



DEPARTMENT OF AGRICULTURE

Rural Housing Service

[Docket No. RHS-25-NONE-0002]

Notice of Funding Opportunity for the Section 533 Housing Preservation Grant (HPG) for Fiscal Year 2025

AGENCY: Rural Housing Service, Department of Agriculture.

ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development (RD) mission area agency of the United States Department of Agriculture (USDA), announces the availability of \$13.1 million in funding for the Housing Preservation Grant (HPG) program for fiscal year (FY) 2025, which includes approximately \$2.1 million that will be made available for disaster assistance and \$500,000 each for recovery due to Hurricanes Fiona in Puerto Rico, and Helene in Tennessee. The funds are available for qualified entities (such as public agencies, private non-profit organizations, and federally recognized Tribes) to provide grants or low-interest loans to eligible recipients to repair or rehabilitate housing in rural areas. Rental and cooperative properties that house very-low and low-income tenants may also be provided with grants or low-interest loans to repair and rehabilitate their properties in rural areas. In accordance with 7 CFR 1944.662(c), when an “identity of interest” (as such term is defined by 7 CFR 1924.4(i)) exists between a nonprofit entity and the owner(s) of a dwelling, the property is not eligible for HPG assistance. Therefore, the HPG grantee may meet the factors provided at 7 CFR 1924.4(i), which includes a requirement that the HPG grantee not be the owner of the home, rental property or cooperative in which repairs will be performed.

This notice announces the opening and closing dates for receipt of preapplications for HPG funds, including the availability of calendar year 2022 disaster assistance, from eligible applicants, as well as submission requirements. Expenses incurred in developing preapplications will be at the applicant's cost. Applicants will not be reimbursed for any costs incurred outside of the grant agreement period.

ADDRESSES: *Preapplication Submission:* Entities wanting to apply for assistance may download the preapplication documents and requirements as stated in this Notice from the HPG website at: <https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants>. Applicants will also find the requirements in the HPG program regulation found in 7 CFR part 1944, subpart N. Preapplication information for electronic submissions may be found at <http://www.Grants.gov>.

- Applicants may also request paper preapplication packages from the RD office in their state. A list of Rural Development State Office (RDSO) contacts can be found via: <https://www.rd.usda.gov/about-rd/state-offices>.

FOR FURTHER INFORMATION CONTACT: Mandy Couture, Finance and Loan Analyst, Single Family Housing Direct Division, Special Programs and New Initiatives Branch at (515) 418-2188 (voice) (this is not a toll-free number) or e-mail: Mandy.Couture@usda.gov. You may also contact the RD office for the state in which the applicant is located. A list of RDSO contacts is provided at: <https://www.rd.usda.gov/about-rd/state-offices>.

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Housing Service.

Funding Opportunity Title: Housing Preservation Grant (HPG).

Announcement Type: Initial Notice of Funding Opportunity (NOFO).

Funding Opportunity Number: USDA-RD-HCFP-HPG-2025.

Assistance Listing: 10.433.

Key Dates: Completed preapplications for grants must be submitted according to one of the following methods:

- *Paper Submissions:* The deadline for receipt of a paper preapplication is 4:30 p.m. local time, **[INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Applicants intending to mail preapplications must provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (FAX), and postage due preapplications will not be accepted. The preapplication dates and times are firm. The Agency will not consider any preapplication received after the deadline.

- *Electronic Submissions:* Electronic preapplications must be received by email or submitted to *Grants.gov*. The deadline for receipt of an electronic preapplication is 11:59 p.m. Eastern Time on **[INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. The preapplication dates and times are firm. Applicants should confirm the emailed preapplication was received by the Agency. The Agency will not consider any preapplication received after the deadline. The Agency will not solicit or consider scoring or eligibility information that is submitted after the preapplication deadline. The Agency will not consider any preapplication received after the deadline. The Agency reserves the right to contact applicants to seek clarification information on materials contained in the submitted preapplication.

A. Program Description

1. *Purpose of the Program.* The HPG program is a grant program administered by the Single-Family Housing Programs of RHS. It is limited to eligible rural areas and to qualified

entities (such as public agencies, private non-profit organizations, and federally recognized Tribes). Grant funds can be used to assist low- and very low-income homeowners in repairing and rehabilitating their homes in rural areas.

Cooperative housing complexes (co-ops) and rental property owners may receive assistance under the HPG program if they agree to make such units available to very low- and low-income persons. Rental property owners can include Section 515 and 538 rental properties if the eligibility requirements are met for the HPG program. In accordance with 7 CFR 1944.663, rental property owners, or the co-op, must agree to make the units repaired or rehabilitated available for occupancy to very low- or low-income persons for a period of not less than five years. The minimum five-year rent restriction for very low- and low-income tenants will only apply to the units that are repaired with the HPG funding. HPG funding for rental properties and co-ops cannot exceed 75% of the total cost of all repairs and rehabilitation activities eligible for HPG assistance. Any units within the property that were not repaired with HPG funding will not be subject to the five-year restriction.

Note: For expected performance goals, measuring standards or outcomes, see 7 CFR 1944.688.

2. *Statutory and Regulatory Authority.* The Housing Preservation Grant program is authorized by Section 533 of the Housing Act of 1949, as amended, and funding for the program is made available pursuant to the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4); and the program has been implemented by 7 CFR part 1944, subpart N.

3. *Definitions.* The definitions applicable to this notice may be found at 7 CFR 1944.656.

4. *Application of Awards.* The Agency will review, evaluate, and score preapplications in response to this notice based on the provisions in 7 CFR 1944.679 and as indicated in this notice.

B. Federal Award Information

Type of Award: Grants.

Fiscal Year Funds: FY 2025 \$13.1 million, to remain available until expended.

Available Funds: Approximately \$13.1 million is made available to eligible participants.

Approximately \$2.1 million of this funding is available for Calendar Year 2022 disaster assistance and \$500,00 each for Hurricanes Fiona (DR4671) in Puerto Rico and Helene (DR4832) in Tennessee. The disaster funding is made available from the Consolidated Appropriations Act, 2023, Division N, Title I. RHS may, at its discretion, increase the total level of funding available from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

Award Amounts: As required by 7 CFR 1944.680, no single entity may be awarded more than 1/2 of a state's allocation if there are two or more preapplications for a given state that meet the threshold criteria of 7 CFR 1944.679(a). FY 2025 State Allocations can be obtained from the RDSO. An award made for disaster assistance may not exceed a maximum award amount of \$50,000, with no state maximum for the number of such disaster assistance awards. The anticipated award amounts may range between \$30,000 and \$100,000 but will be based on the state's allocation and number of eligible applicants. The Agency reserves the right to offer the applicant less than the grant funding requested.

Note: A list of RDSO contacts is provided at: <https://www.rd.usda.gov/about-rd/state-offices>.

Anticipated Award Date: The Agency anticipates making awards approximately 120 days after the preapplication deadline.

Performance Period: 24 months from the executed grant agreement.

Renewal or Supplemental Awards: None.

Approximate Number of Awards: The number of awards will depend on the number of eligible participants and the total amount of funds requested. Based on the Agency's prior experience with this program, it expects to make approximately 100-120 awards.

C. Eligibility Information

1. *Eligible Applicants.* (a) Potential applicants must meet the eligibility requirements of 7 CFR 1944.658. Additionally, potential applicants must meet the requirements of 7 CFR 1944.661, 1944.662, and/or 1944.686 as applicable (see, Section D. of this NOFO for other eligibility criteria). Applicants who are entities must meet the definition of "organization" as defined in 7 CFR 1944.656. Eligible entities include State and local governments, non-profit organizations, which may include, but not be limited to Faith-Based and community organizations; federally recognized Indian tribes; and consortia of eligible entities. HPG applicants who were previously selected for HPG funds are eligible to submit new preapplications to apply for FY 2025 HPG program funds. An additional HPG grant may be made when the grantee has achieved or nearly achieved the goals established for the previous or existing grant. The commitment of program dollars will be made to selected applicants who have fulfilled the necessary requirements for obligations. Awards for disaster assistance grants may be made only for disaster declared as a presidentially declared disaster during calendar year 2022 presidentially declared area(s). A presidentially declared disaster is defined as a "major disaster or emergency" declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 et seq.). A list of 2022 presidentially declared disasters can be viewed at <https://www.fema.gov/disaster/declarations>.

2. *Cost Sharing or Matching.* Pursuant to 7 CFR 1944.652(a)(1), grantees are expected to coordinate and leverage funding for repair and rehabilitation activities; as well as replacement housing, with housing and community development organizations or activities operating in the

same geographic area. While it is encouraged that HPG funds be leveraged with other resources, cost sharing or matching is not a requirement for the HPG applicant, and the HPG applicant would not necessarily be denied an award of HPG funds if all other required project selection criteria described in this notice and at 7 CFR 1944.679(a) have been met.

3. *Discretionary Points.* None.

4. *Other.* Awards made under this Notice are subject to the provisions contained in the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119–4, and extends provisions from FY 2024 appropriations, to include the Consolidated Appropriations Act, 2024 Division B, Title VII sections 744 and 745. To comply with these provisions, only applicants that are or propose to be, corporations will be required submit Form AD 3030, “Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants” as part of their preapplication.

There are no limits on proposed direct and indirect costs. Expenses incurred in developing preapplications will be at the applicant’s cost. Applicants will not be reimbursed for any costs incurred outside of the grant agreement period.

D. Preapplication and Submission Information

1. *Address to Request Preapplication Package.* Entities wanting to apply for assistance may download the preapplication documents for this Notice from the HPG website:

<https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants>. Preapplication information for electronic submissions may be found at <https://www.grants.gov>.

Applicants may also request a paper preapplication package from the RD office in their state. A list of RDSO contacts can be found via <https://www.rd.usda.gov/about-rd/state-offices>.

2. *Content and Form of Preapplication Submission.* All requirements for submission of a preapplication under the Housing Preservation Program are subject to 7 CFR part 1944, subpart N. If the applicant is ineligible or the preapplication is incomplete, the Agency will inform the applicant in writing of the decision, reasons therefore, and its appeal rights and no further evaluation of the preapplication will occur.

As specified by 7 CFR 1944.676, the Agency requires applicants to submit the following information to make an eligibility determination:

a. An SF-424, “Application for Federal Assistance”;

(i) Made available by contacting any RDSO at the web site:

<http://www.rd.usda.gov/contact-us/state-offices>; or

(ii) Grants.gov at the following web site: <https://www.grants.gov>.

b. A statement of activities proposed by the applicant for its HPG program as appropriate to the type of assistance the applicant is proposing, including:

(i) A complete discussion of the type of and conditions for financial assistance for housing preservation, including whether the request for assistance is for a homeowner assistance program, a rental property assistance program, or a cooperative assistance program.

(ii) The process for selecting recipients for HPG assistance, determining housing preservation needs of the dwelling, performing the necessary work, and monitoring/inspecting work performed.

(iii) A description of the process for identifying potential environmental impacts in accordance with §1944.672 of this subpart and the provisions for compliance with Stipulation I.A-G of the Programmatic Memorandum of Agreement (PMOA) in accordance with 7 CFR 1944.673(b). With the exception of Stipulation I.D of the PMOA, this may be accomplished by adoption of exhibit F-1 within RD Instruction 1944-N (available in any Rural Development office), or another process supplying similar information acceptable to Rural Development.

(iv) The development standard(s) the applicant will use for the housing preservation work; and, if not the RD standards for existing dwellings, the evidence of its acceptance by the jurisdiction where the grant will be implemented.

(v) The time schedule for completing the program.

(vi) The staffing required to complete the program.

(vii) The estimated number of very low- and low-income minority and non-minority persons the grantee will assist with HPG funds; and, if there is a rental property or cooperative assistance program, the number of units and the term of restrictive covenants on their use for very low- and low-income.

(viii) The geographical area(s) to be served by the HPG program.

(ix) The annual estimated budget for the program period based on the financial needs to accomplish the objectives outlined in the proposal. The budget should include proposed direct and indirect administrative costs, such as personnel, fringe benefits, travel, equipment, supplies, contracts, and other cost categories, detailing those costs for which the grantee proposes to use the HPG grant separately from non-HPG resources, if any. The applicant budget should also include a schedule (with amounts) of how the applicant proposes to draw HPG grant funds, i.e., monthly, quarterly, lump sum for program activities, etc. The applicant can use SF-424A to provide this information.

(x) A copy of an indirect cost proposal/rate or direct cost policy when the applicant has another source of federal funding in addition to the RD HPG program.

(xi) A brief description of the accounting system to be used.

(xii) The method of evaluation to be used by the applicant to determine the effectiveness of its program which encompasses the requirements for quarterly reports to RD in accordance with 7 CFR 1944.683(b) and the monitoring plan for rental properties and cooperatives (when applicable) according to 7 CFR 1944.689.

(xiii) The source and estimated amount of other financial resources to be obtained and used by the applicant for both HPG activities and housing development and/or supporting activities.

(xiv) The use of program income if any, and the tracking system used for monitoring same.

(xv) The applicant's plan for disposition of any security instruments held by them as a result of its HPG activities in the event of its loss of legal status.

(xvi) Any other information necessary to explain the proposed HPG program.

(xvii) The outreach efforts outlined in 7 CFR 1944.671(b).

c. *Experience.* Complete information about the applicant's experience and capacity to carry out the objectives of the proposed HPG program.

d. *Evidence of Legal Existence.* Evidence of the applicant's legal existence, including, in the case of a private non-profit organization, a copy of, or an accurate reference to, the specific provisions of state law under which the applicant is organized; a certified copy of the applicant's Articles of Incorporation and Bylaws or other evidence of corporate existence; certificate of incorporation for applicants other than public bodies; evidence of good standing from the state in which the applicant is organized and evidence of authority to do business in any state in which the applicant is proposing to expend HPG funds, when the corporation has been in existence one year or more; and the names and addresses of the applicant's members, directors and officers. If other organizations are members of the applicant-organization, or the applicant is a consortium, preapplications should be accompanied by the names, addresses, and principal purpose of the other organizations. If the applicant is a consortium, documentation showing compliance with paragraph (4)(ii) under the definition of "organization" in 7 CFR 1944.656 must also be included.

e. *Audited and Financial Statements.* For a private non-profit entity, the most recent audited statement and a current financial statement dated and signed by an authorized officer of

the entity showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt(s) owed by the applicant. If the applicant is an organization being assisted by another private non-profit organization, the same type of financial statement should also be provided by that organization.

f. *Narrative Statement.* A brief narrative statement which includes information about the area to be served and the need for improved housing (including both percentage and the actual number of both low-income and low-income minority households and substandard housing), the need for the type of housing preservation assistance being proposed, the anticipated use of HPG resources for historic properties, and the method of evaluation to be used by the applicant in determining the effectiveness of its efforts (according to 7 CFR 1944.676(b)(1)(xii)).

g. *Alleviating Overcrowding Statement.* A statement containing the component for alleviating any overcrowding as defined by 7 CFR 1944.656. The overcrowding statement pertains to rental and cooperative properties.

h. *List of Other Activities.* A list of other activities the applicant is engaged in and expects to continue, a statement as to any other funding, and whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the HPG grant agreement.

i. *Project Selection Criteria.* Any other information necessary to address the selection criteria in 7 CFR 1944.679.

j. *Environmental Compliance Agreement.* The applicant must comply with the requirements of 7 CFR part 1970 and may self-certify to perform these requirements. An example of self-certification can be found in RD Instruction 1970-A Exhibit H “Multi-tier Action Environmental Compliance Agreement.”

k. *Public Participation and Intergovernmental Review.* Intergovernmental Review. In accordance with 7 CFR 1944.674(c), the HPG program is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with state and local officials. RD

conducts intergovernmental consultation as implemented with 2 CFR part 415, subpart C. Not all States have chosen to participate in the intergovernmental review process. A list of participating States is available at the following web site: <https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review>. Preapplications from federally recognized Indian Tribes are not subject to this requirement.

(i) The applicant must submit written statements and related correspondence reflecting compliance with 7 CFR 1944.674(a) regarding consultation with local leaders from all the county, parish, and/or township governments of the area where the HPG activities will take place for the purpose of assuring that the proposed HPG program is beneficial and does not duplicate current activities. American Indian nonprofit organization applicants should obtain the written concurrence of the tribal governing body in lieu of consulting with the county governments when the program is operated only on tribal land.

(ii) The applicant is to make its statement of activities available to the public for comment prior to submission to RD pursuant to 7 CFR 1944.674(b). The applicant(s) must announce the availability of its statement of activities for review in a print or online newspaper of general circulation in the project area and allow at least 15 days for public comment. The start of this 15-day period must occur no later than 16 days prior to the last day for acceptance of preapplications by the Agency. Federally recognized Indian Tribes, pursuant to 7 CFR 1944.674(a), should obtain the written concurrence of the tribal governing body in lieu of consulting with the county governments when the program is operated only on tribal land. The preapplication must contain a description of how the comments (if any were received) were addressed.

1. *Assurance Agreement.* The applicant must submit an original of Form RD 400-4, “Assurance Agreement” in accordance with 7 CFR 1944.676 and comply with 1944.676(h) to the extent necessary.

m. *Civil Rights*. Applicants must collect and maintain data provided by recipients on race, sex, and national origin and ensure ultimate recipients collect and maintain this data as described in 7 CFR 1944.671. Race and ethnicity data will be collected in accordance with OMB Federal Register notice. These items should not be submitted with the preapplication but should be available upon request by the Agency.

The applicant and the recipient must comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Executive Order 12250, and 7 CFR part 1901, subpart E.

n. *Debarment and Suspension*. Debarment and suspension information is required in accordance with 2 CFR part 180 and 2 CFR part 417 (OMB's Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) (Non procurement Debarment and Suspension) if it applies. The section heading is "What information must I provide to a higher tier participant before entering into a covered transaction with that participant?" located at 2 CFR 180.335. It is part of OMB's Guidance for Grants and Agreements concerning Governmentwide Debarment and Suspension. Applicants are not eligible if they have been debarred or suspended or otherwise excluded from, or ineligible for, participation in Federal assistance programs under 2 CFR parts 180 and 417.

3. *System for Award Management and Unique Entity Identifier*. (a) At the time of preapplication, each applicant must have an active registration in the System for Award Management (SAM) before submitting its preapplication in accordance with 2 CFR 25 (<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25>). To register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

(b) Applicant must maintain an active SAM registration, with current, accurate and complete information, at all times during which there is an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicant must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicants must provide proof of SAM registration and a valid UEI in its preapplication, unless determined exempt under 2 CFR 25.110 (<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25/subpart-A/section-25.110>).

4. *Submission Dates and Times.* The Agency will not solicit or consider new scoring or eligibility information that is submitted after the preapplication deadline. RHS also reserves the right to ask applicants for clarifying information and additional verification of assertions in the preapplication.

5. *Intergovernmental Review.* Executive Order (EO) 12372, “Intergovernmental Review of Federal Programs,” applies to this program. This EO requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the Web site: <https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review>. If your State has a SPOC, you must submit a copy of the preapplication directly for review. Any comments obtained through the SPOC must be provided to your State Office for consideration as part of your preapplication. If your state has not established a SPOC, you may submit your preapplication directly to the Agency. Preapplications from Federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.* Preapplications must be for eligible purposes as defined above. There are no limits on proposed direct and indirect costs. Expenses incurred in developing preapplications will be at the applicant’s cost.

7. *Other Submission Requirements:* None.

E. Preapplication Review Information

1. *Criteria.* All eligible and complete preapplications for HPG funds must be filed with the appropriate RDSO and all paper or electronic preapplications must meet the threshold requirements of this Notice and the threshold criteria provided at 7 CFR 1944.679(a). Preapplications determined not eligible and/or not meeting the threshold criteria will be notified by the RDSO.

2. *Review and Selection Process.* RDSOs will complete the risk assessment by utilizing the following threshold project selection criteria for applicants in accordance with 7 CFR 1944.679(a):

(1) Providing a financially feasible program of housing preservation assistance. “Financially feasible” is defined as proposed assistance which will be affordable to the intended recipient or result in affordable housing for very low- and low-income persons.

(2) Serving eligible rural areas with a concentration of substandard housing for households of very low- and low-income.

(3) Being an eligible applicant as defined in 7 CFR 1944.658.

(4) Meeting the requirements of consultation and public comment in accordance with 7 CFR 1944.674.

(5) Submitting a complete preapplication as outlined in 7 CFR 1944.676.

3. *Scoring.* For applicants to meet all the threshold requirements listed above, the RDSOs will use weighted criteria in accordance with 7 CFR 1944.679(b) as selection for the grant recipients. Each preapplication and its accompanying statement of activities will be evaluated and, based solely on the information contained in the preapplication, the applicant’s proposal will be numerically rated on each criterion within the range provided. The highest-ranking applicant(s) will be selected based on the allocation of funds available to the state.

(1) Points are awarded based on the percentage of very low-income persons that the applicant proposes to assist, using the following scale:

- (i) More than 80%: 20 points
- (ii) 61% to 80%: 15 points
- (iii) 41% to 60%: 10 points
- (iv) 20% to 40%: 5 points
- (v) Less than 20%: 0 points

(2) The applicant's proposal may be expected to result in the following percentage of HPG fund use (excluding administrative costs) to total cost of unit preservation. This percentage reflects maximum repair or rehabilitation with the least possible HPG funds due to leveraging, innovative financial assistance, owner's contribution, or other specified approaches. Points are rewarded based on the following percentage of HPG funds (excluding administrative costs) to total funds:

- (i) 50% or less: 20 points
- (ii) 51% to 65%: 15 points
- (iii) 66% to 80%: 10 points
- (iv) 81% to 95%: 5 points
- (v) 96% to 100%: 0 points

(3) The applicant has demonstrated its administrative capacity in assisting very low- and low-income persons to obtain adequate housing based on the following:

(i) The organization or a member of its staff has at least one or more years of experience successfully managing and operating a rehabilitation or weatherization type program: 10 points.

(ii) The organization or a member of its staff has at least one or more years of experience successfully managing and operating a program assisting very low- and low-income persons obtain housing assistance: 10 points.

(iii) If the organization has administered grant programs, there are no outstanding or unresolved audit or investigative findings which might impair carrying out the proposal: 10 points.

(4) The proposed program will be undertaken entirely in rural areas outside Metropolitan Statistical Areas (MSAs) identified by RD as having populations below 10,000 or in remote parts of other rural areas (*i.e.*, rural areas contained in MSAs with less than 5,000 population) as defined in 7 CFR 1944.656: 10 points.

(5) The program will use less than 20 percent of HPG funds for administration purposes:

- | | | |
|-------|----------------|--------------|
| (i) | More than 20%: | Not eligible |
| (ii) | 20%: | 0 points |
| (iii) | 19%: | 1 point |
| (iv) | 18%: | 2 points |
| (v) | 17%: | 3 points |
| (vi) | 16%: | 4 points |
| (vii) | 15% or less: | 5 points |

(6) The proposed program contains a component for alleviating overcrowding as defined in 7 CFR 1944.656: 5 points.

In the event more than one preapplication receives the same number of points, those preapplications will then be ranked based on the actual percentage figure used for determining the points in item (1) in the “Scoring” section of this Notice (7 CFR 1944.679 (b)(1)).

Example of 1st tie-break:

Both Applicants score 80 points

Applicant X’s percentage in “Scoring” section item (1) is 65%

Applicant B’s percentage in “Scoring” section item (1) is 75%

Applicant B is ranked higher than Applicant X

Applicant B will be funded before Applicant X

Further, if preapplications are still tied, then those preapplications still tied will be ranked based on the percentage figures used for determining the points in item (2) in the “Scoring” section of this Notice.

Example of 2nd tie-break:

Both Applicants score 80 points

Both Applicants percentage in “Scoring” section item (1) is 65%

Applicant X’s percentage in “Scoring” section item (2) is 55%

Applicant B’s percentage in “Scoring” section item (2) is 60%

Applicant X is ranked higher with a lower percentage than Applicant B

Applicant X will be funded before Applicant B

Further for preapplications where HPG assistance to rental properties or co-ops is proposed, those still tied will be further ranked based on the number of years the units are

available for occupancy under the program (a minimum of five years is required). For this part, ranking will be based on the most to least number of years.

Example of 3rd tie-break:

Both Applicants score 80 points

Both Applicants percentage in “Scoring” section item (1) is 65%

Both Applicants percentage in “Scoring” section item (2) is 55%

Applicant X’s rental unit will be available for occupancy under the program for 10 years

Applicant B’s rental unit will be available for occupancy under the program for 5 years

Applicant X is ranked higher than Applicant B

Applicant X will be funded before Applicant B

If any of the applicants that remain tied after the 1st and 2nd tie-breaks are offered to assist single family owners, then the 3rd tie-break would not be applicable, and a lottery would be used to select the applicant to be funded.

If there is still a tie after the first two (or three, when applicable) tie-breaks, then a lottery system will be used to select the applicant to be funded. The lottery will be conducted at the National Office. The lottery will consist of the names of each preapplication with equal scores printed onto a same size piece of paper, which will then be placed into a receptacle that fully obstructs the view of the names. The Director of the Single-Family Housing Division, in the presence of two witnesses, will draw a piece of paper from the receptacle. The name on the piece of paper drawn will be the applicant to be funded.

After the award selections are made by the National Office, all applicants will be notified of the status of their preapplications in writing. Applicants will be given their review rights or appeal rights in accordance with 7 CFR 1944.682.

F. Federal Award Administration Information

1. *Federal Award Notices.* The Agency will notify applicants whose preapplications have been selected for funding in writing. At the time of notification, the Agency will advise the applicant what further information and documentation is required along with a timeline for submitting additional information. This notification is not an authorization to begin performance. Performance may only begin once 7 CFR 1944, Subpart N, Exhibit A, "Housing Preservation Grant Agreement" is signed by the Agency and the awardee.

Expenses incurred in developing preapplications will be at the applicant's expense. Applicants will not be reimbursed for any costs incurred outside of the grant agreement period.

The official obligation document of the federal award is Form RD 1940-1, "Request for Obligation of Funds" which must be signed by the Agency and the awardee prior to obligation of funds. This document will be mailed or emailed to the awardee for signature.

Modifications may be made to an award during the grant period, as described in 7 CFR 1944.684. The grantee must submit a modification request in writing. The Agency will respond to the grantee within 30 days of receipt of the request. The Agency may approve the request at its discretion, and any such approval will be provided in writing and Exhibit B of subpart N of 7 CFR 1944 will be used for all extensions on and modifications to the grant agreement., "Amendment to Housing Preservation Grant Agreement" must be executed by the Agency and the grantee. Any modifications to a federal award must be consistent with competitive fairness in the application process, and any modifications must also be consistent with the eligibility and application selection requirements of the NOFO.

If the Agency determines it is unable to select the preapplication for funding, the applicant will be informed in writing. Such notification will include the reasons the applicant was not selected. The Agency will advise applicants, whose preapplications did not meet

eligibility and/or selection criteria, of their review rights or appeal rights in accordance with 7 CFR 1944.682.

2. Administrative and National Policy Requirements.

(a) The following additional requirements apply to grantees selected for this program:

(i) Form SF-424, "Application for Federal Assistance"

(ii) Form RD 1940-1, "Request for Obligation of Funds"

(iii) 7 CFR part 1944, subpart N, Exhibit A, "Housing Preservation Grant Agreement"

(v) Certification in accordance with 7 CFR 1944.657 Restriction on lobbying. An example of an acceptable form of such certification can be found in RD Instruction 1940-Q Exhibit A-1, "Certification for Contracts, Grants and Loans" Available in any Rural Development Office

(vi) Form SF 3881, "ACH Vendor Payment Enrollment Form"

(vii) Form SF 270, "Request for Advance or Reimbursement"

(viii) Form SF 425, "Federal Financial Report"

(ix) Quarterly reports in accordance with 1944.683. An example report can be found in RD Instruction 1944-N, Exhibit E-1 (Available in any Rural Development Office)

(x) Environmental requirements in accordance with 7 CFR 1944.672. Examples of these requirements can be found in RD Instruction 1944-N, Exhibit F-1, "Grantee's Process for Identifying Properties Requiring Rural Development Environmental Assessments" (available in any Rural Development Office).

(xi) Execute Form SF-LLL, "Disclosure of Lobbying Activities" (if applicable)

The grant recipient must include the required nondiscrimination statements in any of their advertisements and brochures.

3. Reporting. Performance reporting, including applicable forms, narratives, and other documentation, are to be completed and submitted in accordance with the provisions of 7 CFR

1944.683 and R7 CFR 1944, Subpart N, Exhibit A, "Housing Preservation Grant Agreement".

Further, all grantees must submit an audit or financial information covering the defined period of performance as outlined in 7 CFR 1944.688 and the Grant Agreement.

G. Federal Awarding Agency Contact(s)

For general questions about this announcement, please contact Mandy Couture, Finance and Loan Analyst, Single Family Housing Direct Division, Special Programs and New Initiatives Branch at (515) 418-2188 (voice) (this is not a toll-free number) or e-mail:

Mandy.Couture@usda.gov. The Program website also provides up to date contact information at:

[https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-](https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants#contact)

[preservation-grants#contact](https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants#contact). Awardees subject to the audit requirements of 2 CFR 200.501, shall

provide a full and complete reporting package in accordance with 2 CFR 200.512(c), submitted

to the Federal Audit Clearinghouse *the earlier of* 30 calendar days after the auditee receives the

auditor's report(s) or nine months after the end of the audit period.

H. Other Information

1. *Paperwork Reduction Act*. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the programs, as covered in this notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0575-0174.

2. *National Environmental Policy Act*. All recipients under this notice are subject to the requirements of 7 CFR 1b.

3. *Federal Funding Accountability and Transparency Act*. All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

4. *Civil Rights Act.* All awards of Federal financial assistance made under this NOFO are subject to applicable civil rights laws, which may include Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Title VIII of the Civil Rights Act of 1968, Title IX of the Education Amendments Act of 1973, and the Equal Credit Opportunity Act of 1974.

5. *Nondiscrimination Statement.* In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online <https://www.usda.gov/sites/default/files/documents/ad-3027.pdf> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW,

Mail Stop 9410, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

6. Equal Opportunity for Religious Organizations. Faith-based organizations may apply for this award on the same basis as any other organization, as set forth at, and subject to the protections and requirements of, this part and any applicable constitutional and statutory requirements, including 42 U.S.C. 2000bb et seq. USDA will not, in the selection of recipients, discriminate for or against an organization on the basis of the organization's religious character, motives, or affiliation, or lack thereof, or on the basis of conduct that would not be considered grounds to favor or disfavor a similarly situated secular organization.

A faith-based organization that participates in this program will retain its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law. Religious accommodation may also be sought under many of these religious freedom and conscience protection laws.

A faith-based organization may not use direct Federal financial assistance from USDA to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by USDA, or in their outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

Christine Mechtly,

Deputy Administrator,

Rural Housing Service.

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