that they will last after the grant period ends. Outreach and basic supportive services, including household-level assets and needs assessments and service referrals for immediate needs, should start within 120 days of grant award.

#### **(2) Allowed Funding Mechanisms:**

(a) **Maximum Supportive Services Amount.** Consistent with sections 24(d)(1)(L) and 24(j)(3) of the 1937 Act, grantees may use up to 15 percent of the total Choice Neighborhoods grant to pay the costs of Supportive Services activities. Grantees may spend additional sums on Supportive Services activities using donations; other HUD funds made available for that purpose; and other federal, state, local, PHA, or private-sector donations (leverage). After award, successful applicants must provide a detailed plan, for HUD's review and approval, for how Choice Neighborhoods funds will be used in combination with other resources to increase income and employment; improve education outcomes and ultimately prepare students to graduate from high school college, attend college or start a career; and maintain independence for elderly persons and persons with disabilities.

(b) **Supportive Services Endowment Trust.** Each grantee may elect to establish an endowment with some Supportive Services funding under this grant. HUD will release funds into the Supportive Services Endowment Trust during the last year of the grant term or one year prior to lease up of the last housing phase with replacement units if the grantee demonstrates that it has made substantial progress on a subset of performance indicators. If the grantee has not met these performance indicators, then it may forfeit this portion of the total grant, unless otherwise approved by HUD. To establish an endowment trust, grantees must first execute with HUD an Endowment Trust addendum to the grant agreement. Grantees must submit this addendum as part of an Endowment Trust proposal. When reviewing the Endowment Trust proposal, HUD will take into consideration the grantee's ability to pay for current supportive services activities with Choice Neighborhoods or other

funds and the projected long-term sustainability of the endowment trust to carry out those activities. If established, the endowment trust should be part of a broader sustainability plan and should consider the full scope of services, including leveraged services, that are needed to support effective strategies.

(3) **Dedicated Project Manager.** The People Implementation Entity must dedicate an experienced full-time project manager to oversee the People Plan implementation.

(4) **Data Sharing.** The Lead Applicant, People Implementation Entity, and current property management entity must develop a data sharing agreement among all parties to ensure resident data can be shared on an 'as needed' basis to achieve the goals of the People Plan. At a minimum, the data sharing agreement should cover resident contact information, eviction risk status, safeguards to ensure data security, and other basic information to facilitate case management outreach and housing stability supports. Grantees are reminded that all medical and reasonable accommodation information shall be maintained, kept confidential, and disclosed consistent with the requirements of and the authorized purposes under Section 504 of the Rehabilitation Act and the Americans with Disabilities Act.

(5) **People Plan.** Grantees must submit a detailed People Plan within 12 months of grant award. After grant award, new household-level assets and needs assessments should be conducted with at least 65 percent of households living in the Target Housing prior to the development of the People Plan so that strategies are informed by the results. If the target housing was demolished five or more years ago, the grantee must explain and justify the target population for the proposed People Plan. HUD reserves the right to negotiate plan details and must approve the final plan.

(6) **Case Management and Service Coordination.** Case Management and supportive services must be available to all original residents living in the target housing at the date of grant award as well as to residents who move into the target housing prior to relocation. At the grantee's discretion, case management and supportive services may also be extended to residents who occupy the Replacement Housing units. Case management and supportive services under this grant cannot be extended to residents who do not live in the housing specifically targeted for this grant. When households include multiple family members, case management services must be offered to the entire family. As part of case management, in-depth individual or family development plans must be created and updated at least once a year to identify needs, strengths, and goals of residents and to tailor supportive services coordination, programming, and referrals. To effectively serve residents, HUD recommends a case manager ratio of no more than 1:50 households. In addition to Case Management, Service Coordination must be provided to improve target residents' access to high-quality services that meet their needs, as well as remove impediments, such as transportation, health, housing stability, and childcare.

(7) **Income & Employment.** Grantees, with their partners, must offer services to increase income and employment for working-age adults. Services must include: creating/coordinating a career pathway pipeline available to working-age adults, including career exploration, coaching, and training; developing direct connections to employers; and supporting residents in retaining new jobs for at least the first 90 days of their employment.

(8) **Training & Education.** Grantees, with their partners, must offer services to improve education outcomes and ultimately prepare students to graduate from high school ready for college- and/or a career. Services may include: supporting the attendance of children from

birth to kindergarten in high-quality early education programs, evidence-based programs for caregivers, developmental screening, and, if a delay is identified, early behavioral health services; supporting the attendance of school-aged children in high-quality, out-of-school time programs; providing wrap-around supports; securing school data sharing agreements and tracking student-level data consistent with the Family Educational Rights and Privacy Act (FERPA); and working with school staff to meet individual students' needs.

(9) **Maintaining Independence.** Grantees, with their partners, must offer services to help elderly persons and persons with disabilities maintain their independence. Services may include connecting residents to: a regular place of healthcare, needed health and mental health services, and wrap-around supports to maintain independence.

#### **j. Neighborhood Development Activities and Critical Community Improvements (CCIs).**

(1) **Neighborhood Investment.** Grantees must implement a locally-driven Neighborhood Plan to improve the target neighborhood and attract public and private investment. Your Neighborhood Plan must be tailored to the opportunities and challenges within your neighborhood, while also addressing the program's Neighborhood Objectives. The Neighborhood Plan should also reflect input from a broad set of partners, community residents, and target housing residents

#### **(2) Critical Community Improvements.**

(a) Purpose and Funding. CCIs are community and economic development projects funded by the Choice Neighborhoods grant. These activities must support the broader goals and strategies of your Neighborhood Plan. Grantees may use up to 10 percent of the Choice Neighborhoods grant to support CCI activities.

(b) Requirements. CCI funds can only be spent on physical improvements. CCI activities must be highly visible and strategically located (e.g. near replacement housing or on key commercial corridors). HUD expects CCI activities to leverage additional public and private dollars.

(c) Eligible Uses. CCIs must address at least one Neighborhood Objective of the Choice Neighborhoods program. Accordingly, possible uses of funds include:

- **Economic Opportunity:** Activities that attract or retain jobs within the neighborhood, such as development or rehabilitation of commercial and retail space; tenant build-out; business façade improvement programs; or kitchen and food incubators.
- **Community Assets and Amenities:** Commercial and retail development; funding towards grocery stores, early childhood education centers, parks, or green space.
- **Community Confidence:** Enhanced corridor improvements; place-making and public art; homeowner façade improvement programs; redevelopment of vacant lots and buildings; blight elimination; or community gardens.
- **Public Safety:** HUD will consider physical public safety improvements on a case-by-case basis.

(d) **Ineligible Uses.** HUD will not fund the following activities: development of social services facilities (e.g., "one stop shops," community centers, employment and/or training centers, citywide or regional social service facilities); providing programs, services, or operating funding; the commission of plans and studies; water and sewer line repair or infrastructure; bike share stations, car/rideshare stations, and electric vehicle charging stations; standard

street, sidewalk and lighting installation or repair; landbanking; land acquisition not related to a CCI activity/future use. CCI funds cannot be used for infrastructure or substitute for basic municipal services.

(3) **Neighborhood Plan.** Successful applicants must submit an updated Neighborhood Plan to HUD describing each CCI activity and how it supports the broader neighborhood strategy within 12 months of grant award. At that time, HUD will review the proposed CCI activities and reserves the right to negotiate and/or disapprove CCI activities as the use of grant funds is subject to HUD approval.

k. **Procurement criteria to assemble the Choice Neighborhoods Grant Application.** All grantees must comply with applicable procurement regulations, including 2 CFR 200. If partners identified in this grant application submit an application in response to this NOFO (i.e., Principal Team Members) were not selected through a procurement process, then the grantee must take steps necessary to ensure compliance with the applicable procurement requirements for all expenditure of grant funds. The Housing Implementation Entity may be selected in accordance with 24 CFR 905.604(h).

# IV. APPLICATION CONTENTS AND FORMAT

## IV. Application Contents and Forms

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

### B. Budget

### C. Narratives and Non-Form Attachments

### D. Other Application Content



## 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.

240 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).

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 <a href="#">More form information</a>
Applicant and Recipient Assurances and Certifications (HUD 424-B)	Required with the application	Page limit: Not applicable File name: HUD-424B <a href="#">More form information</a>
Applicant/Recipient Disclosure/Update Report	Required with the application	Page limit: Not applicable File name: HUD-2880

Forms/Assurances/Certifications	Submission Requirement	Notes/Description
(HUD 2880)		<a href="#">More form information</a>
Certification Regarding Lobbying	Required with the application	Page limit: Not applicable File name: Lobbying Certification form <a href="#">More form information</a>
Disclosure of Lobbying Activities (SF-LLL)	If applicable, required with the application	Page limit: Not applicable File name: SF-LLL <a href="#">More form information</a>
Certification of Consistency with Promise Zone Goals and Implementation (HUD-50153)	If applicable, required with the application	Page limit: Not applicable File name: HUD-50153
Certification for Opportunity Zone Preference Points (HUD 2996)	If applicable, required with the application	Page limit: Not applicable File name: HUD-2996
Certification for a Drug-Free Workplace (HUD-50070)	If applicable, required with the application	Page limit: Not applicable File name: HUD-50070
Certification of Consistency with the Consolidated Plan (HUD-2991)	Required with the application	Page limit: Not applicable File name: HUD-2991

## B. Budget

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

Refer to the Choice Neighborhoods [Implementation Grant Budget Guidance](#) for details about eligible costs and how to classify them.

Budget Form/Document	Submission Requirement	Notes/Description
Choice Neighborhoods Implementation Grant Budget form (HUD-	Required	Page



Budget Form/Document	Submission Requirement	Notes/Description
53236)	red with the application	limit: Not Applicable File name: HUD-53236
<p>Grant Sizing Worksheet (HUD-53235).</p> <p><b>Grant Sizing Methodology.</b> An applicant may request the lesser of \$26,000,000 or the amount calculated in accordance with the methodology below. The formula calculates a development cost for the replacement housing units to be developed in the Transformation Plan with grant funds and allows for additional funding for non-housing activities.</p> <p><b>a. Funding for Housing Activities.</b> To establish the replacement housing unit development cost, HUD will use the Total Development Cost limits (TDC Limit) in effect at the time this Choice Neighborhoods NOFO is published (2024 TDC limits are dated November 13, 2024) as a proxy for the costs of all types of replacement housing units. Note: The TDC limit, as defined at 24 CFR 905.314, refers to the maximum amount of public housing capital assistance that HUD will approve for development of public housing. It applies only to the costs of development of public housing that are paid directly with HUD public housing funds; a grantee may exceed the TDC limit using non-public housing funds such as CDBG, low-income housing tax credit equity, etc. The total cost of development, which includes relocation costs, is limited to the sum of (a) up to 100 percent of HUD's published TDC limits for the costs of demolition and new construction, multiplied by the number of target housing replacement units and (b) 90 percent of the TDC limits, multiplied by the number of target housing units after substantial rehabilitation and reconfiguration. Extraordinary Site Costs are not considered in the calculation of the maximum grant award. If</p>	Required with the application	Page limit: Not Applicable File name: HUD-53235

Budget Form/Document	Submission Requirement	Notes/Description
<p>selected for funding, HUD will evaluate such costs in conjunction with reviewing the housing development proposal for each phase.</p> <p><b>b. Funding for Non-Housing Activities.</b> These costs are in addition to the funding for housing activities calculated above.</p> <p>(1) Supportive Services. Up to 15 percent of the total Choice Neighborhoods grant may pay the costs of Supportive Services activities, as defined in this NOFO.</p> <p>(2) Critical Community Improvements. Up to 10 percent of the total Choice Neighborhoods grant may pay the costs of Critical Community Improvements (CCI), as defined in this NOFO.</p> <p>Applicants may choose to allocate less CN funding to Supportive Services and CCI than the maximum caps.</p> <p><b>Cost Control Standards</b></p> <p><b>a.</b> Hard development costs must be realistically developed using technically competent methodologies, including cost estimating services, and should be comparable to industry standards for the kind of construction to be performed in the proposed geographic area.</p> <p><b>b.</b> Cost estimates must represent an economically viable preliminary plan for designing, planning, and carrying out your proposed activities, in accordance with local costs of labor, materials, and services.</p> <p><b>c.</b> Projected soft costs must be reasonable and comparable to industry standards and in accordance with the applicable policy, statute and/or regulations.</p> <p><b>d.</b> HUD shall establish cost limits on eligible activities under this NOFO sufficient to provide for effective transformation programs. Refer to the Choice Neighborhoods Implementation Grant budget guidance and other guidance posted on the Implementation Grants page of the program website (<a href="http://www.hud.gov/cn">www.hud.gov/cn</a>).</p>		
Housing Plan All Sources and Uses by Phase	Required with the	Page limit: Not Appli

Budget Form/Document	Submission Requirement	Notes/Description
	application	cable File name: HousingBudget

## C. Narratives and Other Attachments

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

Document	Submission Requirement	Notes/Description
Code of Conduct	If not included in <a href="#">HUD's eLibrary</a> , this document is required with the application	Page limit: Not applicable File name: Code <a href="#">Acceptable Content</a>
CN Implementation Grants Table of Contents (HUD-53230)	Required with the application	This form is updated annually. Make sure to use the FY25 version provided in the grants.gov application package download File name: HUD-53230
Attachment 1: Key Eligibility Data form (HUD-53233)	Required with the application	File name: Att1KeyEligData
Attachment 2. Eligible Applicant		File name: Att2EligApplicant
Attachment 3. Eligible Target Housing.	Required with the application	File name: Att3EligTargetHousing
Attachment 4. Eligible	Required with the application	File name:

Neighborhood - Eligible Neighborhood Data. Respond to the requirement in II.A.2.b by providing the PDF received via email that contains data generated from the mapping tool provided on <a href="http://www.hud.gov/cn">www.hud.gov/cn</a>		Att4EligNeighborhood
Attachment 5: Existing Units, Occupancy, Vacancy	Required with the application. Complete form HUD-53234.	File name: Att5ExistingUnits
Attachment 6: Planned Units	Required with the application. Complete form HUD-53234.	File name: Att6PlannedUnits
Attachment 7: One-for-One Replacement Certification	Required with the application. Provide the One-for-One Replacement Certification form (HUD-53238) committing to compliance with the one-for-one replacement requirements. If the target site has already been demolished or the Housing Plan is 100 percent rehabilitation of the units with the current bedroom configuration, the certification form does not need to be provided. If the report generated from the HUD CN Mapping Tool indicates that this neighborhood qualifies for the exception allowing tenant-based vouchers as replacement housing, fill out the form accordingly.	File name: Att7ReplaceCert
Attachment 8: RAD Documentation	If applicable, required with the application. If you are proposing to carry out the Housing Plan in conjunction with a RAD conversion, provide documentation identifying the target public housing project(s) and the	File name: Att8RAD

	status of your RAD application (e.g., waiting list, CHAP approved, etc.).	
Attachment 9: Resident and Community Involvement	Required with the application. Complete form HUD-53231.	File name: Att9ResidentInvolve
Attachment 10: Partnership Certifications	Required with the application	File name: Att10Partnership
Attachment 11: Site Control for Target Housing and Replacement Housing Sites to be Developed by the Housing Implementation Entity	Required with the application	File name: Att11SiteControl
Attachment 12: Threshold Narrative	Required with the application	File name: Att12Threshold
Attachment 13: Introduction	Required with the application	File name: Att13Intro
Attachment 14: Narrative response to Rating Factors	Required with the application	See <a href="#">Section V.B.</a> File name: Att14RatingFactorNarrative
Attachment 15: Supplemental Information (Photos, etc.) response to Need Rating Factors	Required with the application	See <a href="#">Section V.B.</a> File name: Att15NeedSupply
Attachment 16: State and Local Government Leverage	Required with the application	See <a href="#">Section V.B.</a> File name: Att16StateLocalLev
Attachment 17: Neighborhood Investment Leverage	Required with the application. Include the cover sheet provided (form HUD-53239).	See <a href="#">Section V.B.</a> File name: Att17NeighLev
Attachment 18: Housing Leverage	Required with the application. Include the cover sheet provided (form HUD-53239).	See <a href="#">Section V.B.</a> File name: Att18HousingLev
Attachment 19: People	Required with the application. Include the cover sheet	See <a href="#">Section V.B.</a>

Leverage	provided (form HUD-53239).	File name: Att19PeopleLev
Attachment 20: City and Neighborhood Maps	<p>Required with the application. Provide to-scale city and neighborhood maps that clearly label the items listed below in the context of existing city streets, the central business district, other key city and neighborhood sites, and census tracts. The neighborhood map must show the same boundaries used to draw the neighborhood through the mapping tool that generated the eligible neighborhoods data required in Attachment 4. Because the City and Neighborhood Maps provide essential context for HUD reviewers, it is essential that applicants provide maps that are readable, at a reasonable scale, and clearly label the key information below:</p> <p>(a) the existing housing project and target neighborhood;</p> <p>(b) other properties on which replacement housing will be developed, if any;</p> <p>(c) other subsidized housing;</p> <p>(d) neighborhood assets;</p> <p>(e) job centers and applicable transportation connections (highways, streets, bus/rail transit service, bike and pedestrian facilities) from the neighborhood to these job centers;</p> <p>(f) Opportunity Zone, Promise Zones, Promise Neighborhoods, and Byrne Criminal Justice Grant</p>	File name: Att20Maps

	neighborhood boundaries, if applicable; and (g) other useful information to place the project in the context of the city, county/parish, or municipality, and other revitalization activity underway or planned	
Attachment 21: Current Site Plan	Required with the application. Provide a Current Site Plan that shows and clearly labels the target housing site's various buildings. Demolished buildings should be shown and labeled as such. Label all uses and buildings adjoining the existing development.	File name: Att21CurrentSitePlan
Attachment 22: Conceptual Site Plan	Required with the application. Provide the conceptual site plan that shows the layout of the proposed site plan post-transformation, indicating where your plan's proposed construction and rehabilitation activities will take place and any planned acquisition of adjacent property and/or buildings.	File name: Att22ConceptSitePlan
Attachment 23: Photographs of the Target Housing and Neighborhood	Required with the application. Please provide photographs of the target housing development, any off-site parcels for housing, and the neighborhood, especially photos of the areas immediately surrounding the development and proposed CCI projects.	File name: Att23Photos
Attachment 24: Neighborhood Investment Map	Required with the application. Provide a to-scale city and neighborhood map(s) that	File name: Att24NeighInvestMap

	clearly labels the items listed below in the context of existing city streets:  (a) Proposed housing development/s; (b) Planned CCI projects; (c) Neighborhood investments described the application; and (d) Identification of any applicable designated TIF, redevelopment, or other legally designated revitalization area	
Attachment 25: Market Analysis	Required with the application. Provide a summary of the market analysis conducted that supports the information provided in the introduction/neighborhood narrative and Housing Plan.	File name: Att25MarketAnalysis
Attachment 26: Housing Plan Schedule	Required with the application. Provide a schedule indicating key milestones for the Housing Plan.	File name: Att26HousingPlanSched
Attachment 27: Letter regarding proposed PBV by Others	If applicable, required with the application.	File name: Att27PBVbyOtherLetter

## D. Other Application Content

See [Section VI.C.2.](#) for information about resolving technical application errors.



# V. APPLICATION REVIEW INFORMATION

## V. Application Review Information

### A. Threshold Review

### B. Merit Review

### C. Risk Review

### D. Selection Process

### E. Award Notices

## V. APPLICATION REVIEW INFORMATION

### A. Threshold Review

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

#### 1. Eligible Applicant

You must meet the applicant eligibility criteria in this NOFO. Applications from ineligible applicants are not rated or ranked and will not receive HUD funding.

#### 2. Resolution of Civil Rights Matters

Applicants with outstanding, unresolved judgments against them for violations of civil rights laws must resolve those judgments before the application submission deadline or the applicant will be deemed ineligible.

a. An applicant is ineligible for funding if the applicant has received notice of a judgment imposed against them for violations of:

1. the Fair Housing Act or a substantially equivalent state or local fair housing law for discrimination because of race, color, religion, sex, national origin, disability or familial status; or
2. Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act, or the Violence Against Women Act or substantially equivalent state or local laws.

b. HUD will determine if actions to resolve the judgment taken before the application deadline date will resolve the matter. Examples of actions that may be sufficient to resolve the matter include, but are not limited to:

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

#### 3. Timely Submission of Applications

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

**4. Separability.** HUD recognizes that the grant award amount may only fund a portion of the redevelopment of the Target Housing project. Thus, in accordance with section 24(j)(2)(A)(v) of the 1937 Act, this application may target only a portion of the Target Housing project for

redevelopment provided the building “is sufficiently separable from the remainder of the project of which the building is part, such that the revitalization of the building is feasible.” If so, provide a detailed justification in the Threshold Narrative attachment, describing your overall plan for the Target Housing Project and specifying your plan to redevelop only a portion of the Target Housing project with this grant. Only those units (both current and planned) that will be covered by this grant should be included in attachments such as the Implementation Grants Key Eligibility Threshold Data Form; Existing Units; Planned Units; One-for-One Replacement Certification; Grant Sizing Worksheet, etc.

**5. Number of Applications.** A local government, as Lead Applicant or Co-Applicant, may only submit one application under this NOFO. If HUD receives electronically multiple versions of an application, HUD will rate and rank 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 should be aware that they must resubmit the entire application.

**6. Relation to Rental Assistance Demonstration (RAD) Applicants.** PHAs that have received a RAD Commitment to enter into a Housing Assistance Payments Contract (CHAP) (either a Portfolio award that covers the Target Housing or portion of the Target Housing identified for this grant that covers the Target Housing or portion of the Target Housing proposed) and are planning on demolition and new construction or major rehabilitation or reconstruction may apply for a Choice Neighborhoods Implementation Grant provided they have not yet received a RAD Conversion Commitment (RCC) at the time of the application deadline for this NOFO. In the case where there is a Portfolio award, only public housing units at the Target Housing site that are not included in an RCC can still be eligible. The Office of Recapitalization will offer flexibility regarding the RAD milestones so that PHAs and their partners may take advantage of the Implementation Grants.

## B. Merit Review

HUD expects to evaluate and score your application using the following merit criteria and process. Merit reviewers evaluate and score all applications that pass the threshold review. Merit reviewers may include Federal and non-Federal persons. Reviewers receive a copy of your application to evaluate and score each application separately.

### Merit Review Summary

Criterion	Max points = 104
<b>Rating Factor 1: Capacity</b>	<b>21 max points</b>
Overall Project Leadership Capacity of the Lead Applicant	6
Capacity of Neighborhood Implementation Entity	4
Capacity of Housing Implementation Entity	6
Capacity of People Implementation Entity	5
<b>Rating Factor 2: Need</b>	<b>12 max points</b>
Structural Deficiencies	4
Design Deficiencies	4

Neighborhood Poverty/ELI Rate	2
Need for affordable housing in the community	2
<b>Rating Factor 3: Neighborhood Plan</b>	<b>9 max points</b>
Overall Neighborhood Transformation Strategy	7
Reducing Regulatory Barriers to Affordable Housing Development	2
<b>Rating Factor 4: Housing Plan</b>	<b>21 max points</b>
Overall Housing Plan	9
Repositioning Public Housing	2
Financial Feasibility	3
Mixed-Income Development	5
Project Readiness	2
<b>Rating Factor 5: People Plan</b>	<b>9 max points</b>
Income and Employment Strategy	7
Letter of Support from WIOA Partner	2
<b>Rating Factor 6: Leverage</b>	<b>13 max points</b>
State and Local Government Leverage	2
Neighborhood Investment	2
Housing Development Leverage	3
People Leverage	6
<b>Rating Factor 7: Soundness of Approach</b>	<b>14 max points</b>
Resident and Stakeholder Involvement	3
Project Management	3
Impact of the Transformation Plan	8
<b>Section 3</b>	<b>1 max point</b>
<b>Policy Preference Points</b>	<b>4 max points</b>

## 1. Rating Factors

Your application must include a response to the following criteria.

### Rating Factors Details

#### A. INTRODUCTION

Applicants must provide a narrative which describes the target neighborhood and provides HUD with an overall understanding of its strengths and challenges and discusses the Transformation Plan. Provide a summary of your Transformation Plan, including highlights of the Housing, People, and Neighborhood components, including:

#### *Neighborhood Description.*

- Explain the basis of how the neighborhood boundaries were established. (Please note that HUD reserves the right to ask applicants to provide evidence during the review process that the target neighborhood boundary is generally accepted and aligned with the Planning Grant.)

- Describe your neighborhood, including history, location, economics, community assets, transit, educational institutions, jobs and employment centers, organizations etc.
- Describe the current assets and critical challenges facing the neighborhood.
- Describe the neighborhood's current patterns of disinvestment and poverty concentration.
- Identify ongoing or recent revitalization activities and new investment that may be taking place in the neighborhood or on its periphery.

*Neighborhood Data.* Please provide a quantitative description of the neighborhood. This should include:

- Crime rates in relation to the city and region;
- School(s) location, performance, enrollment, and catchment areas;
- Housing stock information (other public/HUD-assisted/subsidized housing in the neighborhood, property values, rental/homeownership rates, sales prices, rents, vacancy rates etc.);
- Vacant land, if applicable; and
- Other information you feel is important to understanding the neighborhood.

*Housing Description and Relationship to Neighborhood.* Please describe the target housing development(s) including age, condition, and current impact on the surrounding community. Describe the critical housing challenges facing the neighborhood, paying particular attention to the housing in the area immediately surrounding the target housing.

*People Narrative.* Please provide key demographics of the residents of the target housing development, surrounding neighborhood, and city (population, age, income, race, employment, etc.). Describe any key human services and assets in the neighborhood related to employment, health, school-aged education, and early learning. Indicate what support services are missing or needed as identified by the community.

*Vision.* What is your long-term vision for the neighborhood? What changes do you want to occur in the neighborhood?

Grantees may use information gained during the planning process, as well as secondary sources (e.g., Census, HUD's Inventory Management System/Public Housing Information Center, health department, school system, police department, etc.). Sources should be identified. HUD does not expect applicants to undertake new studies or generate new data for this neighborhood. HUD will take this narrative into account when evaluating the Transformation Plan and the extent to which the strategies relate to the strengths and challenges identified.

## B. CAPACITY

**1. Overall Project Leadership Capacity of the Lead Applicant (6 points).** You, the Lead Applicant, must articulate and demonstrate that you have the capacity, qualifications, and experience to lead the implementation of the comprehensive neighborhood Transformation

Plan which you have presented in this application. This rating factor only looks at the capacity of the Lead Applicant. Describe the work your organization is engaged in and how this work relates to and makes you qualified to lead the implementation of your Transformation Plan. In addition, describe key roles and responsibilities of staff and how these positions will support your role as Lead Applicant. Provide and discuss at least one specific, recent example of a comparable comprehensive neighborhood transformation project, which demonstrates the experience of your organization to successfully implement a neighborhood transformation plan, including strategies for housing development, resident self-sufficiency and neighborhood revitalization. Discuss relevant experience of senior leadership or key staff who will be assigned to this grant, as well. Staff experience can be while working at your organization or for a different organization. The example project must be at least substantially complete and have achieved measurable outcomes. Include relevant dates for the project. The planning process leading up to this grant application is not an acceptable demonstration of capacity in this rating factor. Demonstrate this experience and capacity through narrative description, charts, and other documentation. Points will be awarded based on how well the application demonstrates capacity and relevant staff experience, as well as the extent to which the example demonstrates how well you led implementation of a comprehensive neighborhood transformation plan including engaging residents and community members, managing key partners to ensure performance, coordinating public and private funding sources, and how those efforts led to positive, measurable outcomes. In accordance with section V.C Risk Review, HUD will also consider the history of performance of the Lead Applicant.

**2. Capacity of Neighborhood Implementation Entity (4 points).** You must articulate and demonstrate why the Neighborhood Implementation Entity is qualified to implement the neighborhood component of the proposed Transformation Plan. This rating factor looks only at the capacity of the Neighborhood Implementation Entity. Describe the organization, the work it is engaged in, and how this work relates to and makes it qualified to be the Neighborhood Implementation Entity. In addition, you must provide one recent example of a neighborhood-level planning and implementation effort in which the Neighborhood Implementation Entity directly undertook a substantial leadership role or had a leadership role in an entity that led a neighborhood revitalization effort. Include relevant dates for the project in the description and describe what has been accomplished to date. Points will be awarded based on the extent of the Neighborhood Implementation Entity's qualifications, role, and relevant experience, as well as how well the application demonstrates that the Neighborhood Implementation Entity led the implementation of a neighborhood transformation plan which effectively and substantially contributed to moving a neighborhood of distress toward a neighborhood of opportunity. You may demonstrate this by providing evidence that your neighborhood transformation efforts succeeded in their objectives, such as storefront rehabilitation being completed or a park project being completed and opening to the public. In accordance with section V.C Risk Review, HUD will also consider the history of performance of the Neighborhood Implementation Entity.

**3. Capacity of Housing Implementation Entity (6 points).** You must articulate and demonstrate that the Housing Implementation Entity has successfully developed a range of housing projects, including affordable, market rate, mixed-income (affordable and market



rate) and/or mixed-use development, which are comparable in scope and complexity to the activities described in the Housing Plan section of the NOFO, and which align with the housing objectives of Choice Neighborhoods. This rating factor looks only at the capacity of the Housing Implementation Entity. Provide background information on the organization and discuss why it is qualified to be a Housing Implementation Entity. Also, provide a detailed example of a recent comparable housing development project in which the Housing Implementation Entity had primary responsibility for implementing the project, including securing financing and providing completion guarantees, providing day-to-day project management, and performing ongoing property management activities. Identify the Housing Implementation Entity's role and identify funding sources secured for the development. Describe outcomes as they relate to Choice Neighborhoods housing objectives. Include the project's start and end dates and provide recent photographs of the housing. The example project must be substantially complete and have achieved measurable outcomes. If the Housing Implementation Entity is a joint venture, articulate the role of each member and provide one example for each member that is representative of its role in the Housing component of this Transformation Plan. HUD will weigh the points based on the proportion of responsibility each member has (e.g., if one member of the joint venture is responsible for most of the housing, the example given demonstrates that the entity's capacity will carry more weight in assigning points under this rating factor). Points will be awarded based on relevant experience and the extent to which the application demonstrates that the Housing Implementation Entity effectively managed the development/rehabilitation of a housing project which resulted in high-quality, mixed-income housing which is financially viable and which enhances the surrounding neighborhood. In accordance with section V.C Risk Review, HUD will also consider the history of performance of the Housing Implementation Entity.

**4. Capacity of People Implementation Entity (5 points).** Demonstrate that the People Implementation Entity has implemented supportive services that have substantially increased income and employment and are comparable in scope to the Choice Neighborhoods supportive services requirements for income and employment (see section III.G.2.i). This rating factor looks only at the capacity of the People Implementation Entity. Provide one example from the last 10 years, describing what services were provided and what measurable outcomes were achieved. Points will be awarded based on the extent to which the application demonstrates how the People Implementation Entity: quickly hired and deployed staff; established service provider partnerships; coordinated services among various providers; engaged residents; provided tailored case management to meet the needs of a specific population; created/coordinated a career pathway pipeline; developed direct connections to employers; supported job retention; and improved outcomes among participants. In accordance with section V.C Risk Review, HUD will also consider the history of performance of the People Implementation Entity.

## C. NEED

- If this application is for more than one public housing project, descriptions must be submitted for each site and HUD will consider documentation provided for all properties.
- If the target units are public housing that HUD has already approved for demolition under Section 18, submit a copy of HUD's approval letter to receive full points.

1. **Structural Deficiencies** (4 points). HUD will evaluate the extent to which the application demonstrates significant deficiencies in the physical structural elements, building systems, on-site infrastructure, and environmental conditions of the target housing units such that significant rehabilitation or demolition is required. Examples of structural elements include roofs, foundations, and structural walls. Building systems include electrical, plumbing, heating and cooling, and mechanical systems. On-site infrastructure includes site work, internal sidewalks/streets, sewer and storm drain laterals, or other on-site utilities. Environmental hazards include internal hazards such as lead-based paint, radon, and mold, and external hazards such as air pollution, water or soil contamination, or other conditions impacting the target housing site(s). Provide a narrative description, which can be supplemented by physical inspection information, and/or pictures. Fewer points may be awarded for descriptions that are inadequate and/or demonstrate less severe distress.
2. **Design Deficiencies** (4 points). HUD will evaluate the extent to which the application demonstrates that there are fundamental design deficiencies that require substantial rehabilitation or reconstruction to fully address, related to
  - substantially inappropriate building design or site layout and street connectivity when compared to the surrounding neighborhood;
  - inadequate room sizes and/or unit configurations to accommodate the needs of residents and meet market rate standards;
  - poorly designed site plan, which lacks connectivity with the neighborhood; lacks defensible space, i.e., how the building layout and orientation does or does not provide a sense of personal space for residents; and creates space/access for criminal behavior; and
  - physical inaccessibility for persons with disabilities regarding individual dwelling units (e.g., fewer than the minimum requirement of five percent designated accessible mobility units and an additional two percent designated accessible sensory units), entrances/entryways, and public and common areas.

The application will receive full points if it demonstrates fundamental design deficiencies that require substantial rehabilitation or reconstruction to fully address in at least 3 of these deficiencies. Fewer points will be awarded for applications that address fewer than 3 items, demonstrate less severe distress, or for inadequate responses.



**3. Neighborhood Poverty/ELI Rate** (2 points). Points awarded based on the concentration of households in poverty or with extremely low incomes (whichever is greater) residing in the target neighborhood. HUD will use data from the CN Mapping Tool.

Concentration of Households in Poverty or with Extremely Low Incomes	Points Awarded
40.00% and above	2
30.00 - 39.99 %	1
Less than 30.00%	0

**4. Need for Affordable Housing in the Community** (2 points). An application will receive two points if the Choice Neighborhoods project is in a county/parish where the shortage of housing affordable to very low-income (VLI) renter households (0 to 50 percent AMI) is greater than the national rate using the most currently available census data. HUD will use data included in the mapping tool for this rating factor.

## D. NEIGHBORHOOD PLAN

As a past Planning Grantee, you have developed a comprehensive neighborhood Transformation Plan involving many partners and strategies. For the Neighborhood Plan rating factor, HUD is interested in how a Choice Neighborhoods grant will jump-start or further catalyze your long-term transformation effort. Please focus on the activities you can accomplish during the grant term in this section.

- 1. Overall Neighborhood Transformation Strategy** (7 points). Please state the key goals of your Neighborhood Plan based on your local planning process. Then, describe the primary strategies and activities you will coordinate to achieve those goals during the grant term. As part of your discussion, please include the following as applicable:
  - Major investments in the neighborhood or other activities that demonstrate positive momentum for revitalization.
  - The use of Choice Neighborhoods Critical Community Improvement (CCI) funding, as described in Section III.G.2.j of the NOFO. Up to three CCI projects may be proposed.
  - How your locality will prioritize this neighborhood for investment during the grant term.
  - Alignment with official designations such as an Opportunity Zone or Neighborhood Revitalization Strategy Area (NRSA), and how these designations will compliment or accelerate your transformation effort.
  - How the strategies/activities address long-term neighborhood distress, such as lack of jobs, businesses, and amenities. Please identify key strategies that will create jobs or attract new businesses to the neighborhood.

- How the strategies/activities will visibly improve the neighborhood, especially the area immediately surrounding the target housing site or along key commercial corridors.
- How the strategies/activities will reduce crime and improve safety.
- How the strategies/activities address the neighborhood's specific challenges and opportunities identified throughout the application.
- Other key factors which you feel are important to understanding your Neighborhood Plan.

In its evaluation of the Neighborhood Strategy rating factor, HUD will consider how the plan accelerates neighborhood revitalization through coordinated investments, addresses local goals and needs, and contributes to the program's goals and neighborhood objectives.

2. **Reducing Regulatory Barriers to Affordable Housing Development (2 points).** To increase the development and availability of affordable housing, including single family housing, describe the specific de-regulatory actions your jurisdiction has taken or plans to take in the next 12 months to reduce the costs and timeline of construction, both city-wide and in the Target Neighborhood. Possible examples include: limiting discretionary review and expanding by-right zoning; eliminating or revising policies, building codes, rules and/or regulations, including removing energy efficiency requirements; fast-tracking the construction permitting process; reducing construction fees; and removing restrictions to manufactured and modular housing.

## E. HOUSING PLAN

Redevelopment of the target housing project is a key element of your Choice Neighborhoods Transformation Plan. Therefore, HUD will evaluate the Housing Plan presented in this application to ensure it meets program goals and objectives. HUD recognizes that grant funds may not be sufficient to fully fund the redevelopment of the entire target housing project within the grant term. Therefore, Choice Neighborhoods funds may be used to fund only a portion of the units included in the target housing project, with the remainder of the units redeveloped outside the grant. **For this application, only those units to be redeveloped as part of the grant should be included in the Housing Plan.** Given this limited scope, HUD expects plans that are feasible to implement with the grant funding and will only consider minor changes after grant award. Applicants are expected to continue to pursue redevelopment of the entire Target Housing project using other funding sources.

The Housing Plan may only include housing to be constructed or rehabilitated by the Housing Implementation Entity (HIE) and units to be replaced by PBV by Others (PBVs awarded by a PHA through a competitive RFP to other housing developments which are not being developed by the HIE). Any proposed housing development in which the HIE does not have material control may not be included in the Housing Plan and will not be considered for the rating factors in this section (though it may be included in the Neighborhood Plan.) No units completed prior to the date of NOFO publication may be included in the Housing Plan.

1. **Overall Housing Plan (9 points).** Applicants should use this rating factor to present their Housing Plan. HUD will rate your response based on the extent to which your Housing Plan addresses the program's housing goal and objectives, demonstrates a well-designed, sound and feasible plan, is responsive to local needs, and supports

neighborhood revitalization. Applications should fully discuss the following information when describing and justifying the Housing Plan:

- Provide a brief narrative which broadly describes the existing target housing project, your long-term plans for redevelopment, and how your plan supports and enhances the surrounding neighborhood. If the Housing Plan includes redevelopment of only a portion of the Target Housing project, you must discuss how this portion fits in with the larger project, why you selected to only redevelop these units, at this time, and how you intend to redevelop the remainder of the target housing project in the future. Note: use the CN Unit Information form (form HUD-53234) to present the overall mix of housing units included in the Housing Plan, i.e. those units to be redeveloped as part of the grant.
- If the Housing Plan includes more than one phase of housing, then describe each phase, including the number of units and the type of units (replacement, LHITC, unrestricted, etc.) The Conceptual Site Plan in Attachment 22 should clearly demonstrate your phasing plan.
- Describe the proposed design and site plan for the proposed project. Is it appropriate for its location? How does it support revitalization of the neighborhood? How is it supported by the housing market analysis?
- What other alternatives to the Housing Plan were considered, e.g. on-site vs. off-site, renovation vs. new construction, building types, etc.? Discuss the appropriateness of this proposal relative to the alternatives.
- Identify the proposed mix of bedroom sizes. Will there be enough replacement units in the appropriate bedroom mix to accommodate the return of all original residents, should they choose to return? This includes units to accommodate residents with incomes up to 80% of Area Median Income (AMI). Justify any proposed changes to the existing bedroom mix.
- Discuss the proposed mix of unit types. Does the Housing Plan include units available to people with a broad range of incomes, including units available to families with incomes between 81-120% of AMI and units with no income restrictions?
- If the Housing Plan includes the use of PBV by Others for replacement units, what is your strategy for assuring these developments are mixed-income and, if located outside the target neighborhood, are located in areas of opportunity? If you intend to use PBV by Others for any phase of the Housing Plan, provide a letter signed by the Executive Director of the PHA which will be administering the vouchers, which states that the PHA has an existing PBV program and that it commits to dedicating PBVs as replacement housing for this project in Attachment 27.
- If you are eligible for the exception to the hard one-for-one replacement requirement, and you plan to use tenant-based vouchers as replacement units, describe your strategy for assuring these projects offer residents an opportunity to relocate to areas of opportunity.
- Other key factors which you feel are important to understanding your Housing Plan.

**2. Repositioning Public Housing (2 points).** If the target housing project is the last project of the housing authority's repositioning of its entire public housing portfolio to another affordable housing platform, after which the housing authority will no longer manage public housing units, the application will receive 2 points. To receive these points, you must provide a brief narrative describing the status of the housing authority's portfolio repositioning efforts and certify that redevelopment of the target housing project is the public housing authority's final public housing project.

**3. Financial Feasibility (3 points).** To allow HUD to assess the financial feasibility and long-term viability of your Housing Plan, provide a Sources & Uses budget for the entire Housing Plan (and each phase) and discuss the following:

- The overall financing plan for the Housing Plan
- The status of your funding commitments and any potential gaps in financing.
- Your plan to pursue Low-Income Housing Tax Credits, as applicable, and if there are any state preferences or set asides for Choice Neighborhoods or public housing repositioning projects.
- Your ability to close on the financing for the first phase of the Housing Plan within 18 months of grant award.
- Proposed property management plan for the completed housing

**4. Mixed-Income Development (5 points).** Grantees must develop housing which is available to households with a broad range of incomes, including housing that is available to households with moderate to middle incomes. HUD will evaluate your application based on the extent to which the Housing Plan includes additional rental units, which are not Replacement Housing and which will be available to households earning more than 80 percent of AMI, such as units affordable to households between 81-120% AMI and unrestricted market rate units. To earn points for this rating factor, at least 45 percent of the new or rehabbed rental units developed by the HIE must be non-replacement units. Points will be awarded in accordance with the table below based on the percentage of rental units that will be available to households earning more than 80 percent of AMI. This calculation does not include replacement units developed through PBV by Others or the other units included in those developments. If the Housing Plan contains more than 55 percent replacement units, the application will earn zero points.

Rental Units Available to Households Earning Above 80% AMI as a Percentage of Total Rental Units in the Housing Plan	Points Awarded
20 percent or more	5
Between 15.00 and 19.99 percent	3
Between 10.00 and 14.99 percent	1

Less than 10.00 percent	0
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For example, the Housing Plan includes 100 replacement units and a total of 200 rental units. The replacement units will include: 95 PBV/LIHTC units and 10 PBV-only units. The non-replacement units will include: 5 units partially financed with CN funding and affordable to households with AMLs between 81-120%, 55 LIHTC-only units, and 35 unrestricted, market rate units. In this case, 50 percent (105/200) are replacement units and thus the application will earn points in accordance with the above table. It would earn full points since 20 percent (40/200) of the units will be Affordable Housing and unrestricted market rate rental units.

**5. Project Readiness (2 points).** Grantees will be expected to implement their Housing Plans expeditiously and within the time frames provided in the NOFO. Provide a narrative which demonstrates your ability to move forward with the implementation of your Housing Plan. Points will be awarded based on how well you demonstrate your ability to move forward quickly and with minimal disruptions. The following should be included in your discussion:

- Have you received the required local land use and/or zoning approvals?
- Are there any significant financing gaps for your first phase of development?
- Have you completed a Phase 1 Environmental Assessment and are there any environmental impediments to development?
- Have you consulted with your State Historic Preservation Office? Are there any issues which would prevent timely implementation of the Housing Plan?
- Provide a schedule showing the closing, start of construction, and construction completion dates for each phase of the Housing Plan.
- Do you own or control all parcels of land needed to implement the Housing Plan?

## F. PEOPLE PLAN

The People component of the Transformation Plan (People Plan) aims to promote upward mobility, employment and self-sufficiency, and improved quality of life for the residents who live in the target housing. Twelve months after award, grantees will submit an updated plan for HUD approval to increase residents' income and employment, improve education outcomes and ultimately prepare students to graduate from high school ready for college and/or a career, and maintain independence for elderly persons and persons with disabilities. In this section, applicants must discuss and provide details about their strategy to substantially increase resident income and employment. HUD will evaluate the strategy based on the extent to which the application demonstrates a well-defined, sound, and results-oriented plan to achieve the priority income and employment outcomes.

**1. Income and Employment (7 points).** Describe the key strategies and services that you will use to achieve substantial gains in resident income and employment. In particular, you must:

- Provide current data for: 1) the number and percentage of target residents who are employed and 2) the average household income of target residents.
- Identify your desired outcomes by the end of the grant term for: 1) the number and



percentage of target residents who are employed and 2) the average household income of target residents.

- Describe what your strategies are for each of the Choice Neighborhoods supportive services requirements for income and employment (see section III.G.2.i). Specifically, describe how you will, with your partners: create/coordinate a career pathway pipeline; develop direct connections to employers; and support residents in retaining new jobs for at least the first 90 days of their employment.
- Discuss how your strategies have been tailored to the target residents' specific needs and goals and how you and your partners will remove residents' specific impediments to these goals.
- Identify the People Implementation Entity's staff position(s) and the name of the partner(s) that will support your work and the services they will provide, specific to each of the above requirements. For each service, identify the number of target housing residents that will be served. For example, City Workforce Investment Board will provide WIOA-funded Individual Training Account slots to 30 residents for five years.
- Discuss *how* residents will be connected to these services, *how* you or a partner will oversee and manage all partnerships and services in this area to ensure they are working for residents, and *how* residents will be supported in completing services and achieving the selected area outcomes.

HUD will evaluate the narrative based on the extent to which it demonstrates a detailed, sound, and results-oriented plan to achieve substantial gains in resident income and employment.

**2. Letter of Support from WIOA Partner (2 points).** In order to better coordinate Workforce Innovation and Opportunity Act (WIOA) funds with the Choice Neighborhoods program, HUD encourages applicants to partner with their local Workforce Development Board (WDB) and/or local American Job Center (AJC). An application will receive 2 points if it contains a signed letter from either the local WDB or AJC that states that this entity will assist the Choice Neighborhoods Implementation Grant efforts to increase incomes and employment for residents of the target housing. The letter should also indicate whether the entity is a WDB or AJC.

## G. LEVERAGE

**1. General Leverage Documentation Requirements.** Leverage must be firmly committed, explicit, in writing on the organization's letterhead, and signed by a person authorized to make a commitment on behalf of the organization.

- Endorsements or general letters of support from organizations or vendors alone will not count as resources and should not be included in the application or on a resources summary form in the attachments section of the application.
- Documents submitted must represent valid and accurate commitments for activities in the Transformation Plan.
- Documents must detail the dollar amount and term of the commitment.

2. Federal Funds. Funding provided under the U.S. Housing Act of 1937, as amended, (e.g., Public Housing and MTW funds) may not be used for match or leverage. Other federal sources (e.g., non-public housing funds provided by HUD as well as funds from other federal agencies) may be counted as leverage under this rating provided the funds are permitted to be used as match by the statute or regulation governing the funds. If a PHA provides a leverage commitment of non-Federal funds, the documentation must identify the specific source of funding. Please note that 2 CFR 200.306 applies and particular attention should be given to the provisions concerning the use of federal funds for matching requirements.

3. Physical Development Resources for Housing and Neighborhood Leverage. Types of Development Resources may include but are not limited to:

(a) Permanent Phase Loans and Debt. This includes private mortgage-secured loans, insured loans and other debt that can remain in place throughout the permanent phase of the project. HUD will not accept loan commitments that require take-out sources or have balloon payments which jeopardize the project's long-term financial feasibility, unless there is a permanent take-out loan that will replace a construction/bridge loan. If this is the case, you must provide documentation of both loans, but only the value of the permanent loan will be counted. Your application or commitment letters must include each loan's interest rate and term and provide only commercially reasonable conditions to closing. Award of Choice Neighborhoods funds or receipt of documentation showing tax-exempt bond approval is an acceptable condition to closing. Without this information, HUD will not be able to count the commitment. For privately financed homeownership, acceptable documentation of construction loans only will be considered. Projected sales prices will not be counted as a development resource.

(b) Bonds. This includes tax-exempt bonds and private activity revenue bonds. Your application should include the documentation showing the bond resolution has been passed by the public entity with appropriate authority. In addition, the application should include the dollar amount, a description of the use and term, and how the bonds will be issued. Otherwise, it may not be possible for HUD to count the bonds at the level claimed. HUD will NOT accept a bond commitment where you plan to pay that bond off with Choice Neighborhoods or other public housing or other HUD funds. If you are proposing to use volume capped tax-exempt bond authority (in tandem with 4 percent tax credits), you must provide evidence that such bond authority has been allocated to this project.

(c) Low-Income Housing Tax Credits (LIHTC).

(i) Only LIHTC allocations (nine percent or four percent) that have been secured as of the application deadline date will be considered for leverage scoring under this NOFO. Applications must provide evidence from the allocating agency that the allocation or reservation is secured. Evidence may be in a form other than a letter, provided that it comes from an official agency source such as a website or public announcement. LIHTC allocations that are not secured (i.e., documentation in the application does not demonstrate they have been reserved by the state or local housing finance agency) will not be counted for leverage scoring. Only tax credits that have been reserved specifically for revitalization performed through this NOFO will be counted.

(ii) Other resource commitments that are contingent on the receipt of tax credits that have not



yet been secured cannot be counted.

(d) Other Tax Credit equity commitments (i.e., New Market Tax Credits, Historic Tax Credits and other state tax credits) will only be counted as leverage if the application demonstrates that the tax credits are secured.

(e) Donations and Contributions of Funds.

(f) Sale of Land and Buildings. Cash proceeds realized as of the application deadline date from the sale of land and/or buildings not associated with the target housing may be included as a resource. Absent a completed sales transaction, the value of land and/or buildings will not be counted.

(g) Donations of Land and Buildings. Donations of land and/or buildings may be counted as a resource, only if the donating entity owns the land/buildings to be donated. Donating entities may include a city, county/parish, tribe, church, community organization, etc. The land upon which the target housing is located will not be counted as leverage. The application must include documentation of this ownership, and the donation of land, signed by the appropriate authorizing official. The dollar amount attributed to the donated land and/or buildings must be verified through an appraisal by an independent, state-certified appraiser, or other appropriate means, the documentation of which must be provided in the attachments. (Please note that acquisitions of real property via donation are subject to the URA's acquisition policies.)

(h) Housing Trust Funds.

(i) Program Income. Program income from previous HOPE VI or other public housing development must be already earned. Projected program income will not be counted.

(j) Waived Government Fees. The value of fees for services/activities necessary to the revitalization effort may be counted if they have been waived by the authorizing government entity and documented in writing by the local government.

(k) Developer Fees. Projected developer fees to be waived or put back into the project will not be counted.

(l) Homeownership down payments from homebuyers will not be counted. Down payment assistance may be counted as a physical development resource if it is provided by a third-party entity not related to the homebuyer.

(m) Equity or permanent financing committed to build private sector housing in direct connection with the Choice Neighborhoods Transformation Plan may be counted toward Neighborhood leverage only.

(n) Tax Increment Financing (TIF). A TIF will only be considered for leverage scoring under this NOFO if, as documented in a letter from the unit of local government responsible for

approving the TIF: the TIF district has been formally created; the unit of local government responsible for approving the TIF has issued a commitment letter (as of the application deadline) reserving all or a portion of the TIF to benefit the Choice Neighborhoods Transformation Plan; the letter includes an estimate of the amount of resources anticipated to be generated by the TIF over the Choice Neighborhoods grant period; and the letter includes a detailed explanation of how that estimate was derived.

#### 4. Supportive Services Requirements for People Leverage

a. No more than 20 letters can be submitted. The commitment resources must be for supportive services purposes and must fall under one of the eligible types of people leverage resources listed below. The commitment letters must:

- Explicitly state the committed services/amount is specifically for the residents of the target housing site(s). If the target housing was demolished five or more years ago, you must indicate that the services are for your selected target population.
- Indicate the number of residents to be served and the total value of the resource:
  - Example: Y Organization is committed to providing professional staff time on-site for residents of the targeted ABC public housing development to conduct new intensive career exploration and coaching services to 80 residents. The total value of this new commitment is \$196,700.
  - Example: Q Agency will reserve 10 slots for new enrollees only in its Quality Stars Tutoring Program for residents of the targeted XYZ public housing development each year, for a total value of \$150,000 over five years
- Indirect calculations for funding or leverage commitments will **not** be counted. For example, the following commitment would not count: “X foundation funds several non-profits in the target neighborhood. It is assumed that X% of total funding for local non-profits will be connected to target housing residents.”
- If the organization offers multiple services or resources, the details for each service must be provided separately in the letter.
- Identify that the commitment is new leverage. To count as a new commitment, the financial or in-kind resources must be newly generated for this Choice Neighborhoods grant. If an existing service provider increases the financial or in-kind commitment, or expands services for *additional* target housing residents, the increased amount may be counted.
- Identify that the commitment is for services to be provided during the grant term. Funds committed to a Supportive Services Endowment will not be counted.

#### b. In-Kind Leverage for Supportive Services.

In order to count toward People strategy leverage rating factor points, resources can be financial and/or in-kind. In-kind contributions may be in the form of staff time (including salaries and benefits), donated materials, or services. All assistance provided to meet this requirement must be identified by their dollar equivalent based upon accepted salary or regional dollar values. For materials, the items must be donated to the Lead Applicant or

People Implementation Entity. Donated materials can include physical items such as computer equipment, supplies or materials, office and meeting space, or the use of a vehicle. Staff time can include PHA and/or Lead/Co-applicant staff time.

c. Eligible Types of People Leverage Resources. HUD requires applicants to submit leverage letters that focus on sustained, intensive commitments rather than one-off workshops, speaker series, resource fairs, and other events. **Only the types of leverage listed below are eligible.** HUD encourages grantees to seek leverage in each of the People areas listed below (i.e., income and employment, training and education, and maintaining independence). Therefore, no more than 10 leverage letters (out of a possible 20) can be submitted for a single area. Commitment letters should state which area the leverage falls under. For example, “Leverage for the City Apprenticeship program falls under the Income and Employment area.”

- Income and Employment
  - Employer commitments to hire residents, such as wages and benefits projected to be paid to residents through jobs
  - Staff time for those coordinating or providing employment services (such as workforce navigation, career exploration and coaching, employer recruitment, job placement, and job retention services)
  - Job training programs (such as vocational training programs, pre-apprenticeship and apprenticeship training programs, on-the-job training and direct-to-hire programs)
  - Individual Training Accounts
  - Adult and continuing education programs
- Training and Education
  - Early education programming for children ages 0-5 in the form of early education slots, evidence-based programs for caregivers, developmental screening services, and/or early behavioral health services.
  - Out-of-school time or school-based education programs (such as school-based, after-school, summer, and other expanded-learning-time programs, and programs that prepare students for college and career success)
  - Staff time for coordinating and providing individualized wrap-around services for children and youth, identifying student needs, supporting enrollment and participation in out-of-school time or school-based education programs, securing school data sharing agreements and tracking student-level data, and/or working with school staff to meet individual students' needs.
- Maintaining Independence
  - Staff time for health navigation services, community health worker services, and/or nurse/medical provider home visits
  - Medical/dental/vision/mental health services

- Substance abuse treatment and counseling programs
- Aging in place supports (such as home health-aide services and Meals on Wheels)

NOTE: Even though an in-kind Supportive Services contribution may count as a resource, it may not be appropriate to include on the Sources and Uses attachment. Each source on the sources and uses attachment must be matched by a specific and appropriate use. For example, donations of staff time may not be used to offset costs for infrastructure.

#### 4. Rating Factors

a. **State and Local Government Leverage (2 points).** HUD recognizes that neighborhood transformation is an evolving, locally-driven process that requires more than just federal funds to truly succeed. Please provide up to five financial commitment letters or other documentation from your state and/or local government. Letters must indicate the dollar amount and indicate how the committed funds directly contribute to your Transformation Plan. Commitments must be beyond basic municipal services or maintenance activities a locality is otherwise responsible for. HUD will also consider these leverage commitments towards the Neighborhood, Housing, and People Leverage rating factors.

Leverage Ratio (100% of Choice Neighborhoods grant request vs. state/local funds)		Points Awarded
Metropolitan Statistical Area (MSA) greater than 500,000	MSA less than 500,000	
1:1.00 or higher	1:0.5 or higher	2
1:0.5 and 1:0.99	1:0.25 to 1:0.49	1
Below 1:0.5	Below 1:0.25	0

b. **Neighborhood Investment (2 points).** HUD recognizes that neighborhood transformation is an evolving, locally-driven process that requires more than just federal funds to truly succeed. Please provide a list of planned projects (including proposed CCI projects) supported by documented commitments along with the dollar value of each investment in the target neighborhood that will directly contribute to the Neighborhood strategies described in the application. This rating factor only includes committed public and private investments for future projects that are not yet underway. Applicants may submit up to five commitment letters for this rating factor. Points will be awarded based on the table below:

Leverage Ratio (maximum allowed request for CCI CN)		Points Awarded

grant funds vs. non-Choice Neighborhoods funds)		
MSA greater than 500,000	MSA less than 500,000	
\$40,000,000 or more	\$25,000,000 or more	2
Between \$25,000,000 and \$40,000,000	Between \$15,000 and \$25,000,000	1
Less than \$25,000,000	Less than \$15,000,000	0

**c. Housing Development Leverage (3 points).** For this rating factor, the resource commitments must be for development of the housing included in the Housing Plan. Resource commitments being used for housing already completed or by an entity other than the Housing Implementation Entity will not be counted as Housing Development Leverage, nor will resources related to housing not included in the Housing Plan. HUD will calculate the ratio of 75 percent of the Choice Neighborhoods grant amount requested (i.e., excluding Supportive Services and CCIs) to the dollar value of the documented, committed Housing resources leveraged from other sources. HUD will round figures to two decimal points, using standard rounding rules.

Leverage Ratio (75% of Choice Neighborhoods grant request vs. non-Choice Neighborhoods grant funds)		Points Awarded
Metropolitan Statistical Area (MSA) greater than 500,000	MSA less than 500,000	
1:2.50 or higher	1:2.00 or higher	3
1:2.00 and 1:2.49	1:1.50 and 1:1.99	2
1:1.00 and 1:1.99	1:0.51 and 1:1.49	1
Below 1:1.00	Below 1:0.50	0

**d. People Leverage (6 points).** For the purposes of the People Leverage Rating Factor, up to 20 commitment letters for new services to the residents of the target housing project(s) will be counted. To receive points under this rating factor, leveraged resource commitments must indicate which People area under “Eligible Types of People Leverage Resources” it falls under. No more than 10 leverage letters can be submitted for a single area (i.e., income and employment, training and education, and maintaining independence). Each letter must

comply with leverage requirements. Applicants are strongly encouraged to include the following table in each letter to summarize key leverage information and create separate rows for each service or resource provided. A sample chart is provided

People Area (Income and Employment, Training and Education, or Maintaining Independence)	Type of funds: monetary or in-kind services	Identify the number of years the services will be provided during the grant term	Identify if the resource is a new or expanded service	Brief description of service or eligible resource (see page XX)	Number of target housing residents to be served, i.e., slots dedicated (*do not use an indirect estimate*)	Total value of the commitment
Income and Employment	In-Kind	5 years	New	Slots for job training	30	\$XX,000
Maintaining Independence	Financial	5 years	New	Funding for staff time for 3 community health workers focused on older adults	110	\$XX,000

HUD will calculate the ratio of the total allowable Choice Neighborhoods funds that can be requested for supportive services activities (15 percent of the total Choice Neighborhoods grant amount requested) to the dollar value of documented, committed People resources leveraged from other sources. HUD will round figures to two decimal points, using standard rounding rules.

<b>Leverage Ratio (15% of Choice Neighborhoods Grant Request vs. non-Choice Neighborhoods funds)</b>		<b>Points Awarded</b>
MSA greater than 500,000	MSA 500,000 or less	
1:1.00 or higher	1:0.50 and 1:0.99	6
1:0.50 and 1:0.99	1:0.25 and 1:0.50	4
1:0.25 and 1:0.50	1:0.10 and 1:0.24	2
Less than 1:0.25	Less than 1:0.10	0



## H. SOUNDNESS OF APPROACH

**1. Ongoing Resident and Stakeholder Involvement (3 points).** Involving residents of the target housing is critical to the success of a Choice Neighborhoods grant. How will you conduct outreach to residents and resident organizations so that they are able to participate in the implementation process and can make meaningful contributions to the implementation process? How do you plan to engage other relevant stakeholders, such as other residents of the community, assisted housing owners, philanthropic, civic, business, or social service organizations?

**2. Project Management (3 points).** Grantees are expected to have in place a strong organizational structure for implementing the overall grant, including the housing, people and neighborhood components. Provide a narrative which discusses how the grant will be managed. HUD will award points based on how well you demonstrate that you have a strong plan for grant management with sufficient staffing in place to ensure positive final outcomes are achieved within the grant term. The following should be included in your discussion:

- Identify and discuss key staffing positions and their roles for each of the Principal Team Members
- Who will be responsible for coordinating all aspects of the grant and managing day-to-day activities? How much of their time will be dedicated to the grant?
- Who will be responsible for holding partners accountable?
- Will outside consultants be hired to provide professional services to supplement grant staff? If so, describe.

**3. Impact of the Transformation Plan (8 points).** To ensure the maximum impact of Choice Neighborhoods funds, the Transformation Plan, as presented in your grant application, must demonstrate a clear connection between the needs identified in the application related to Housing, People, and Neighborhood; the improvements the plan will make; and the strategies proposed to achieve those outcomes. Successful Transformation Plans will redevelop/reposition a distressed public housing project into financially viable mixed-income housing; spur outside investment into the surrounding community; and support employment and upward mobility for residents. The application should demonstrate that the plan is achievable, financially feasible, and can be completed within the grant term, as reflected in the proposed budgets and schedule. The application itself must be well organized, well written and internally consistent. For this rating factor, HUD will evaluate your overall Transformation Plan and rate it based on the extent to which the strategies presented in your application achieve the core goals of the program, addresses the key needs of the targeted neighborhood, and has a likelihood of success (e.g., financial feasibility, support from local government, long-term commitments). Points will be awarded by demonstrating you have devised a Transformation Plan that will accomplish the core goals of the program, catalyze your neighborhood transformation by attracting long-term public and private investment, and is likely to succeed. Fewer points will be awarded if the application demonstrates that your Transformation Plan will accomplish some of the core goals of the program, has a minimal impact on the neighborhood, and/or is less likely to succeed.

## I. SECTION 3



If your application includes a quality [Section 3 plan](#), you may receive one point for this criterion. HUD will consider the following in evaluating the quality of the Section 3 plan:

- types and amounts of employment, training, and contracting opportunities to be generated as a result of proposed grant activities;
- specific actions to be taken to give Targeted Section 3 workers (as defined at 24 CFR 75.21) and Section 3 business concerns (as defined at 24 CFR 75.5) priority consideration for employment, training, contracting, and other economic opportunities in accordance with HUD's regulations at 24 CFR part 75, subparts A and C;
- written criteria to be used for determining the respective eligibility of individuals and businesses as Targeted Section 3 workers and Section 3 business concerns;
- written procedures to be used for notifying Targeted Section 3 workers and Section 3 business concerns about the availability of training, employment, and contracting opportunities;
- methodology to be used for monitoring subrecipients and contractors to assure compliance with Section 3 requirements;
- strategies for meeting or exceeding the Section 3 benchmarks that HUD may establish as provided by 24 CFR 75.23; and
- contact information and qualifications for staff persons who will be responsible for the day-to-day implementation of Section 3.

## 2. Policy Initiative Preference Points

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

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

### a. Promise Zones

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

### b. 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.

## 3. Other Factors

Your application must respond to the following other additional criteria.

### a. Budget

The panel will review 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.

### b. Certification of Consistency with the Consolidated Plan

You must make sure your application activities are [consistent with your local Consolidated Plan](#).

**c. Partnership and Joint Venture Certifications.** Provide a letter or other document from each Principal Team Member (including the Lead Applicant and any Co-Applicant) confirming their roles and responsibilities.

- An authorized representative of each entity must sign and date the certification.
- If the Housing Implementation Entity is a joint venture, the joint venture's certification must affirm that a contract governing the rights and responsibilities of the parties is in legal force and effect for that joint venture, identify each member, and describe each member's role. The Housing Implementation Entity's certification must also indicate that it will be responsible for implementing day-to-day activities related to development of the Housing Plan.
- Note: If a Lead Applicant proposes to change a Principal Team Member HUD must approve it prior to dismissing and/or replacing any Principal Team Member or effecting any material change to the roles and responsibilities of the Principal Team Member.

### d. Site Control for Target and Replacement Housing Sites to Be Developed by the Housing Implementation Entity.

- Either the Lead Applicant, Co-Applicant (if any), or the Housing Implementation Entity must have site control for the target housing site and all parcels proposed for replacement housing under the Transformation Plan. Site control means the Lead Applicant, Co-Applicant, or Housing Implementation Entity either owns the property(ies), including land and buildings, or that such parties have a legally binding purchase agreement for it as of the application due date and will maintain site control through the later of the end of the grant term or until all replacement housing is built/rehabbed, unless otherwise approved by HUD.
- The entity that has site control of each parcel must provide a signed certification in the application.
- The certification(s) must identify each parcel (e.g., by address or specific location), describe how the site is controlled, and be signed by the Executive Officer of the entity that has site control.
- Evidence of site control is not needed for the 'PBV by Others' component of your Housing Plan. However, HUD will review the required letter from the PHA that will administer the vouchers as required in the Overall Housing Strategy rating factor.

- If you do not provide an acceptable certification of site control, the entire application will be disqualified.
- If after grant award, HUD determines that the Lead Applicant, Co-Applicant, or Housing Implementation Entity does not have the site control claimed in the certification, HUD reserves the right to rescind the grant award.
- Post grant award, a change in site due to unforeseeable environmental compliance issues will only be permitted if the environmental issues are beyond the control of the grantee.

**e. One-for-One Replacement of Units.** Provide the One-for-One Replacement Certification form (HUD-53238). If the target site has already been demolished or the Housing Plan is 100 percent rehabilitation of the units with the current bedroom configuration, the certification form does not need to be provided. If the report generated from the HUD CN Mapping Tool indicates that this neighborhood qualifies for the exception allowing tenant-based vouchers as replacement housing, fill out the form accordingly.

**f. Resident and Community Involvement.** In accordance with section 24(e)(2)(D) of the 1937 Act, applicants must involve affected residents and other stakeholders at the beginning of and throughout the planning and implementation of their Transformation Plans. You must demonstrate compliance with this requirement by providing the Resident and Community Involvement certification (form HUD-53231) in the attachments section of the application. The certification form must include the name of the Target Housing site, the date of the meeting, and be signed and dated by the Lead Applicant's Executive Officer.

(a) Resident and Public Meeting. Prior to submission of your application, you must conduct at least one meeting with the residents of the Target Housing project who occupy units that will be redeveloped as part of this grant as well as the broader community to discuss your intention to submit a Choice Neighborhoods Implementation Grant application.

(b) Content and Structure. The agenda must include a presentation of the Choice Neighborhoods Transformation Plan and discussion about the Implementation Grant process, including application and post-award implementation. At each meeting residents and community must be given opportunities to express their support or lack of support for the proposed application. Meetings held virtually through an accessible, interactive platform (such as Zoom or Teams) are acceptable to satisfy this threshold requirement. The meeting must be held in a facility that is physically accessible to persons with disabilities, and auxiliary aids or services and reasonable accommodations must be provided to ensure equal participation by individuals with disabilities. Where physical accessibility is not achievable, recipients and subrecipients must give priority to alternative methods of resident involvement that are accessible to and usable by individuals with disabilities and must ensure effective communication during such meetings or during other methods of engaging the residents in accordance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and HUD's implementing regulations at 24 CFR Part 8, and Title II of the Americans with Disabilities Act (42 U.S.C. §§ 12131-12134) and the implementing regulation at 28 CFR Part 35. All successful applicants must take reasonable steps to ensure meaningful access to programs and activities for persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964.

## C. Risk Review

Before making an award, HUD will evaluate each applicant's likelihood of successfully implementing an award based on the following criteria.

- OMB-designated repositories of governmentwide data, as noted in [2 CFR 200.206\(a\)](#)
- Other public sources such as newspapers, Inspector General or Government Accountability Office reports or findings, or other complaints that have been proven to have merit
- Financial stability
- Quality of management systems and ability to meet the management standards prescribed in 2 CFR part 200
- History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, failing to make significant progress in a timely manner, failing to meet planned activities in a timely manner, conformance to the terms and conditions of previous Federal awards, and, if applicable, the extent to which any previously awarded amounts will be expended prior to future awards
- Reports and findings from audits performed under 2 CFR part 200, subpart F—Audit Requirements or the reports and findings of any other available audits
- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities
- Capacity of the applicant, including staffing structures and capabilities
- History of timely completion of activities and receipt and expenditure of promised matching or leveraged funds
- Ability to promote self-sufficiency and economic independence
- Ability to produce positive outcomes and results

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

## D. Selection Process

When making funding decisions, HUD will consider:

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

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.
- Adjust funding for an application, to ensure funding or geographic dispersion, and alignment with program or administrative priorities.
- Withdraw an award offer and make an offer of funding to another eligible application, if terms and conditions are not finalized or met.
- Use additional funds made available after NOFO publication to either fully fund an application or fund additional applications.
- Correct HUD review and selection errors. If HUD commits an error that causes an applicant not to be selected, HUD may make an award to that applicant when and if funding is available.
- Release another NOFO, if funding is available and if HUD does not receive applications of merit.

HUD will first screen each application to determine if the [Key Eligibility Criteria](#) in Section II.A are met. If it does not, the application will be deemed ineligible and will not receive further review.

Then HUD will screen the application to determine if it meets the other threshold criteria listed in Section V.A.

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.

Reviewers will rate each eligible application based SOLELY on the rating factors and assign a preliminary score for each rating factor and total score.

**Preliminary Rating and Ranking.** The preliminary review will be conducted in two stages:

(a) In **Stage 1**, HUD will evaluate the application based on the Capacity, Need, Leverage, and Soundness of Approach (except for the Impact of the Transformation Plan subfactor) rating factors. Applications must earn at least 70 percent of the points in Capacity and at least 50 percent of the points in Need in order to move on to Stage 2. However, HUD reserves the right to lower these criteria to allow enough applications to move on to Stage 2 that reflect a cumulative funding request up to approximately four times the amount of funding available. For those applications that do not move onto Stage 2, HUD will not review the rest of the application. The number of the most highly rated applications that reflects a cumulative funding request of up to or approximately two times the amount of funding available will move on to Stage 2 as Finalists.

(b) In **Stage 2**, HUD plans to conduct a site visit or virtual meeting with each Finalist so that HUD may gain a better understanding of the Transformation Plan. Information gained during these visits will be taken into consideration while assigning scores in response to all the rating factors. HUD expects to meet with the Lead Applicant, Co-Applicant, Principal Team Members and other key partners that HUD will identify to ensure that they are committed to and able to implement the Transformation Plan described in the Choice Neighborhoods grant application. These meetings are being conducted as part of a competition covered by the HUD Reform Act and thus will not be open to the public. Given the short time frame for

conducting these visits, HUD will determine the schedule of site visits and notify you in advance.

A Final Review Panel will:

- Review the preliminary rating of competitive applications to ensure documentation accurately reflects the contents of the application.
- Assign a final score to each application and rank them in score order.
- Recommend the most highly rated applications for selection, subject to the amount of available funding. However, HUD reserves the right not to fund an application in a city with an active Choice Neighborhoods Implementation Grant if there is still substantial work needed to complete under that grant.

**Tie Scores.** If two or more applications have the same score and there are insufficient funds to select all of them, the following procedures will be used to break ties:

1. Highest overall score for the Capacity rating factors.
2. Then, the highest score for the Soundness of Approach rating factors.
3. Then, the highest overall score for the Need rating factors.

## E. Award Notices

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

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

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

**Anticipated Announcement and Award Date.** HUD anticipates announcing awards approximately five months after the application due date.

**Choice Neighborhoods Grant Agreement.** After grant award, HUD will send a grant agreement to each successful applicant. This document constitutes the contract between you (and any Co-Applicant) and HUD to fund Choice Neighborhoods Implementation Grant activities.

HUD reserves the right to negotiate the award terms and conditions, including payment terms, prior to executing a grant agreement.

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# VI. SUBMISSION REQUIREMENTS AND DEADLINES

## VI. Submissions Requirements and Deadlines

### A. Deadlines

### B. Submission Methods

### C. Other Submissions

### D. False Statements



## VI. SUBMISSION REQUIREMENTS AND DEADLINES

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

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

### A. Deadlines

#### 1. Application submission deadline:

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

03/09/2026

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

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

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

### B. Submission Methods

#### 1. Electronic Submission

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

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

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

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

#### 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 Submissions

### 1. Intergovernmental Review

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

### 2. Technical Application Errors

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

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

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

#### a. Fix Errors in Electronic Applications

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

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

For this NOFO, corrections are due within three business days after HUD notifies you. Examples include: omissions on the Key Eligibility Data form and failure to submit a signature and/or date on a certification.

#### b. Fix Errors in Paper Applications

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

## D. False Statements

By submitting an application, you acknowledge your understanding that providing false or misleading information during any part of the application, award, or performance phase of an award may result in criminal, civil or administrative sanctions, including but not limited to: fines, restitution, and/or imprisonment under 18 USC 1001, 18 USC 1012, 18 USC 1010, 18 USC 1014, or 18 USC 287; treble damages and civil penalties under the False Claims Act, 31

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USC 3729 et seq.; double damages and civil penalties under the Administrative False Claims Act, 31 USC 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.

# 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 – 2025](#). You must comply with these applicable provisions:

1. The Fair Housing Act ([42 USC 3601-3619](#)) and Civil Rights laws which encompass the Fair Housing Act and related authorities (24 CFR 5.105(a))
2. Affirmatively Furthering Fair Housing (AFFH) requirements, ([42 USC § 3608\(e\)\(5\)](#)) and implementing regulations at [24 CFR 5.150 et seq.](#) as amended by 90 FR 11020.
3. Economic Opportunities for Low-and Very Low-income Persons ([12 USC 1701u](#)) requirements, including those listed at [24 CFR part 75](#)
4. Compliance with Immigration Requirements (8 U.S.C. 1601-1646; [Executive Order 14218](#))
5. Accessible Technology requirements, ([29 USC § 794d](#), 29 USC 794, 42 USC 12131-12165) and implementing regulations at 36 CFR part 1194 (Section 508 regulations), [24 CFR § 8.6](#) (Section 504 effective communication regulations), 28 CFR part 35, subpart H (DOJ Web Access Rule), and [28 CFR part 35, subpart E](#) (DOJ's Title II communications regulations)
6. Ensuring, when possible, small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms receive consideration consistent with [2 CFR 200.321](#)
7. Equal Participation of Faith-based Organizations in HUD Programs and Activities consistent with 42 U.S.C. 2000bb et seq.; 42 U.S.C. 2000d et seq.; 24 CFR 5.109; and Executive Orders 14202, *Eradicating Anti-Christian Bias* and EO 14205, *Establishment of the White House Faith Office*.
8. Uniform Relocation Assistance and Real Property Acquisition Policies Act ([42 USC § 4601 et seq.](#)) (URA) requirements, [49 CFR part 24](#), and applicable program regulations
9. Participation in HUD-Sponsored Program Evaluation (12 USC 1701z-1; 12 USC 1702z-2; 24 CFR part 60; and FR-6278-N-01)
10. OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ([2 CFR part 200](#))
11. Drug-Free Workplace requirements ([2 CFR part 2429](#))
12. HUD requirements related to safeguarding resident/client files (e.g., [2 CFR 200.303\(e\)](#))
13. The Federal Funding Accountability and Transparency Act of 2006 ([2 CFR part 170](#)) (FFATA), as amended
14. Eminent Domain

15. Accessibility for Persons with Disabilities requirements ([29 USC § 794](#)) and implementing regulations at [24 CFR parts 8](#) and [100](#); [28 CFR part 35](#)
16. Applicable Violence Against Women Act requirements in the Housing Chapter of VAWA ([34 USC § 12491-12496](#)) [24 CFR part 5, subpart L](#), and program-specific regulations.
17. 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
18. [Build America, Buy America \(BABA\) Act](#) procurement purchase requirements
19. [Section 106\(g\) of the Trafficking Victims Protection Act of 2000 \(TVPA\), as amended \(22 USC § 7104\(g\)\)](#) and implementing regulations at [2 CFR part 175](#)
20. Environmental requirements that apply in accordance with [24 CFR part 50](#) or [part 58](#)
21. Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment (41 USC § 3901 note prec., 2 CFR 200.216)
22. Unless prohibited by law and to the extent permitted under the Freedom of Information Act (FOIA), your application and post-award content may be released to the public in response to FOIA requests, except to the extent that certain information may be withheld under a FOIA exemption ([5 USC § 552\(b\)](#); [24 CFR 15.107\(b\)](#)). HUD may also share your information within HUD or with other Federal agencies if HUD determines that sharing is relevant to the respective program's objectives.
23. Waste, Fraud, Abuse, and Whistleblower Protections. [41 USC § 4712](#), which includes informing your employees in writing of their rights and remedies, in the predominant native language of the workforce. Under [41 U.S.C. § 4712](#), employees of a contractor, subcontractor, grantee, subgrantee, and personal services contractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. (See [Federal Contractor or Grantee Protections | Office of Inspector General, Department of Housing and Urban Development \(hudoig.gov\)](#))
24. Implementing Presidential Executive Actions affecting federal financial assistance programs, as advised by the Department, unless otherwise restricted by law: Executive Order (EO) [14219](#) (Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative); [14218](#) (Ending Taxpayer Subsidization of Open Borders); guidance resulting from the White House Task Force established by [14202](#) (Eradicating Anti-Christian Bias) and the Senior Advisor to the White House Faith Office assigned by [14205](#) (Establishment of the White House Faith Office); [14182](#) (Enforcing the Hyde Amendment); [14173](#) (Ending Illegal Discrimination and Restoring Merit-Based Opportunity); [14168](#) (Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government); [14151](#) (Ending Radical and Wasteful Government DEI Programs and Preferencing); and [14148 \(Initial Rescissions of Harmful Executive Orders and Actions\)](#)

## B. Environmental Requirements

### 1. Environmental Review

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

[24 CFR part 50](#)

[24 CFR part 58](#)

**Limitations on activities pending clearance.** The grantee, and any participant in the development process, may neither undertake any actions with respect to the project that limit the choice of reasonable alternatives or could have environmentally adverse effects, including demolishing, acquiring, rehabilitating, converting, leasing, repairing, or constructing property (i.e. “physical activities”) proposed to be assisted under this NOFO, nor commit or expend HUD or non-HUD funds for these activities, until (i) HUD has approved a Request for Release of Funds following a responsible entity's environmental review under 24 CFR part 58, or (ii) if HUD has determined to perform the environmental review under paragraph “Responsibility” below, HUD has completed the environmental review and given approval for the action under 24 CFR part 50. In addition, grantees must carry out any mitigating/remedial measures required by the responsible entity (or HUD), or select an alternate eligible property, if permitted by HUD.

**Environmental Review and Choice Neighborhoods Supplemental Submissions.** The environmental review must be completed before development activities commence, which means either the responsible entity has submitted and HUD has approved a Request for Release of Funds (RROF) or HUD has completed and signed off on its environmental review, as documented in the HUD Environmental Review Online System (HEROS) or appropriate HUD environmental review format. Grantees must carry out any mitigating/remedial measures required by the responsible entity (or HUD), or select an alternate eligible property, if permitted by HUD. If a mitigating measure, where required, is not approved by the responsible entity (or HUD) and/or other jurisdictional authority HUD reserves the right to determine that the grant is in default. If a fully funded contract with a qualified contractor licensed to perform the required type of mitigation is not executed, HUD reserves the right to determine that the grant is in default.

**Responsibility.** If your application is selected for funding and an environmental review has not been conducted on the targeted site, the responsible entity should assume the environmental review responsibilities for projects being funded by Choice Neighborhoods. If you object to the responsible entity conducting the environmental review, based on performance, timing, or compatibility of objectives, HUD will review the facts and determine who will perform the environmental review. At any time, HUD may reject the use of a responsible entity to conduct the environmental review in a particular case based on performance, timing, or compatibility of objectives, or in accordance with 24 CFR 58.77(d)(1). If a responsible entity objects to performing an environmental review, or if HUD determines that the responsible entity should not perform the environmental review, HUD may designate another responsible entity to conduct the review or may itself conduct the environmental review in accordance with the provisions of 24 CFR part 50.

**Site selection and control.** A change in site due to unforeseeable environmental compliance



issues will only be permitted if the environmental issues are beyond the control of the grantee. In the event of unforeseeable environmental compliance issues beyond your control, HUD may permit you to propose a site at a different location than the site originally proposed. If you are permitted to propose a different site, a re-evaluation or environmental review update and information concerning the proposed site will be required.

**Supporting Documentation.** You must provide any reports and documentation that are needed to perform the environmental review to the responsible entity (or HUD, where applicable). Depending on the funding source, applicants should follow the documentation guidance as discussed in PIH Notice 2016-22 (Environmental Review Requirements for Public Housing Agencies, <https://www.hud.gov/sites/documents/pih2016-22.pdf>) or Chapter 9 of the MAP Guide. Guidance on environmental review is available on HUD's environmental website: <https://www.hudexchange.info/environmental-review/>.

**Scoping, Aggregation, and Cumulative Effects.** The environmental review must cover all activities and actions that are logically related to the project, regardless of whether they are also assisted by HUD. An Environmental Impact Statement must be prepared for projects that are determined to have a significant impact on the environment.

The environmental review must group together and evaluate as a single project all individual activities which are related either on a geographical or functional basis or are logical parts of a composite of contemplated actions, regardless of funding sources. However, where the Choice Neighborhoods project includes housing development on multiple parcels, separate environmental reviews for the off-site and on-site housing may be performed. In addition, CCI activities may be addressed in a separate environmental review which must commence immediately upon HUD's written approval of the CCI Plan.

In approaching the risks and solutions, applicants should be cognizant of the cumulative impacts and effects of their project when considered with other efforts in an area. Cumulative effects are the effects on the environment that result from the incremental effects of the action when added to the effects of other past, present, and reasonably foreseeable actions regardless of what agency or person undertakes such other actions. Cumulative effects can result from individually minor but collectively significant actions taking place over a period of time. An Environmental Impact Statement must be prepared for projects that are determined to have a significant impact on the environment.

**Phase I and Phase II Environmental Site Assessments.** If your application is selected for funding, you must have a Phase I Environmental Site Assessment (Phase I ESA) completed in accordance with ASTM 1527-21 for each affected site. A Phase I ESA is required whether the environmental review is completed under 24 CFR part 50 or 24 CFR part 58. The Phase I ESA must incorporate a Vapor Encroachment Screen in accordance with ASTM E 2600-10 to assess the potential for vapor migration. The results of the Phase I ESA must be included in the documents that must be provided to the responsible entity (or HUD) for the environmental review. If the Phase I ESA concludes that there are recognized environmental conditions or if the results are inconclusive, a Phase II environmental site assessment will be required. If a contamination remediation plan, where required, is not approved by a state or other jurisdictional authority (whether under Part 50 or Part 58) and a fully funded contract with a qualified contractor licensed to perform the remediation is not executed, HUD reserves the right to determine that the grant is in default.

**Radon.** Any new construction projects must be built with radon-resistant construction techniques. Radon analysis is required for new construction and rehabilitation projects, in compliance with HUD's contamination requirements at 24 CFR 50.3(i) and 58.5(i)(2). Testing of existing structures at projects funded for activities other than new construction or rehabilitation is strongly encouraged, as well as mitigation of any structures with elevated radon.

**Failure to meet environmental requirements.** HUD may rescind the grant award if the site or application fails to comply with environmental requirements or the environmental process under 24 CFR Parts 50 and 58.

**Reference:** HUD's environmental website is <https://www.hudexchange.info/environmental-review/>.

**Section 106 Pre-Identification of Historic Properties.** If your target housing project buildings are 45 years old or older, it is strongly recommended that you contact the State/Tribal Historic Preservation Officer (SHPO/THPO) prior to submission of this grant application to confirm whether the buildings are eligible for inclusion in the National Register of Historic Places, and therefore considered historic properties under Section 106 of the National Historic Preservation Act. Failure to do so may hinder your ability to expend federal grant funds. Section 106 review will be conducted during the environmental review process. Extensive information about 36 CFR 800, the Section 106 process, and the identification of historic properties is available at: <https://www.hudexchange.info/environmental-review/historic-preservation/>.

## 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](#)).

You must discuss the [Lead Disclosure Rule](#) if you fund education or counseling on buying or renting housing that may have been built before 1978. You must also discuss the Lead Safe Housing Rule if the education or counseling focuses on buying or renting HUD-assisted pre-1978 housing.

## 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. 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.

In accordance with Section 24(i) of the 1937 Act, if a Grantee defaults, HUD may withdraw any unobligated grant funds or pursue other actions as described in the grant agreement. HUD shall redistribute any withdrawn amounts to other applicants or to other entities capable of proceeding expeditiously in the same locality in carrying out the grant activities of the original Grantee, subject to provisions of the appropriations law. HUD will give the Grantee written notice of any default. The notice will give the Grantee the opportunity to cure such default within 30 days of the date of the notice, or to demonstrate within this time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default can not be cured within the 30-day period, the Grantee will demonstrate, to HUD's satisfaction, that the Grantee has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Grantee must agree to carry out such cure diligently and to complete the cure within the 90-day period.

## D. Reporting

HUD requires recipients to submit the 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.

HUD is implementing new grants management and reporting tools, which will be rolled out for your use in the near term. As a grantee, you will be required to report on grant performance and financial activities (including vendor and cash disbursement supporting details for yourself and your sub-recipients) using these new tools when they are released. HUD will work with you to support your transition to this new reporting environment. Once implemented, timely reporting in this new environment will be mandatory. HUD reserves the right to exercise all available rights and remedies for any noncompliance with these grants management and financial reporting requirements, to include requiring 100% review or stopping future disbursements altogether if reporting is not timely submitted.

Report	Description	When
Federal Funding Accountability and Transparency Act (FFATA)	<ul style="list-style-type: none"> <li>Awards equal to or greater than \$30,000</li> <li>Data on executive compensation and first-tier subawards</li> <li>See <a href="#">Public Law 109-282</a> and <a href="#">2 CFR part 170</a></li> <li>HUD reports initial prime recipient data to</li> </ul>	See <a href="#">2 CFR Appendix A to Part 170(a)(2)(ii)</a>

Report	Description	When
	<a href="https://usaspending.gov">usaspending.gov</a> <ul style="list-style-type: none"> <li>Submit via <a href="https://SAM.gov">SAM.gov</a></li> </ul>	
Reporting on Recipient Integrity and Performance Matters	<ul style="list-style-type: none"> <li>Total value of all current Federal awards exceeds \$10,000,000 for any period of time during the period of performance of this Federal award</li> <li>See <a href="#">Appendix XII to 2 CFR 200</a></li> <li>Submit via <a href="https://SAM.gov">SAM.gov</a></li> </ul>	See <a href="#">2 CFR Appendix-XII to Part 200 I.(d)</a>
Progress Report	<ul style="list-style-type: none"> <li>Summary of progress status</li> <li>Work to be performed during the next reporting period</li> <li>Any anticipated risks and plans to mitigate those risks</li> </ul>	Quarterly
Federal Financial Report, SF-425	<ul style="list-style-type: none"> <li>Summary of key financial data</li> <li>See <a href="#">2 CFR 200.328</a></li> </ul>	See <a href="#">2 CFR 200.328</a> or award terms
Audited financial statement	Recipient's organizational structure, any sub-grantees or sub-recipients, and how each disbursement of grant funds was applied to an eligible cost throughout the life of the grant to receive disbursements of Federal funds.	No less than annually

## E. Other Post-Award Requirements

1. Long-term Affordability for Grant-funded Units. Replacement Housing units developed with Choice Neighborhoods funds must remain affordable to low-income households for at least 40 years. Non-replacement rental units and homeownership units developed with Choice

Neighborhoods funds must remain affordable to households earning up to 120 percent of AMI for at least 20 years.

2. Relocation and Mobility Counseling. Choice Neighborhoods program aims to support the successful relocation of households; the successful return of households who choose to occupy a replacement unit; and the stability of households who choose not to occupy a replacement unit.

(a) Projects involving real property acquisition, rehabilitation, or demolition are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) (42 U.S.C. §§ 4601-4655), and the government-wide implementing regulations issued by the Federal Highway Administration at 49 CFR part 24 (except for displacement resulting from demolition or disposition activities subject to section 18 of the 1937 Act). As required by the URA, residents must be provided with certain notices prior to relocation. In the context of a Choice Neighborhoods Implementation Grant, applicants should provide the General Information Notice (GIN) that meets the requirements of the URA as soon as feasible after the date of submission of the grant application. The date of Initiation of Negotiations (ION) serves as a milestone in determining a person's eligibility for relocation assistance and payments under the URA. Therefore, the ION date triggers the issuance to each resident the Notice of Eligibility for Relocation Assistance or a Notice of Non-displacement. The ION date for Choice Neighborhoods Implementation Grants is the execution date of the Grant Agreement. As of the Grant Agreement execution date, residents of the project who qualify as displaced are entitled for relocation payments and other relocation assistance in accordance with the URA. If HUD determines that there are circumstances under which a single ION would be impracticable and/or detrimental to the smooth relocation of residents, demolition of the existing units, and reconstruction of the project, HUD may approve multiple ION dates based on phased demolition as proposed by a grantee in its Transformation Plan. (For example, a project is large or is located in a community with limited housing resources to absorb large numbers of residents who will be displaced by the project.) Each demolition phase should propose an ION date which is at least 6 months prior to the planned start date for demolition in that phase (e.g., for a demolition phase that will begin June 1, the proposed ION date should be no later than the preceding January 1). These phased ION dates will enable the grantee to concentrate advisory services and resources on assisting affected residents to find replacement housing in a timely manner as each demolition date approaches. Grantees may opt to send Notices of Eligibility sooner than required, but these Notices must be sent no later than the established ION date for each phase.

(b) A Grantee should offer housing mobility counseling beyond what is required by the URA. Grantees are required to:

- Fully inform families of their right to return and their relocation options, including the availability of tenant-based vouchers;
- Ensure that families who receive a tenant-based voucher are made aware of and have access to high-quality rental housing in areas of opportunity;
- Assist families transitioning into new housing, neighborhoods, and (when applicable) schools;



- Provide supports and develop an early warning system to mitigate housing instability and help residents maintain lease compliance;
- Track 100 percent of the relocated residents until the last phase with replacement units is leased; and
- Conduct outreach to residents before each phase when replacement units become available and provide relocation assistance for residents who choose to occupy a replacement unit.

3. Capital Fund Financing Program (CFFP). If the target housing is from the inventory of a PHA with an outstanding, approved CFFP proposal, the PHA must take necessary steps to remain in compliance with the terms of that approval, as applicable. To the extent HUD determines that the Capital Fund projections in its CFFP Proposal did not accurately or completely incorporate the reduction in public housing units that would be caused by the Choice Neighborhoods activity, prior to undertaking the Choice Neighborhoods activity, the PHA will use Capital Funds, or other eligible funds to defease, redeem, or otherwise prepay the CFFP financing. This prepayment must be sufficient to maintain the same debt coverage ratio in the year immediately following any reduction in Annual Contribution Contract (ACC) Units related to the Choice Neighborhoods grant (based on the then-current year's capital fund allocation, but giving effect to the change in ACC Units in a manner acceptable to HUD) as existed prior to any reductions occurring as a result of the Choice Neighborhoods grant.

4. Public Housing Demolition. You may not carry out nor permit others to carry out the demolition of the targeted project or any portion of the project until HUD approves, in writing, one of the following ((a) – (c) of this section), and until HUD has also: (i) approved a Request for Release of Funds submitted in accordance with 24 CFR part 58, or (ii) if HUD performs an environmental review under 24 CFR part 50, has approved the property for demolition, in writing, following its environmental review.

(a) Information regarding demolition in your Choice Neighborhoods Application, along with Supplemental Submissions requested by HUD after the award of the grant. Section 24(g) of the 1937 Act provides that severely distressed public housing that is demolished pursuant to a transformation plan is not required to be approved through a demolition application under section 18 of the 1937 Act or regulations at 24 CFR part 970. If you do not receive a Choice Neighborhoods grant, the information in the application will not be used to process a request for demolition;

(b) A demolition application under section 18 of the 1937 Act; or

(c) A section 33 Required Conversion Plan, in compliance with regulations at 24 CFR part 972 and other applicable HUD requirements, if the project is subject to Required Conversion (section 33 of United States Housing Act of 1937 as amended by section 537 of the Quality Housing and Work Responsibility Act of 1998). A Required Conversion Plan concerns the removal of a public housing project from a PHA's inventory.

5. Public Housing Disposition. Public Housing disposition is authorized through Section 18 regulations or through RAD.

(a) Disposition of a severely distressed public housing site, by sale or lease, in whole or in part, may be done in accordance with section 18 of the 1937 Act and implementing

regulations at 24 CFR part 970.

(b) The Grantee will comply with the provisions of section 18 of the 1937 Act, 24 CFR part 970, as may be modified or amended from time to time, and the provisions of its approved disposition application (the approved “Disposition Application”), unless otherwise modified in writing by HUD. The Grantee will also comply with procedures for processing dispositions associated with mixed-finance projects as set forth by HUD.

(c) A lease of one year or more that is not incident to the normal operation of a development is considered to be a disposition that is subject to section 18 of the 1937 Act.

(d) Alternatively, disposition of a public housing site may be done in accordance with RAD requirements in a development seeking RAD conversion

6. Federal Labor Standards. Federal labor standards are applicable to Choice Neighborhoods grants. These labor standards involve the payment of not less than prevailing wage rates to laborers and mechanics, and may include overtime requirements (premium pay for hours worked over 40 in a workweek), and record keeping and reporting requirements.

(a) Davis-Bacon wage requirements apply to the development of any replacement housing rental units or homeownership units developed with Choice Neighborhoods Implementation Grant funds. The grantee must obtain the appropriate Davis-Bacon wage decision, which sets forth the minimum wage rates that may be paid to construction laborers and mechanics. This wage decision and provisions requiring compliance with federal labor standards must be included in any bid specifications and construction contracts. Development work undertaken directly by the grantee, with its own employees, is also subject to Davis-Bacon wage requirements.

(b) HUD-determined wage rates are applicable to all maintenance laborers and mechanics engaged in the operation of revitalized housing.

(c) If other federal programs are used in connection with Choice Neighborhoods activities, federal labor standards requirements apply to the extent required by the other federal programs on that portion of the project which is not subject to Section 12 of the 1937 Act.

7. Match Donations and Leverage Resources – Post Award. Sources of match and leverage funds may be substituted after grant award, as long as the dollar requirement is met. Grantees must pursue and enforce any commitment obtained from an entity for a contribution or commitment to the project or surrounding area that was part of the match or leverage amount.



## 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: Choice Neighborhoods

Phone: 202-402-4100

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

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

#### 2. Paper Application Waiver Request

Name: \_\_\_\_\_

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

Phone: 202-402-4100

HUD Organization: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_

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

### B. Grants.gov

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

### C. SAM.gov

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

### D. Debriefing

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

### E. Applicant Experience Survey

You are encouraged to provide feedback on your application experience by completing our

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

## F. Other Online Resources

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

[www.hud.gov/cn](http://www.hud.gov/cn)

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

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

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

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

**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](#) 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.

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

and addressing other priorities identified by the community.

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

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

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

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

## 2. Program Definitions.

**Affordable Housing.** Housing units funded by a Choice Neighborhoods Implementation Grant that is available to households earning between 81-120 percent of Area Median Income (AMI). The owner of the project/unit must record a HUD-approved affordability use restriction in effect for at least 20 years. These units are not Replacement Housing and do not count toward fulfilling the one-for-one replacement requirement.

**Case Management.** Case Management uses a coaching approach, in which case managers work one-on-one to help residents achieve the goals they identify for themselves in the areas of income and employment, training and education, and maintaining independence. The intensity and frequency of case management services should be tailored to the level of an individual’s or family’s needs. Active case management requires a minimum of monthly client contact. This approach should include:

- Screening, assessment, and risk management,
- Individualized service planning based on resident needs and choices,
- Providing options and information,
- Referring and connecting to services and supports,
- Monitoring resident progress,
- Evaluating timeliness and effectiveness of service delivery, and
- Maintaining necessary records.

**Co-Applicant.** An entity with which the Lead Applicant applies for funding under this NOFO. A Co-Applicant can be the local government or PHA. The local government of jurisdiction must be the Co-Applicant if it is not the Lead Applicant. The Co-Applicant must also meet each Threshold Requirement listed in Section III.A, will sign the Grant Agreement, and will be responsible for implementing the activities identified in the Transformation Plan.

**Critical Community Improvements (CCIs).** Grant funded, physical community and economic development projects that advance the neighborhood outcomes proposed in the Transformation Plan.

**Housing Implementation Entity.** The entity responsible for implementing the Housing component of the Transformation Plan. It is at-risk and financially responsible for development and the long-term asset management of the housing. A joint venture with an executed agreement that establishes clear roles and responsibility can be the Housing Implementation Entity.

**Individual and Family Development Plans (IDP/FDP).** A flexible but time-bound action plan created with the household that identifies specific goals and related supportive service needs in the areas of income and employment, training and education, and maintaining independence. These plans will be updated annually, guide the frequency and intensity of case management services, identify and remove impediments, and track household outcomes.

**Local Government.** Same meaning as “unit of general local government” in section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302): 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.

**Neighborhood.** The geographic area within which the activities of the Transformation Plan will take place. HUD understands neighborhood boundaries are not fixed like municipal or county boundaries. The Department also recognizes neighborhoods do not necessarily follow statistical boundaries, such as census tracts. For Choice Neighborhoods, HUD relies on applicants to identify generally accepted boundaries for the target neighborhood. In many communities, major streets or physical topography (such as rivers) typically delineate neighborhood boundaries. The neighborhood must be larger than the footprint of the target housing and should incorporate nearby places where residents may shop, receive services, work, and interact. The neighborhood cannot encompass more than one municipal jurisdiction and is typically an area less than two miles wide.

**Neighborhood Implementation Entity.** The entity responsible for coordinating, overseeing and implementing the Neighborhood Plan, including Critical Community Improvements. The Neighborhood Implementation Entity must be the local government or a redevelopment authority in which the target housing resides. A joint venture or other type of partnership cannot be the Neighborhood Implementation Entity.

**People Implementation Entity.** The entity that has primary responsibility for implementing day-to-day case management and facilitating the achievement of the supportive services strategy, the People component of the Transformation Plan (“People Plan”). A joint venture or other type of partnership cannot be the People Implementation Entity.

**Principal Team Member.** The Lead Applicant, Co-Applicant (if any), Housing Implementation Entity, People Implementation Entity, and Neighborhood Implementation Entity.

**Public Housing.** Housing that receives funding under an Annual Contributions Contract (ACC) and in accordance with section 9 of the 1937 Act. A public housing project is a group of such housing units that has a single Project Number assigned by the Director of Public Housing of a HUD Field Office and has, or had (in the case of previously demolished units),



housing units under an ACC and in accordance with section 9 of the 1937 Act. Applicants must be clear throughout their application as to the project they are targeting.

**Replacement Housing.** Rental housing that will replace demolished, disposed of, or otherwise reduced public housing. It must be assisted with funding under section 8 of the 1937 Act (42 U.S.C. 1437f and 42 U.S.C. 1437g) either as Project-based vouchers (section 8(o)(13) of the 1937 Act) or Project-Based Rental Assistance. For RAD conversions, this includes Restore-Rebuild. Tenant-based vouchers are excluded except as permitted by HUD. For acquisition of existing housing, the units must not have any use restrictions that already limit occupancy to low-income households.

**Service Coordination.** The coordination of services across agencies within a community, based on the needs and goals of the target resident population. Service coordination often requires partnership, network building, and the negotiation of tailored services to address specific resident needs and goals, as well as gaps in available services.

### **Severely Distressed Housing.**

a. In accordance with section 24(j)(2) of the 1937 Act, the term means a public housing project (or building in a project) that:

- (1) Requires major redesign, reconstruction, or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems, and other deficiencies in the physical plan of the project;
- (2) Is a significant contributing factor to the physical decline of, and disinvestment by, public and private entities in, the surrounding neighborhood;
- (3) Is:
  - (i) Occupied predominantly by families who are very low-income families with children, have unemployed members, and are dependent on various forms of public assistance;
  - (ii) Has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area; or
  - (iii) Is lacking in sufficient appropriate transportation, supportive services, economic opportunity, schools, civic and religious institutions, and public services, resulting in severe social distress in the project;
- (4) Cannot be revitalized through assistance under other programs, such as the Capital Fund and Operating Fund programs for public housing under the 1937 Act, or the programs under sections 9 or 14 of the 1937 Act (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, approved October 21, 1998)), because of cost constraints and inadequacy of available amounts; and
- (5) In the case of an individual building that currently forms a portion of the Target Housing project: (a) Is sufficiently separable from the remainder of the project of which the building is part, such that the revitalization of the building is feasible; or (b) was part of the targeted public housing project that has been legally vacated or demolished, but for which HUD has not yet provided replacement housing assistance (other than tenant-based assistance). “Replacement housing assistance” is defined as funds that have been furnished by HUD to

perform major rehabilitation on, or reconstruction of, the public housing that have been legally vacated or demolished.

b. A severely distressed project that has been legally vacated or demolished (but for which HUD has not yet provided replacement housing assistance, other than tenant-based assistance) must have met the definition of physical distress not later than the day the demolition application approval letter was signed by HUD.

**Supportive Services.** In accordance with section 24(j)(3) of the 1937 Act, the term includes all activities that will promote upward mobility, self-sufficiency, or improved quality of life for the residents of the [target] housing, including literacy training, activities that promote early learning and the continuum of educational supports, remedial and continuing education, job training, financial literacy instruction, day care, youth services, aging-in-place, physical and mental health services, economic development activities, and other programs for which the community demonstrates need.

**Transformation Plan.** A comprehensive neighborhood revitalization strategy proposal which, when implemented, will achieve the three core goals of Choice Neighborhoods (Housing, People, Neighborhood).