

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

DEPARTMENT OF TRANSPORTATION

[Docket No. FR-5415-N-12]

**Notice of Funding Availability for the
Department of Housing and Urban
Development's Community Challenge
Planning Grants and the Department of
Transportation's TIGER II Planning
Grants**

AGENCY: Office of Sustainable Housing and Communities, Office of the Deputy Secretary, HUD; and Office of the Secretary, DOT.

ACTION: Notice of Funding Availability (NOFA).

SUMMARY: This notice announces the availability of funding and requests proposals for the Department of Housing and Urban Development's ("HUD's") Community Challenge Planning Grants ("Community Challenge Planning Grants") in conjunction with a portion of the Department of Transportation's ("DOT's") National Infrastructure Investments Grants that can be used for transportation planning grants.

On December 16, 2009, the President signed the Consolidated Appropriations Act, 2010 (Pub. L. 111-117) that provided \$40 million for HUD's Community Challenge Planning Grants and up to \$35 million for DOT's transportation planning grants to be awarded as part of the National Infrastructure Investments program. The National Infrastructure Investments program is similar, but not identical to, the Transportation Investment Generating Economic Recovery, or "TIGER Discretionary Grant Program." Because of the similarity in program structure, DOT is referring to the grants for National Infrastructure Investments under the FY 2010 Appropriations Act as "TIGER II Discretionary Grants" and the transportation planning grants as "TIGER II Planning Grants."

HUD's \$40 million Community Challenge Planning Grant Program will foster reform and reduce barriers to achieving affordable, economically vital, and sustainable communities. Such efforts may include amending or replacing local master plans, zoning codes, and building codes, either on a jurisdiction-wide basis or in a specific neighborhood, district, corridor, or sector to promote mixed-use development, affordable housing, the reuse of older buildings and structures for new purposes, and similar activities with the goal of promoting sustainability at the local or neighborhood level. HUD's Community

Challenge Planning Grant Program also supports the development of affordable housing through the development and adoption of inclusionary zoning ordinances and other activities such as acquisition of land for affordable housing projects.

The Community Challenge Planning Grant Program differs from HUD's Sustainable Communities Regional Planning Grant Program, a \$100 million program also created in the FY2010 Appropriations Act. While the latter program is designed to support regional planning efforts, the Community Challenge Planning Grant Program focuses on individual jurisdictions and more localized planning. HUD will publish a separate NOFA for the Sustainable Communities Regional Planning Grant Program.

DOT is authorized to use up to \$35 million of the funds available for TIGER II Discretionary Grants for TIGER II Planning Grants to fund the planning, preparation, or design of surface transportation projects that would be eligible for funding under the TIGER II Discretionary Grant program.

DOT and HUD have decided to issue this NOFA jointly in order to better align transportation, housing, economic development, and land use planning and to improve linkages between DOT and HUD's programs. HUD's funding is designed to target housing, economic development, and land use planning strategies that will increase the efficiency and effectiveness of a related transportation project being planned. Therefore, DOT and HUD believe this joint effort has the potential to encourage and reward more holistic planning efforts that result in better projects being built with Federal dollars. The effort is also consistent with the Obama Administration's priority on removing artificial barriers between Federal programs and barriers to State and local governmental level innovation.

On April 26, 2010 (75 FR 21695), DOT published an interim notice announcing the availability of funding for TIGER II Discretionary Grants. Because the TIGER II Discretionary Grant program is a new program, the interim notice requested comments on the proposed selection criteria and guidance for awarding TIGER II Discretionary Grants. In the interim notice, DOT specifically requested comments on its intention to conduct a multi-agency evaluation and award process with HUD for the Community Challenge Planning Grants and the TIGER II Planning Grants. DOT indicated that this multi-agency approach for the planning grants would be consistent with DOT and HUD's

participation in the "Partnership for Sustainable Communities" with the U.S. Environmental Protection Agency ("EPA") to help American families in all communities—rural, suburban and urban—gain better access to affordable housing, more transportation options, lower transportation costs, and a cleaner environment. HUD and DOT have considered the comments that were submitted in accordance with the interim notice and decided to conduct a multi-agency evaluation and award process. The details of this multi-agency planning grant program, including information about eligibility, selection criteria, and pre-application and application requirements are included in this joint notice. The final notice for the TIGER II Discretionary Grant program (the "TIGER II Discretionary Grant NOFA") was published on June 1, 2010 (75 FR 30460). Interested parties are encouraged to review the TIGER II Discretionary Grant NOFA for more information about that program.

DATES: Pre-applications are due by July 26, 2010, at 5 p.m. EDT, and applications must be submitted by August 23, 2010, at 5 p.m. EDT. Only pre-applications received and applications received through Grants.gov will be deemed properly filed. Instructions for submitting pre-applications and applications are included in Section VI.

FOR FURTHER INFORMATION CONTACT: For further information concerning this notice please contact the TIGER II Discretionary Grant program manager via e-mail at TIGERIIgrants@dot.gov, or call Robert Mariner at 202-366-8914 (this is not a toll-free number). A TDD is available for individuals who are deaf or hearing-impaired, at 202-366-3993 (this is not a toll-free number). In addition, DOT will regularly post answers to questions and requests for clarifications on DOT's Web site at <http://www.dot.gov/recovery/ost/TIGERII>. Questions regarding HUD's Community Challenge Planning Grant Program should be directed to sustainablecommunities@hud.gov or may be submitted through the <http://www.hud.gov/sustainability> Web site. HUD's contact person is Zuleika K. Morales-Romero, Office of Sustainable Housing and Communities, 451 Seventh Street, SW., Washington, DC 20410-3000, telephone number 202-402-7683 (this is not a toll-free number) facsimile 202-708-0465, or e-mail: zuleika.k.morales@hud.gov. For the hearing- or speech-impaired, contact the above telephone number via TTY by dialing the toll-free Federal Information Relay Service at 1-800-877-8339.

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Overview Information

A. *Federal Agency Name:* Office of Sustainable Housing and Communities, Office of the Deputy Secretary, HUD; and Office of the Secretary, DOT.

B. *Funding Opportunity Title:* Community Challenge and Transportation Planning Grants.

C. *Funding Opportunity Number:* The funding opportunity number is FR–5415–N–12. Community Challenge and Transportation Planning Grant. The OMB Approval Number is 2501–0025.

D. *Catalog of Federal Domestic Assistance (CFDA) Number:* The Catalog of Federal Domestic Assistance (CFDA) numbers for the HUD Community Challenge and DOT TIGER II Planning Grant are 14.704 and 20.933, respectively.

E. *Additional Overview Information:*

1. Background.

a. *TIGER II Planning Grants.*

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 (Pub. L. 111–05) (Recovery Act), which appropriated \$1.5 billion of discretionary grant funds to be awarded by DOT for capital investments in surface transportation infrastructure. DOT refers to these grants as Grants for Transportation Investment Generating Economic Recovery or “TIGER Discretionary Grants.” DOT solicited applications for TIGER Discretionary Grants through a notice of funding availability published in the **Federal Register** on June 17, 2009 (74 FR 28775) (an interim notice was published on May 18, 2009 (74 FR 23226)). Applications for TIGER Discretionary Grants were due on September 15, 2009, and DOT received more than 1,400 applications with funding requests totaling almost \$60 billion. Funding for 51 projects was announced on February 17, 2010.

On December 16, 2009, the President signed the Fiscal Year (FY) 2010 Consolidated Appropriations Act, which appropriated \$600 million to DOT for National Infrastructure Investments using language that is similar, but not identical to, the language in the Recovery Act authorizing the TIGER Discretionary

Grants. DOT is referring to the grants for National Infrastructure Investments as TIGER II Discretionary Grants. The FY 2010 Appropriations Act permits DOT to use up to \$35 million of the funds available for TIGER II Discretionary Grants for TIGER II Planning Grants. The TIGER II Discretionary Grant NOFA was published on June 1, 2010 (75 FR 30460), and awards will be announced at the same time as awards made under this NOFA.

b. *Community Challenge Planning Grants.*

The FY 2010 Appropriations Act also appropriated \$40 million to HUD to establish a Community Challenge Planning Grant Program “to foster reform and reduce barriers to achieve affordable, economically vital, and sustainable communities.” The Community Challenge Planning Grant Program differs from HUD’s Sustainable Communities Regional Planning Grant Program, a \$100 million program also created in the FY 2010 Appropriations Act. While the latter program is designed to support regional planning efforts, the Community Challenge Planning Grant Program focuses on individual jurisdictions and more localized planning. HUD will publish a separate NOFA for the Sustainable Communities Regional Planning Grant Program.

2. *Available Funds.* Up to \$75 million, including \$40 million for Community Challenge Planning Grants and up to \$35 million for TIGER II Planning Grants.

3. *Funding Categories.* Given the range of planning activities that potential applicants are trying to accomplish, DOT and HUD will support a variety of eligible activities spelled out in Section III.C.1.a–c.

4. *Authority.* The program was authorized by the Consolidated Appropriations Act, 2010 (Pub. L. 111–117, approved December 16, 2009).

5. *Application of HUD’s General Section.* All applicants accessing resources available through HUD’s Community Challenge Planning Grants are subject to the requirements of the General Section to HUD’s FY 2010 NOFAs for discretionary programs. Applicants for such grants should carefully review the requirements described in this NOFA and HUD’s General Section. HUD’s General Section is not applicable to applicants accessing resources available through TIGER II Planning Grants.

Full Text Announcement

I. *Funding Opportunity Description:* This notice announces DOT’s and HUD’s intention to offer funding

through a competition made available as a NOFA under its Community Challenge and TIGER II Planning Grants.

A. *The Partnership for Sustainable Communities.* This NOFA is being initiated in close coordination between DOT, HUD and the EPA, through the Partnership for Sustainable Communities (the Partnership).

The Partnership was conceived to coordinate Federal housing, transportation and environmental investments, protect public health and the environment, promote equitable development, and help address the challenges of climate change. Recognizing the fundamental role that public investment plays in achieving these outcomes, the Administration charged three agencies whose programs most directly impact the physical form of communities—HUD, DOT, and EPA—to lead the way in reshaping the role of the Federal government in helping communities obtain the capacity to embrace a more sustainable future.

One of the first acts of the Partnership was to agree to a set of six “Livability Principles” to govern the work of the Partnership and for each of the three agencies to strive to incorporate into their policies and funding programs to the degree possible. In addition, each agency has clear and defined roles: HUD will take the lead in funding, evaluating, and supporting integrated regional planning for sustainable development, and will invest in sustainable housing and community development efforts. DOT will focus on building the capacity of transportation agencies to integrate their planning and investments into broader plans and actions that promote sustainable development, and investing in transportation infrastructure that directly supports sustainable development and livable communities. EPA will provide technical assistance to communities and States to help them implement sustainable community strategies, and develop environmental sustainability metrics and practices. The three agencies have made a commitment to coordinate activities, integrate funding requirements, and adopt a common set of performance metrics for use by grantees.

B. *Program Goals.*

1. To better align Federal programs to support the building of projects that further the six Livability Principles (listed in rating factor 1 below).

2. To remove artificial or bureaucratic barriers among Federal programs and create a more coordinated point of contact for State and local governments building innovative projects that coordinate housing, economic

development, transportation, and environmental policies and goals.

II. Award Information

A. Award Size. For both Community Challenge Planning Grants and TIGER II Planning Grants, there is no minimum grant size, but the maximum grant size is \$3 million.

B. Type of Awards. All awards will be made in the form of Cooperative Agreements. HUD and DOT anticipate having substantial involvement in the work being conducted under this award to ensure the purposes of the grant program are being carried out and that entities are following through on their commitments. This includes making progress in meeting established performance metrics, and ensuring consistency in projects in participating jurisdictions that are funded through other HUD, DOT, and EPA programs so that they are implemented in a manner consistent with the Livability Principles.

C. Period of Performance. The period of performance shall not exceed 36 months from the date the funds are obligated. All funds awarded must be obligated by September 30, 2012.

D. Statutory Distributional Requirements Only Applicable to TIGER II Funds. This joint notice was developed and is being published in conjunction with the TIGER II Discretionary Grants NOFA. The selection process for TIGER II Planning Grants will be conducted in parallel with the selection process for TIGER II Discretionary Grants, and awards of TIGER II Planning Grants are subject to several distributional requirements under the FY 2010 Appropriations Act. These requirements do not apply to HUD Community Challenge Planning Grants. First, no more than 25 percent of the funds made available for TIGER II Discretionary Grants (or \$150 million), including any funding used for TIGER II Planning Grants, may be awarded to projects in a single State. Additionally, not less than \$140 million of the funds provided for TIGER II Discretionary Grants, including TIGER II Planning Grants, is to be used for projects located in rural areas. For purposes of this notice, DOT is generally defining "rural area" as any area not in an Urbanized Area, as such term is defined by the Census Bureau¹ and will consider a project to be in a

rural area if all or the majority of a project is located in a rural area. Finally, on awarding TIGER II Discretionary Grants, including TIGER II Planning Grants, DOT must take measures to ensure an equitable geographic distribution of grant funds, an appropriate balance in addressing the needs of urban and rural areas, and investment in a variety of transportation modes.

TIGER II Discretionary Grants, including TIGER II Planning Grants, may be used for up to 80 percent of the costs of a project; however, applications will be more competitive to the extent they include significant non-Federal financial contributions. The minimum and maximum grant sizes established by the FY 2010 Appropriations Act for TIGER II Discretionary Grants do not apply to TIGER II Planning Grants.

III. Eligibility Information

A. Eligible Applicants. State and local governments, including U.S. territories, tribal governments, transit agencies, port authorities, metropolitan planning organizations (MPOs), other political subdivisions of State or local governments, and multi-State or multijurisdictional groupings.

B. Cost Sharing or Leveraging Resources. For those seeking TIGER II Planning Grants, a 20 percent match is required. DOT will consider any non-Federal funds as a local match for purposes of this program, whether such funds are contributed by the public sector (State or local) or the private sector. However, DOT will not consider funds already expended as a local match. The 20 percent matching requirement does not apply to projects in rural areas. For those seeking HUD Community Challenge Planning Grants, applicants must provide 20 percent of the requested funding amount in leveraged resources in the form of cash and/or verified in-kind contributions or a combination of these sources. In-kind contributions may be in the form of staff time, 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. Cash contributions may come from any combination of local, state and/or Federal funds, and/or private and philanthropic contributions dedicated to the express purposes of this proposal.

Applicants will receive credit for leveraging or matching resources greater than 20 percent of the requested amount as described in Rating Factor 4. If an applicant does not include the minimum 20 percent leveraged or matched resources with its appropriate

supporting documentation, that application will be considered ineligible.

C. Other Requirements.

1. Eligible Activities. In order to explain the variety of activities eligible for funding under this joint notice, the activities are described in three groupings:

a. TIGER II Planning Grants: Activities related to the planning, preparation, or design of surface transportation projects, including, but not limited to:

(1) Highway or bridge projects eligible under Title 23, United States Code;

(2) Public transportation projects eligible under Chapter 53 of Title 49, United States Code;

(3) Passenger and freight rail transportation projects; and

(4) Port infrastructure investments.

b. Community Challenge Planning Grants: Activities related to the following:

(1) Development of master plans or comprehensive plans that promote affordable housing co-located and/or well-connected with retail and business development and discourage development not aligned with sustainable transportation plans or disaster mitigation analyses;

(2) Development and implementation of local, corridor or district plans and strategies that promote livability and sustainability (see the Livability Principles in Section V);

(3) Revisions to zoning codes, ordinances, building standards, or other laws to remove barriers and promote sustainable and mixed-use development and to overcome the effects of impediments to fair housing choice in local zoning codes and other land use laws, including form-based codes and inclusionary zoning ordinances to promote accessible, permanently affordable housing that reduces racial and poverty housing concentration and expands fair housing choice for low-income minorities;

(4) Revisions to building codes to promote the energy-efficient rehabilitation of older structures in order to create affordable and healthy housing;

(5) Strategies for creating or preserving affordable housing for low-, very low-, and extremely low-income families or individuals in mixed-income, mixed-use neighborhoods along an existing or planned transit corridor;

(6) Strategies to bring additional affordable housing to areas that have few affordable housing opportunities and are close to suburban job clusters; and

¹ For the 2000 Census, the Census Bureau defined an Urbanized Area (UA) as an area that consists of densely settled territory that contains 50,000 or more people. Updated lists of UAs are available on the Census Bureau Web site. Urban Clusters (UCs) will be considered rural areas for purposes of this NOFA.

(7) Planning, establishing, and maintaining acquisition funds and/or land banks for development, redevelopment, and revitalization that reserve property for the development of affordable housing within the context of sustainable development

c. *Combination of TIGER II Planning Grant and Community Challenge Planning Grant activities.* There are a variety of projects that may include eligible activities under both the TIGER II Planning Grants and the Community Challenge Planning Grants programs. Rather than have applicants proceed through two separate grant application procedures, this joint NOFA is intended to create one point of entry to Federal resources to support related components of a single project. To illustrate the possible combination of activities, please consider the following examples:

(1) Planning activities related to the development of a particular transportation corridor or regional transportation system, that promotes mixed-use, transit-oriented development with an affordable housing component.

(2) Planning activities related to the development of a freight corridor that seeks to reduce conflicts with residential areas and with passenger and non-motorized traffic. In this type of project, DOT might fund the transportation planning activities along the corridor, and HUD may fund changes in the zoning code to support appropriate siting of freight facilities and route the freight traffic around town centers, residential areas, and schools.

(3) Developing expanded public transportation options, including accessible public transportation and para-transit services for individuals with disabilities, to allow individuals to live in diverse, high opportunity neighborhoods and communities and to commute to areas with greater employment and educational opportunities.

DOT and HUD are expecting to award the TIGER II Planning Grants and the Community Challenge Planning Grants for planning activities that ultimately lead to the development of projects that integrate transportation, housing and economic development components.

DOT and HUD plan to make joint awards, where appropriate. However, we also expect DOT to make awards for TIGER II Planning Grant activities alone and for HUD to make awards for Community Challenge Planning Grants alone. Applicants may apply for funding from only TIGER II Planning Grants or from only Community Challenge Planning Grants. To the extent that an application has a project that has linked

activities and would benefit from funding and associated activities in both DOT and HUD's programs, applicants should indicate that in their application and the agencies may both award funding to the project, with DOT and HUD each awarding its funds for the eligible activities under its own respective program. However, only one application per project will be accepted (see Threshold Requirements, Section IV.C.).

IV. Threshold Requirements

Evaluation teams from DOT and HUD will review each pre-application that is received on or prior to the Pre-Application Deadline and will be responsible for analyzing whether the pre-application satisfies the following key threshold requirements:

A. The project and the applicant are eligible for funding under the TIGER II Planning Grant or Community Challenge Planning Grant program; and

B. Local leveraging, or matching funds are committed to support 20 percent or more of the costs of the transportation planning activities to be funded; this requirement is not applicable to transportation planning projects located in rural areas.

C. Only one application per project will be accepted for review. An applicant that submits more than one application per project may have some or all of the submissions deemed ineligible.

D. Resolution of Outstanding Civil Rights Matters for Applicants for HUD Funding. If you, the applicant:

1. Have received a charge from HUD concerning a systemic violation of the Fair Housing Act or a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination based on race, color, religion, sex, national origin, disability or familial status;

2. Are a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging a pattern or practice of discrimination pursuant to 42 U.S.C. 3614(a);

3. Have received a letter of findings identifying systemic noncompliance under Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, or Section 109 of the Housing and Community Development Act of 1974;

4. Have received a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law

proscribing discrimination in housing based on sexual orientation or gender identity; or

5. Have received a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a state or local law proscribing discrimination in housing based on lawful source of income; and

a. The charge, cause determination, lawsuit, or letter of findings referenced in subparagraphs (1), (2), (3), (4), or (5) above has not been resolved to HUD's satisfaction before the application deadline, then you, the applicant, are ineligible for funding. HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the application deadline are sufficient to resolve the matter.

b. Examples of actions that would normally be considered sufficient to resolve the matter include, but are not limited to:

c. Current compliance with a voluntary compliance agreement signed by all the parties;

(1) Current compliance with a HUD-approved conciliation agreement signed by all the parties;

(2) Current compliance with a conciliation agreement signed by all the parties and approved by the State or local administrative agency with jurisdiction over the matter;

(3) Current compliance with a consent order or consent decree; or

(4) Current compliance with a final judicial ruling or administrative ruling or decision.

V. Application Review Information

A. Criteria.

1. *Rating Factor 1—Purpose and Outcomes (35 points):* An applicant's score on this rating factor will be based on a clear statement of the existing condition that the proposed project is intended to address and the proposed project's alignment with the six "Livability Principles." Applicants that demonstrate that their project aligns well with the Livability Principles and are consistent with any existing region wide plans that consider transportation, economic development, housing, water, and other infrastructure needs and investments will receive a higher score. The Livability Principles are as follows:

a. *Provide More Transportation Choices.* Develop safe, reliable and affordable transportation choices to decrease household transportation costs, reduce energy consumption and dependence on foreign oil, improve air quality, reduce greenhouse gas emissions, and promote public health.

b. *Promote equitable, affordable housing.* Expand location- and energy-efficient housing choices for people of all ages, incomes, races, and ethnicities to increase mobility and lower the combined cost of housing and transportation.

c. *Enhance Economic Competitiveness.* Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers, as well as expanded business access to markets.

d. *Support Existing Communities.* Target Federal funding toward existing communities—through strategies like transit oriented, mixed-use development, and land recycling—to increase community revitalization and the efficiency of public works investments and safeguard rural landscapes.

e. *Coordinate Policies and Leverage Investment.* Align Federal policies and funding to remove barriers to collaboration, leverage funding, and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.

f. *Value Communities and Neighborhoods.* Enhance the unique characteristics of all communities by investing in healthy, safe, and walkable neighborhoods—rural, urban, or suburban.

In order for points to be awarded, applicants shall also provide data to support outcomes of the proposed project claimed in the application. Based on the project being proposed, the applicant shall identify the Livability Principle(s) that will be addressed and detail how that success will be documented. For example, if the proposed program intends to expand the presence of equitable, affordable housing, the applicant should provide data to support this claim.

As there is a wide range of projects that can be supported through this notice, not every project is expected to address all six Livability Principles. Points will be awarded based on the extent to which the proposed project furthers the specifically identified principles supported with data.

The applicant is required to clearly identify the benefits or outcomes of its proposed program. Because this application seeks support to develop a plan for a specific project, all of the outcomes will not be realized during the duration of the grant period. Rather, applicants will be evaluated on their ability to identify the outcomes they seek to achieve, the clarity with which

they articulate the elements of their plan that will help achieve those outcomes, and the specificity of the benchmarks that they establish to measure progress toward a completed product that guides all of the necessary work.

Applicants that receive awards will be expected to report on the progress of the project and outcomes realized at the mid-way point and at the end of the term of the grant. Where outcomes have been realized, they should be detailed and backed with data. For projects that must go to construction for many benefits to be realized, benchmarks will focus more on the progress of plan development, any changes in the scope of the work that occur during the planning process, and how those changes might impact the anticipated outcomes.

For projects that must go to construction for benefits to be realized, benchmarks will focus more on the progress of plan development, any changes in scope that occur, and how those changes might impact the anticipated outcomes.

DOT and HUD recognize that each project is unique. As such, the agencies are allowing significant latitude to the applicant to set the desired outcomes that will result from implementation of the project. DOT and HUD have identified six possible outcomes, listed below, from which each applicant must select a minimum of two outcomes that it must pursue and report on during its period of performance.

a. Travel changes, such as changes in mode share or vehicle miles traveled per capita.

b. Impact on affordability and accessibility, including the supply of affordable housing units, household transportation costs, or proportion of low- and very-low income households within a 30-minute transit commute of major employment centers.

c. Economic development, including infill development or recycled parcels of land or private sector investment along a project or corridor.

d. Improvement to the state of repair of infrastructure.

e. Environmental benefits, such as greenhouse gas or criteria pollutants emissions, oil consumption and recreational areas or open space preserved.

f. Increased participation and decision-making in developing and implementing a plan, code, development strategy, or project by populations traditionally marginalized in public planning processes.

2. *Rating Factor 2—Work Plan (35 points):* An applicant's score on this rating factor will be based on how well

the application addresses the quality and cost effectiveness of the proposed work plan. Applicants must develop a work plan that includes specific deliverables, and measurable, time-phased objectives for each major activity.

This factor also addresses the performance metrics that will be used to measure the success of the proposed activities. For a proposed project to achieve results, expected outcomes and outputs must be clearly defined, and evaluation must take place to ensure that those outcomes and outputs are met. Outcomes are the ultimate objectives of a project, and outputs are the interim activities or products that lead to the achievement of those objectives. To track progress toward the outputs and outcomes, a project must be evaluated based upon performance measures. Performance measures should be objectively quantifiable, and allow one to assess the degree of actual achievement against the expected outputs and outcomes. Applications that demonstrate how outputs and outcomes are fully defined and easily measured will receive a higher score.

The applicant's budget proposal should thoroughly estimate all applicable costs (direct, indirect, and administrative), and be presented in a clear and coherent format. The applicant must thoroughly document and justify all budget categories, costs, and all major tasks, for the applicant, sub-recipients, joint venture participants, or other contributing resources to the project.

3. *Rating Factor 3—Leveraging and Collaboration (15 points):* An applicant's score on this rating factor will be based on how well the application demonstrates the project's ability to obtain other community, local, State, private, and Federal support, as applicable, and resources that can be combined with DOT and HUD program resources to achieve program objectives. Resources may include cash or in-kind contributions of services, equipment, or supplies allocated to the proposed program. In evaluating this factor, HUD and DOT will consider the extent to which the applicant has established working partnerships with other entities to get additional resources or commitments to increase the effectiveness of the proposed program activities.

When evaluating this factor, HUD and DOT will take into account two considerations: the amount of resources leveraged or matched that exceeds the required 20 percent, and per capita income in the applicable jurisdiction relative to the metropolitan average.

Data must be provided for the indicator when responding to this rating factor. The 20 percent of leveraged or matched resources that are a threshold requirement will not count as points toward this rating factor. To score points in this rating factor, resources may be provided by governmental entities, public or private organizations, and other entities. Other resources from the private sector or other sources committed to the program that exceed the required 20 percent leveraged or matched resources will be given extra weight for this rating factor. The applicant should provide supporting documentation of all committed funds. Please refer to Section VI., Application and Submission, for more details.

4. *Rating Factor 4—Capacity (15 points)*: An applicant's score on this rating factor will be based on how well the application demonstrates the applicant's capacity to successfully implement the proposed activities in a timely manner. The applicant will provide specific examples of previous projects similar to the proposed effort that demonstrate its capacity to implement the proposed work plan. DOT and HUD will give priority to applications that demonstrate the prior experience to bring this type of project(s) that is the subject of the planning activities to completion. Priority will also be given to applications that demonstrate strong collaboration among a broad range of participants, including public, private and nonprofit entities.

The applicant shall designate the staff that is anticipated to manage the proposed project, as well as other staff anticipated to contribute to the project's completion. Ratings under this factor are based on the capacity of the applicant's organization, and its team, as applicable, and should include an assessment of the capacity of sub-contractors, consultants, sub-recipients, community-based organizations, and any other entities that are part of the project application, as applicable.

Applicants should be prepared to initiate eligible activities within 120 days of the effective date of the grant award. DOT and HUD reserve the right to terminate the grant if sufficient personnel or qualified experts are not retained within these 120 days. In rating this factor, DOT and HUD will consider, among other factors, the extent to which the application demonstrates that the applicant has an adequate number of key staff or the ability to procure individuals with the knowledge and recent experience in the proposed activity.

All applicants for HUD funding are subject to the requirements to Affirmatively Further Fair Housing. HUD will award additional points to applicants that prioritize additional measures to advance civil rights, such as Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, and Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency.

Applicants should indicate if, and describe how, the following policy priorities will be addressed: (1) Capacity Building and Knowledge Sharing and (2) Expand Cross-Cutting Policy Knowledge. One point will be awarded for each policy priority. Identify specific activities, outputs and outcomes that further these policy priorities over the period of performance.

a. *Capacity Building and Knowledge Sharing.*

HUD recognizes that successful program implementation can only occur in partnership with effectively prepared grantees. It is therefore critical to strengthen the capacity of each consortium by developing partnerships that will advance the objectives of proposed programs. HUD's Strategic Plan emphasizes the importance of strengthening the capacity of state and local partners to implement HUD programs, participate in decision-making and planning processes, and coordinate on cross-programmatic, place-based approaches through grant making and technical assistance. To receive policy priority points, applicants are expected to describe how they will achieve the following outcomes:

(1) Increase the skills and technical expertise of partner organizations to manage Federal awards, provide solid financial management, and perform program performance assessment and evaluation. The applicant must describe the methods that will be used to achieve this outcome. Examples include in-service trainings, online information provision (e.g., webinars, podcasts, etc.), and structured observation of best practices. According to the proposed methods, the applicant should identify the anticipated outputs (e.g., number of people trained, number of training events, volume of easily accessible training materials for targeted capacities, etc.) during the 3-year period of performance.

(2) Share knowledge among partners so that key personnel responsible for grant implementation coordinate cross-programmatic, place-based approaches. The applicant must

describe the outreach methods that will be used to achieve this outcome. Examples include establishing regular partner dialogues, and structured peer exchange. According to the proposed methods, the applicant should establish and specify the anticipated outputs (e.g., number of meetings, Web postings, number of participating partners, total staff exposed to new learning and promising practice, number of briefings, issuance of monthly fact sheets, etc.) during the 3-year period of performance. HUD will work with grantees to support knowledge sharing and innovation by disseminating best practices, encouraging peer learning, publishing data analysis and research, and helping to incubate and test new ideas.

b. *Expand Cross-Cutting Policy Knowledge.*

Broadening the use of successful models to other communities requires definitive evidence of which policies work and how, and a plan for public dissemination of this information.

To achieve full points, the applicant must indicate what data they and/or partner organizations will collect on outcomes for the defined target area (e.g., changes in commuting time, improved health outcomes, VMT measures, etc.). The grantee must document a plan to engage credible policy researchers to assist in the analysis of that data in order to measure policy impact, and clarify the extent of data that will be made available to those researchers through a data-sharing agreement.

(1) For household-level data, this may be an agreement with a university or other policy research group that regularly produces peer-reviewed research publications.

(2) For parcel-related data, this agreement may be with a regional planning, non-profit, or government agency that provides consolidated local data on a regular basis to the public for free.

The applicant should specifically describe how they intend to disseminate policy lessons learned during the planning process to a diverse range of potential audiences, including policymakers, other regional consortia, and interested community leadership. The collection method and specific data elements will not be prescribed by HUD, but may be determined by the applicant.

The applicant must establish and provide the anticipated outputs within the period of performance. Examples include the number of policy publications, number of research studies, anticipated distribution of findings, etc.

B. *Evaluation and Selection Process.*

1. *Rating and Ranking.*

Evaluation teams made up of a representative from DOT, HUD, and EPA initially will evaluate each application as to how well it scores against the "Rating Factors" identified below, and will assign it a score on a scale of 1–100. The scoring system will not determine the specific projects that will be selected for funding; rather, the scoring system will be used to generate a list of highly recommended projects. The highly recommended projects will then be forwarded to a senior-level review team for review, and the senior-level review team will make funding recommendations to the Secretaries of DOT and HUD, based on how the project performed under the four rating factors, how each project addresses the Program Goals identified in Section I.B, and statutory distributional considerations required in the National Infrastructure Investments provision of the FY 2010 Consolidated Appropriations Act for the DOT Planning Grants. The review teams will include senior-level representatives from the three Partnership for Sustainable Communities agencies: DOT, HUD, and EPA.

VI. Application and Submission Information

A. *Address To Request Application Package.* Applications are available on the Federal Web site www.Grants.gov. To find this funding opportunity at [Grants.gov](http://www.Grants.gov), go to http://www.Grants.gov/applicants/find_grant_opportunities.jsp at the www.Grants.gov Web site, where you can search by agency and/or perform a Basic Search. Additional information on applying through [Grants.gov](http://www.Grants.gov) is available at <http://www.Grants.gov>.

B. *Content and Form of Application Submission.* Applicants eligible to apply under this NOFA are to follow the submission requirements described below:

1. *Pre-Application.* Unless otherwise indicated in this joint notice, applicants should submit pre-applications and applications in accordance with the procedures specified in the TIGER II Discretionary Grant NOFA. To submit an application, please access <http://www.dot.gov/recovery/ost/tigerii/index.html> or <http://www.hud.gov/sustainability>. Pre-applications must be submitted by the Pre-Application Deadline, which is July 26, 2010, at 5 p.m. EDT. The pre-application system will be hosted by DOT, on behalf of DOT and HUD, and will open no later than June 23, 2010, to allow prospective applicants to submit pre-applications. Final applications must be submitted

through Grants.gov by the Application Deadline, which is August 23, 2010, at 5 p.m. EDT. The Grants.gov "Apply" function will open on July 30, 2010, allowing applicants to submit applications. While applicants are encouraged to submit pre-applications in advance of the Pre-Application Deadline, pre-applications will not be reviewed until after the Pre-Application Deadline. Similarly, while applicants are encouraged to submit applications in advance of the Application Deadline, applications will not be evaluated until after the Application Deadline. Awards will not be made until after September 15, 2010.

To apply for funding through Grants.gov, applicants must be properly registered. Complete instructions on how to register and submit applications can be found at www.Grants.gov. Please be aware that the registration process usually takes 2–4 weeks and must be completed before an application can be submitted. If interested parties experience difficulties at any point during the registration or application process, please call the toll free Grants.gov Customer Support Hotline at 1–800–518–4726, Monday to Friday from 7 a.m. to 9 p.m. EDT.

Applicants must submit a pre-application as Stage 1, which qualifies applicants to submit an application in Stage 2. An application submitted during Stage 2 that does not correlate with a properly completed Stage 1 pre-application will not be considered.

2. *Contents of Pre-Applications.* An applicant for a TIGER II Planning Grant or a Community Challenge Planning Grant should provide in its pre-application form, all of the information requested below in its pre-application form. DOT and HUD reserve the right to ask any applicant to supplement the data in its pre-application but expect pre-applications to be complete upon submission. Applicants must complete the pre-application form and submit it electronically on or prior to the Pre-Application Deadline, in accordance with the instructions specified at <http://www.dot.gov/recovery/ost/TIGERII>. The pre-application form must include the following information:

- a. Name of applicant (if the application is to be submitted by more than one entity, a lead applicant must be identified);
- b. Applicant's DUNS (Data Universal Numbering System) number;
- c. Type of applicant (State government, local government, U.S. territory, Tribal government, transit agency, port authority, metropolitan planning organization, or other unit of government);

d. State(s) where the project is located;

e. County(s) where the project is located;

f. City(s) where the project is located;

g. Zip code(s) where the project is located;

h. Project title (descriptive);

i. Project type: specify eligible activities proposed for funding, such as transportation planning activity, site area plan, corridor plan, land assembly or acquisition, etc.;

j. Project description: describe the project in plain English terms that would be generally understood by the public, using no more than 50 words; this should be purely descriptive, not a discussion of the project's benefits, background, or alignment with the selection criteria in this description;

k. Total cost of the project;

l. Total amount of TIGER II Planning Grant and Community Challenge Planning Grant funds requested;

m. Contact name, telephone number, email address, and physical address of the applicant;

n. Type of jurisdiction where the project is located (urban or rural); and

o. An assurance that local matching funds are committed to support 20 percent or more of any transportation planning activities to be funded. (This requirement does not apply to projects located in rural areas).

3. *Applications.* An application for a TIGER II Planning Grant or a Community Challenge Planning Grant should include all of the information requested below. DOT and HUD reserve the right to ask any applicant to supplement the data in its application, but expect applications to be complete upon submission.

a. *Standard Form SF-424, Application for Federal Assistance.* Please see www07.Grants.gov/assets/SF424Instructions.pdf for instructions on how to complete the SF-424, which is part of the standard Grants.gov submission. Additional clarifying guidance and Frequently Asked Questions (FAQs) to assist applicants in completing the SF-424 will be available at <http://www.dot.gov/recovery/ost/TIGERII> by July 30, 2010, when the "Apply" function within Grants.gov opens to accept applications under this notice.

b. *In Responding to the First and Second Rating Factor.* (Attachment to SF-424). A TIGER II Planning Grant and HUD Community Challenge Grant application must include information required for DOT and HUD to assess each of the rating factors specified in Section III (Application Review and Rating Factors). Applicants are

encouraged to demonstrate the responsiveness of a project to any and all of the rating factors with the most relevant information that applicants can provide, regardless of whether such information has been specifically requested, or identified, in this notice.

In order to fulfill the requirements of the first rating factor, an applicant must:

(1) Submit a narrative describing how the applicant will use the funding sought to achieve its desired outcomes and how the desired outcomes support the six Livability Principles. The narrative should also state the problems or barriers the project seeks to address, why they are an impediment to promoting a more sustainable future for the applicant community, and the outcomes the project seeks to achieve.

(2) Submit data supporting any assertions made about the expected outcomes, as well as the nature and the extent of the problems or barriers the project seeks to remove.

In responding to the second rating factor, applicants must provide a narrative to discuss their project outcomes, outputs, and performance measures. Applicants should also identify important milestones (*e.g.*, the end of specific phases in a multiphase project), which should also be clearly indicated in the proposal timeline. Applicants should also identify potential obstacles in meeting outcomes and outputs and related performance measures and discuss steps they would take to respond to these obstacles. Finally, applicants should describe how project evaluation information will be obtained, documented, and reported.

Applicants should submit a work plan that includes the following:

(1) **Proposed Activities.** Briefly describe the overall activity you propose to undertake, including any coordinated components that will not be directly funded under the TIGER II Planning Grant Program or the Community Challenge Planning Grant Program. Describe the regional or local significance of the project and whether it is a part of a comprehensive regional plan. Include public outreach and participation activities, including minority and disadvantaged populations.

(2) **Uses of Funds/Budget.** Indicate how you will use the grant funds you are seeking by providing a list or table showing the amount of funds budgeted for each activity you will undertake to achieve your desired result. Indicate the entity responsible for each use and activity, including any elected bodies or bodies appointed by elected officials. Specify administrative costs.

(3) **Project Completion Schedule.** Briefly describe the project completion schedule, including milestones in each month for the critical management actions for you and any other entity whose cooperation or assistance is necessary to achieve your desired result, including the end dates of each required action and your expected metrics and results.

(4) **Performance Measures.** List the performance measures you will use to evaluate the success of your project or activity, as well as the benchmarks you expect to reach during the term of the grant and a timeline for reaching them.

c. In Responding to the Third Rating Factor. Applicants will not receive full points if they do not submit evidence of a firm commitment and the appropriate use of leveraged or matched resources under the grant program. Such evidence must be provided in the form of letters of firm commitment, memoranda of understanding, or other signed agreements to participate from those entities identified as partners in the application. Each letter of commitment, memorandum of understanding, or agreement to participate should include the organization's name, the proposed level of commitment, and the organization's responsibilities as they relate to the proposed project. The commitment must be signed and dated by an official of the organization legally able to make commitments on behalf of the organization. Applicants should describe how they will ensure that commitments to sub-grantees will be honored and executed, contingent upon an award from DOT or HUD.

(1) Applicants must support each source of contributions, cash or in-kind, both for the required minimum and additional amounts, by a letter of commitment from the contributing entity, whether a public or private source. The letter must describe the contributed resources that you will use in the program and their designated purpose. Staff in-kind contributions should be given a monetary value based on the local market value of the staff skills. If you do not provide letters from contributors specifying details and the amount of the actual contributions, those contributions will not be counted.

d. In Responding to the Fourth Rating Factor. DOT and HUD will consider how the applicant entity is organized and how it will function in implementing the grant. The application should include a description of the leadership responsibilities and procedures for allocating resources, setting goals, and settling disputes. It should also include an explanation of the capacity and relevant, recent

experience of the applicant entity. The application should also include a description of the applicant's experience in outreach efforts involving low-income persons, particularly those living in revitalization areas where funds are proposed to be used, residents of public housing, minorities, socially and economically disadvantaged individuals, non-English speaking persons, and persons with disabilities.

Applicants should demonstrate that they either have sufficient personnel or the ability to procure qualified experts or professionals, with the knowledge, skills, and abilities with relevant experience to carry out the proposed activity.

Contact information is requested as part of the SF-424. This information will be used in order to inform parties of the selection of projects for funding, as well as to contact parties in the event additional information is needed.

e. Page Limit. Applications should be limited to a total of 15 pages. HUD and DOT will not refer to Web sites for information pertinent to the narrative response. All applications should include a detailed description of the proposed project and geospatial data for the project, including a map of the area to be planned and where other work will occur.

C. Submission Dates and Times. All pre-applications must be submitted in accordance with the instructions specified at <http://www.dot.gov/recovery/ost/TIGERII>. The pre-application system will be hosted by DOT, on behalf of DOT and HUD. Final applications must be submitted electronically through Grants.gov. Pre-applications are due by July 26, 2010, at 5 p.m. EDT, and applications must be submitted by August 23, 2010, at 5 p.m. EDT.

D. Funding Restrictions. Applicants should also be aware that DOT is accepting applications for capital expenditures associated with surface transportation projects in the TIGER II Discretionary Grant notice (Docket No. DOT-OST-2010-0076). As part of that program, applicants may request planning funds associated with their capital request. If DOT awards planning funding to an applicant to the TIGER II Discretionary Grant program, the funding available through this notice will be lessened by that amount. Further, DOT has the option to use less than the \$35 million permitted in the statute and may do so based on distributional requirements or the need to fund highly recommended capital grant applications.

VII. Award Administration Information

A. Award Notices.

1. Applicants Selected for Award.

Projects selected for a TIGER II Planning Grant will be administered by one of DOT's modal administrations, pursuant to a grant agreement between the TIGER II Planning Grant recipient and the DOT modal administration.

HUD awardees will be required to negotiate a final statement of work and will enter into a Cooperative Agreement with HUD. The Cooperative Agreement will also contain an agreed upon Logic Model identifying specific activities and performance criteria to be reported against over a period of time. HUD grantees must meet the requirements contained in the General Section to HUD's FY 2010 Funding Notices.

2. *Adjustment of Funding.* DOT and HUD reserve the right to fund less than the full amount requested in an application based on the availability of funds, geographic diversity, and to ensure that the maximum number of grants may be made.

3. HUD grant recipients must comply with applicable Federal requirements, including compliance with the Fair Housing and Civil Rights Laws applicable to all Federal awards.

B. Administrative and National Policy Requirements.

1. *Environmental Requirements.* All applicants that are proposing to use grant funds for land acquisition must comply with HUD's environmental procedures. In accordance with 24 CFR 50.19(b)(1), (9), and (16), all other eligible activities assisted by HUD funds under this NOFA are categorically excluded from environmental review under the National Environmental Policy Act of 1969 and are not subject to environmental review under the related laws and authorities. For applicants requesting grant funds for transportation planning, NEPA is not typically triggered (and even if triggered, categorical exclusions typically exist). However, if any projects planned with funding under this NOFA move to the construction phase and Federal funds are later sought for construction, all appropriate NEPA analyses will need to be completed prior to any Federal expenditures.

Under HUD's environmental procedures, for those applications involving land acquisition activities requiring environmental review, the notification of award to a selected applicant will constitute a preliminary approval by HUD, subject to the completion of an environmental review of the proposed site(s), and the execution by HUD and the recipient of

a Grant Agreement. Selection for participation (preliminary approval) does not constitute approval of the proposed site(s). Each proposal will be subject to a HUD environmental review, in accordance with 24 CFR part 50, and the proposal may be modified or the proposed sites rejected as a result of that review.

Submission of an application involving a project requiring an environmental review will constitute an assurance that the applicant shall assist HUD in complying with 24 CFR part 50 and shall:

(1) Supply HUD with all available, relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50;

(2) Carry out mitigating measures required by HUD or select alternate eligible property; and

(3) Not acquire, rehabilitate, demolish, convert, lease, repair, or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received.

For assistance, contact the HUD Environmental Review Officer in the HUD Field Office serving your area.

Contact information is requested as part of the SF-424. DOT will use this information to inform parties of DOT's decision regarding selection of projects, as well as to contact parties in the event that DOT needs additional information about an application.

2. *Administrative and Indirect Cost Requirements.* For reference to the Administrative Cost requirements and Indirect cost requirements, please see OMB Circulars A-21, A-87, and A-122, as applicable.

3. *Reporting Requirements.* HUD Award Agreements will include the terms and conditions of the award including the reporting requirements.

1. Final Work Plan and Logic Model. Final work plan and completed Logic Model are due 60 days after the effective date of the grant agreement. See the General Section for detailed information on the use of the "Master" eLogic Model.

2. Successful applicants will be required to submit bi-annual and final program reports according to the requirements of the award agreement. Your bi-annual and final report must include a completed Logic Model, form HUD-96010, *approved and incorporated into your award agreement*, showing specific outputs and outcome results against those proposed and accepted as part of your approved grant agreement.

3. Financial reporting requirements include, but are not limited to, the submission of the financial status report, SF-425, bi-annually.

VIII. Other Information

A. Compliance with Fair Housing and Civil Rights Laws and Affirmatively Furthering Fair Housing for Community Challenge Planning Grant Applicants

Fair Housing and Civil Rights Laws:

1. With the exception of Federally recognized Indian tribes and their instrumentalities, applicants and their sub-recipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105 (a), including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and the Rehabilitation Act of 1973.

2. If you are a federally recognized Indian tribe, you must comply with the nondiscrimination provisions enumerated at 24 CFR 1000.12, as applicable. See the General Section for further instructions on this requirement.

3. *Affirmatively Furthering Fair Housing:* Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act in its housing and urban development programs. This obligation further applies generally to recipients of HUD funds, including those awarded and announced under HUD's FY 2010 funding notices. Your application must include a discussion on how your proposed plans affirmatively further fair housing; applications that include specific activities and outcomes that address this requirement will be rated higher. Applicants for Community Challenge Planning Grants that are tribal governments are not subject to the affirmatively furthering fair housing submission requirement in the General Section.

B. *Additional Environmental Requirements.* A Finding of No Significant Impact (FONSI) with respect to the environment has been made for this NOFA in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 10276, Washington, DC 20410-0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the FONSI must

be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number).

Dated: June 18, 2010.

Ray LaHood,

Secretary, Department of Transportation.

Shaun Donovan,

Secretary, Department of Housing and Urban Development.

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