LOCUS | Smart Growth America
Improving lives by improving communities

2019 Federal Financing Toolkit:

A Resource for Developers, Municipalities, and Non-profit organizations

About LOCUS

LOCUS, Latin for “place,” is a national coalition of real estate developers and investors who advocate for sustainable, equitable, walkable development in America’s metropolitan areas.

As experts in the field with a unique understanding of America’s real estate challenges and needs, LOCUS members are a key voice in the debate over federal real estate policy. With more than 300 members with projects in 48 states representing hundreds of billions in assets, LOCUS serves as a crucial voice in guiding federal and state policy at the intersection of common business sense and environmental and social responsibility.

Vibrant walkable urban communities are in high demand across the country. Real estate developers and investors, as well as local elected officials, are looking for innovative approaches to finance these complex projects. Dozens of federal programs are designed to help; with this release, LOCUS updates its previously published 2017 Toolkit, providing a current overview of those programs in one convenient place.

About the 2019 Federal Financing Toolkit

The 2019 Federal Financing Toolkit provides an overview of federal programs, resources, and financing opportunities that real estate developers, investors, and local elected officials may take advantage of in order to move their projects from concept to realization. The toolkit provides an overview and analysis of programs at over a dozen federal agencies, designed to support new and existing projects that create opportunities to expand equitable, safe, and healthy real estate development in urban, suburban, and rural communities.

These programs are often targeted towards state, local and tribal governments, nonprofit and for-profit organizations, and banks and financial institutions. While many of these programs are funded or have been authorized since publication, the availability of future funding or financing is contingent on continued Congressional support. This year, Congress is considering major infrastructure, budget, and climate legislation that could have significant impact on many of the programs listed. LOCUS will provide updates as additional funding and financing opportunities become available.

If you have any questions or need further assistance, please contact us at locus@locusdevelopers.org or visit our website www.locusdevelopers.org.

This toolkit is organized into the following categories: **Brownfields, Green Building and Sustainability, Healthy Communities, Housing, Transportation, Rural Development, and Community Development Block Grants,** with a special section on **Opportunity Zones.** Look out for our **(IN)LOCUS case studies** with local project examples in this report.

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Chapter 1: **Brownfields**

Pre-cleanup Brownfield site of Fisherville Mills in Grafton, Massachusetts.
Photo: Massachusetts Department of Environmental Protection

****Eligible entities for the following brownfields federal financing assistance programs include:** any General Purpose Unit of Local Government (general government of a county, municipality, township, tribe, or Alaskan native village); Land Clearance Authority or another quasi-governmental entity that operates under the supervision and control of, or as an agent of, a general purpose unit of local government; Government Entity Created by State Legislature; Regional Council or group of General Purpose Units of Local Government; Redevelopment Agency that is chartered or otherwise sanctioned by a state; State; Indian tribe other than in Alaska; Alaska Native Regional Corporation, Alaska Native Village Corporation, and Metlakatla Indian Community, 501(c)(3) nonprofit organizations, limited liability corporations and partnerships in which all managing members and general partners are 501(c)(3) nonprofit organizations, and qualified community development entities.

Brownfields Assessment Grant Program

The Environmental Protection Agency (EPA)'s Brownfields Assessment Grant Program provides regional, state, local, and tribal governments with funding to inventory, characterize, assess, and conduct a range of planning and community involvement activities related to brownfield sites. The program also allows grant recipients to develop site-specific cleanup plans. These three-year grants cannot be used for site cleanups.

An eligible entity or coalition of three or more eligible entities may apply for community-wide assessment grants, best suited for applicants planning to spend funds on more than one brownfield site. Applicants may request up to $200,000 to assess sites contaminated by hazardous substances, pollutants, contaminants, and petroleum.

Site-specific assessment grants allow applicants to apply for up to $200,000 for sites contaminated by hazardous substances, petroleum, or a combination of both. Site-specific grant applicants may seek a waiver of the $200,000 limit and request up to $350,000 based on the anticipated level of contamination, size, or ownership status of the site. Individual applicants may not apply as a member of a coalition. They may submit up to three cleanup proposals, each seeking up to $200,000. Grant funds can be spent on one site only.

A coalition of three or more eligible applicants can submit one grant proposal under the name of one of the applying coalition members for up to $600,000 for a coalition-wide assessment of sites contaminated by hazardous substances, petroleum, or a combination of both; applicants will perform assessment activities in each coalition member's community. Members of coalitions may not also apply for individual grants.

For more information and to apply for Assessment Grants, visit:
https://www.epa.gov/brownfields/types-brownfields-grant-funding#tab-2

Funding for this program is contingent on annual appropriations. The Brownfields Assessment Grant Program, the Cleanup Grant Program, and the Revolving Loan Fund Grant Program were awarded $50 million by the FY18 appropriations process.

Sponsoring Agency: Environmental Protection Agency
Maximum award amount: $200,000 for community-wide and site-specific grants $600,000 for coalition grants
Eligible activities: Inventory, characterize, assess, and conduct planning and community involvement related to brownfield sites. Develop site-specific cleanup plans.
Contribution or match requirement: None

(IN)LOCUS: **Cleanup Grant Program**

The Cleanup Grant Program provides funding for regional, state, local, and tribal governments and non-profit organizations to carry out cleanup activities at brownfield sites. These applying entities must own the site for which they are requesting funding at the time of application. Three-year cleanup grants may be used to address sites contaminated by petroleum, hazardous substances, pollutants, and/or contaminants.

The Cleanup Grant Program funded the remediation of a brownfield site in Lakewood, Colorado which was then used for transit-oriented development project. Jerry Huddleston via Flickr.

The Cleanup Grant Program has already prepared brownfield sites for future use and development across the country. In Lakewood, Colorado, Lamar Station Crossing, a mixed-use complex consisting of housing and artist live-work spaces, was built on a brownfield site located along a light rail line to Denver. Contaminants on the site included buried asbestos-containing material from demolished homes as well as petroleum and polycyclic aromatic hydrocarbons from previous uses of light manufacturing and automobile impounding. In the fall of 2012, the project's developer, Metro West Housing Solutions, received $189,000 in Cleanup Grant funding and remediated 2.36 acres of the roughly 6-acre site, removing 4,200 cubic yards of contaminated soil.

The transit-oriented, LEED Gold development consists of 110 units, with 20 percent as market-rate housing, 5 artist live-work spaces, and the remainder as low-income units. Since its opening in late 2013, Metro West Housing Solutions has hosted an artist-in-residence from a nearby arts and design college, hosted multiple community art programs with the local arts and culture district, and aided in boosting the amount of creative enterprises and employment opportunities in Lakewood. More information on the Cleanup Grant's involvement in this project can be found at
https://www.epa.gov/sites/production/files/2015-10/documents/lakewood_co.pdf.

For more information and to apply for the Cleanup Grant Program, visit:
https://www.epa.gov/brownfields/types-brownfields-grant-funding#tab-2

Sponsoring agency: Environmental Protection Agency
Maximum award amount: $500,000
Eligible activities: Carrying out cleanup activities on brownfield sites
Contribution or match requirement: 20% of Cleanup Grant amount

Revolving Loan Fund (RLF) Grant Program

Revolving Loan Fund grants provide funding for regional, state, local, and tribal governments to capitalize a revolving loan fund and provide sub-grants to carry out cleanup activities at brownfield sites. A revolving loan fund is a capital fund that is used to provide loans or subgrants for particular activities. When loans are repaid, the loan amount is returned into the fund and re-lent to other borrowers, providing an ongoing source of remediation capital within a community. This unique program structure requires resources commitments and real estate financing expertise that allow recipients to manage and market the RLF program long-term.

Eligible entities may apply as individual applicants or as a coalition of two or more. As of 2018, EPA anticipates soliciting requests from existing, high-performing grant recipients for supplemental funding and no requests for new RLF grants.

For more information, visit: https://www.epa.gov/brownfields/types-brownfields-grant-funding

Sponsoring agency: Environmental Protection Agency
Maximum award amount: $1 million
Eligible activities: Capitalize revolving loan fund; provide loans and sub-grants to carry out cleanup activities at brownfield sites
Contribution or match requirement: 20% of RLF grant

Multipurpose (MP) Grants

Multipurpose Grants provide funding to carry out assessment and cleanup activities with proposed target areas, such as neighborhoods, a number of neighboring towns, districts, corridors, shared planning areas, or census tracts.

Eligible applicants can apply for up to $800,000 in grant funding to conduct community involvement activities and environmental site assessments, develop cleanup, reuse, and revitalization plans, and carry out cleanup activities on sites they own meeting the CERCLA § 101(39) definition of a brownfield site. MP Grants require a $40,000 cost share, which may be in the form of a contribution of money, labor, material, or services; applicants cannot request to waive the cost share requirement.

For more information and to apply, visit: https://www.epa.gov/brownfields/types-brownfields-grant-funding

Sponsoring agency: Environmental Protection Agency
Maximum award amount: $800,000
Eligible activities: Carry out assessment and cleanup activities with proposed target areas
Contribution or match requirement: $40,000

Environmental Workforce Development and Job Training (EWDJT) Grants

EWDJT Grants allow nonprofits, local governments, and other organizations to recruit, train, and place unemployed and underemployed residents of areas affected by the presence of brownfields. Program graduates develop the skills needed to secure full-time, sustainable employment in various aspects of hazardous and solid waste management and within the larger environmental field, including sustainable cleanup and reuse, water quality improvement, chemical safety, and emergency response.

In FY18, EPA awarded $3 million in EWDJT Grants. Funding amounts ranged from $10,000 to $2.8 million, based on the type of employment training. The majority of funding was used to support brownfields assessment, cleanup, and hazardous waste-related training.
For more information, visit: https://www.epa.gov/brownfields/types-brownfields-grant-funding

EPA anticipates issuing the next solicitation for new EWDJT Grants in the spring of 2019.

Sponsoring agency: Environmental Protection Agency
Maximum award amount: Varies by type of employment training, up to $2,865,000
Eligible activities: Provide employment training to residents of areas affected by the presence of brownfields

State and Tribal Response Program Grants

The Section 128(a) State and Tribal Response Program authorizes $50 million annually to be shared among states, tribes, and territories for limited site assessments or cleanups at brownfield sites, increasing response actions, capitalizing revolving loan funds for cleanup, purchasing environmental insurance, or developing other insurance mechanisms for brownfields cleanup activities.

Included under this grant are two programs: the State Voluntary Cleanup Programs and the Tribal Brownfields Program. State programs allow state environmental authorities to enter into memoranda of agreement (MOAs) with EPA regional authorities that promote coordination and define general roles regarding the cleanup of local brownfield sites. Tribal programs conduct assessments and provide oversight at properties, create codes and ordinances, develop inventories of properties, and educate communities about the value of protecting and restoring tribal natural resources and community health.

For more information and to apply, visit:
https://www.epa.gov/brownfields/types-brownfields-grant-funding

Sponsoring agency: Environmental Protection Agency regional offices
Maximum award amount: $1 million
Eligible activities: Increasing state and tribal capacity to responding to brownfields assessment and cleanup needs
Eligible entities: States, Indian tribes, and intertribal consortia
Contribution or match requirement: No, unless using the funds to capitalize a Brownfields RLF, then 20%

Chapter 2: Green Building & Sustainability

Funds received from the USDA Conservation Innovation Grant program support innovative approaches to water quality improvement in the Chesapeake Bay. *USDA photo by Tim McCabe.*

Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program

This USDA program funds the development, construction, and retrofitting of new and emerging technologies for advanced biofuels, renewable chemicals, and biobased products manufacturing by providing loan guarantees up to $250 million. These technologies include: commercial-scale biorefineries and biobased product manufacturing facilities that use technologically new commercial-scale processing and manufacturing equipment to convert renewable chemicals and other biobased outputs of biorefineries into end-user products. Refinancing, in certain circumstances, may also be eligible.

All projects aided by this program must be located within a State and will not receive federal funding exceeding more than 80 percent of total eligible project costs. Borrowers are also required to make significant cash equity contributions.

For more information and to apply for the Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program, visit: https://www.rd.usda.gov/programs-services/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance

Sponsoring agency: U.S. Department of Agriculture
Maximum award amount: $250 million
Eligible activities: Loan guarantees for development, construction, and retrofitting of new and emerging technologies for the development of advanced biofuels, renewable chemicals, and biobased product manufacturing
Eligible lenders: Banks, tribes, and credit unions
Eligible borrowers: Individuals, state, local, and tribal governments, for- and non-profit organizations

Conservation Innovation Grants

The Conservation Innovation Grant (CIG) program awards competitive grants to single or multi-year projects that drive public and private sector innovation in resource conservation by boosting production on farms, ranches, and private forests to ultimately improve water quality, soil health, and wildlife habitats. These projects can be watershed-based, regional, multi-state or national in scope. The natural resource concerns eligible for funding through the CIG program are identified in each funding announcement and may change annually to focus on new and emerging, high priority natural resource concerns.

For more information and to apply for Conservation Innovation Grants, visit: https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/cig/

Sponsoring agency: U.S. Department of Agriculture
Maximum award amount: $2 million
Eligible activities: Development and adoption of innovative approaches and technologies for the conservation of agricultural lands
Eligible recipients: State, local, or tribal governments, nonprofit and for-profit organizations, individuals
Contribution or match requirement: At least 100 percent

Energy Performance Contracting

An Energy Performance Contract (EPC) provides for design, acquisition, installation, testing, operation, and - where appropriate - maintenance and repair of energy conservation measures in a building or a group of buildings. Public housing agencies may enter into an EPC with an Energy Service Company (ESCo) to make capital energy improvements while preserving limited budget dollars, reducing utility expenses, repair, and maintenance costs, modernizing building operations, providing technical and operations training for building operating personnel, improving indoor air quality, creating incentives for ESCos to develop highly efficient projects by linking their compensation to project savings, conserving energy and water resources, and improving the environment.

As funding is often provided by large institutional lenders, funding for this program is not contingent on federal allocations.

For flowcharts of the review process, forms, and additional details, visit: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/phecc/eperformance

Sponsoring agency: U.S. Department of Housing and Urban Development
Maximum award amount: Up to 100 percent of anticipated energy savings
Eligible activities: Design, acquisition, installation, testing, operation, and - where appropriate - maintenance and repair of energy conservation measures
Eligible recipients: Public housing agencies (PHAs) in contracts with an Energy Service Company (ESCos).
Contribution or match requirement: Contact agency

(IN)LOCUS: **Federal Energy Management Program**

The Federal Energy Management Program (FEMP) leverages private sector financing with no upfront capital costs and supports federal projects with technical and procurement expertise. The program provides federal agencies with expert assistance, guidance, and training to help them implement energy savings performance contract projects that are technically excellent, legally sound, and a good deal for the government. Funding for FEMP is contingent on annual appropriations, and the program was awarded $26.8 million in appropriations in FY 2018.

One of the buildings on the Federal Communications Commission (FCC) Laboratory site in Columbia, Maryland.

The Federal Energy Management Program has helped various federal entities nationwide engage in Energy Savings Performance Contracts (ESPCs) to make their buildings more energy efficient. The Federal Communications Commission (FCC) entered an ESPC with Honeywell International in June 2017 for retrofits to FCC buildings in Columbia, Maryland, Powder Springs, Georgia, Livermore, California, and Waipahu, Hawaii. These buildings underwent HVAC upgrades, lighting improvements, and building envelope modifications to become more energy efficient. The $9.86 million in changes to these structures will create $15.6 million in guaranteed cost savings, and will save 87.48 billion BTU in energy.

For more information on the Federal Energy Management Program, visit: https://www.energy.gov/eere/femp/energy-and-project-procurement-development-services

Sponsoring agency: U.S. Department of Energy
Maximum award amount: Not applicable, only technical assistance is offered.
Eligible activities: Aid federal agencies in entering into Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs)
Eligible recipients: Federal agencies

Title XVII Innovation Clean Energy Project Loan Program

The Title XVII Innovation Clean Energy Project Loan program provides loan guarantees to accelerate the deployment of innovative clean energy technology. Loan guarantees are made to qualified projects and applicants who apply for funding in response to open technology-specific solicitations. The Title XVII loan program applies to a wide range of energy technologies, including advanced fossil energy, nuclear energy, renewable energy, and energy efficiency.

To apply, visit the program's application portal: https://www.energy.gov/lpo/title-xvii/title-xvii-application-portal.

For more information about the Title XVII Innovation Clean Energy Project Loan Program, visit: https://www.energy.gov/lpo/title-xvii.

Sponsoring agency: U.S. Department of Energy
Maximum award amount: Dependent on the energy sector allocation; guarantee up to 80 percent of project financing
Eligible activities: Deployment of innovative clean energy technology
Eligible recipients: State, local, or tribal governments, nonprofit and for-profit organizations

Weatherization Assistance Program

The Weatherization Assistance Program provides grants to improve the energy efficiency of the homes of low-income families. After the Weatherization Assistance Program providers assess the residence, upgrades and repairs such as insulation, HVAC repairs, energy-efficient appliance installation, window and exterior door repair or replacement, or other services may be undertaken, depending on the assessment recommendations and on what services are able to be undertaken in each state. As of January 2017, interested owners of HUD-assisted or public housing should use a self-certification procedure for securing HUD approval of placing properties on the Department of Energy's weatherization list.

For more information about the Weatherization Assistance Program, visit: https://www.energy.gov/eere/wipo/weatherization-assistance-program

Sponsoring agency: U.S. Department of Energy
Maximum award amount: $7,212 per dwelling unit
Eligible activities: Capital improvements to increase energy efficiency of the homes of low-income families
Eligible recipients: Individual property owners, via state or local governments or nonprofit organizations

(IN)LOCUS: **Clean Water State Revolving Fund**

Clean Water State Revolving Funds use a combination of federal and state funds to provide various types of assistance to eligible recipients to construct municipal wastewater facilities, control nonpoint sources of pollution (like agricultural runoff), build decentralized wastewater treatment systems, create green infrastructure projects, protect watersheds, and fund other water infrastructure projects.

The 51 CWSRF programs function like environmental infrastructure banks by providing low interest loans to eligible recipients for water infrastructure projects. As money is paid back into the state's revolving loan fund, the state makes new loans to other recipients for high priority, water quality activities. States are responsible for the operation of their CWSRF program. Under the CWSRF, states may provide various types of assistance, including loans, refinancing, purchasing, or guaranteeing local debt and purchasing bond insurance. States customize loan terms in order to meet the specific needs of their communities or to provide incentives for certain types of projects.

The Green Project Reserve requires that, to the extent that sufficient eligible projects are available, at least 10% of a state revolving fund's capitalization grant must be used for projects meeting green project criteria, such as water or energy efficiency, green infrastructure, or other innovative environmental activities. GPR funds may be used for planning, design, and/or construction costs.

Wasterwater infrastructure funded by Nevada's State Revolving Fund

For more information, visit: https://www.epa.gov/cwsrf and https://www.epa.gov/cwsrf/green-project-reserve-guidance-clean-water-state-revolving-fund-cwsrf.
Contact your state CWSRF agency to apply here: https://www.epa.gov/cwsrf/forms/contact-us-about-clean-water-state-revolving-fund-cwsrf#state

Sponsoring agency: Environmental Protection Agency
Maximum award amount: Varies by state or territory. As a revolving fund, future funding amounts depend on how much is paid back from past loans.
Eligible activities: 11 types of water infrastructure projects, outlined here
Eligible recipients: State governments receive funds and allocate them to eligible recipients
Contribution or Match requirement: States match 20% of the federal grant

Water Infrastructure Finance and Innovation Act

The WIFIA Program provides long-term, low-cost supplemental credit assistance under customized terms to creditworthy water and wastewater projects, such as improved energy efficiency at water infrastructure sites, water recycling projects, drought prevention, and projects eligible for either Clean Water SRF or Drinking Water SRF.

WIFIA works separately from, but in coordination with, the State Revolving Fund (SRF) programs to provide subsidized financing for large dollar-value projects. The EPA requests letters of interest from prospective borrowers and selects projects it intends to fund. These prospective borrowers then apply for WIFIA loans and negotiate terms. Benefits of this program include a long repayment period for WIFIA loans as well as the option to defer payments until 5 years after substantial completion of the proposed project.

For more information, visit https://www.epa.gov/wifia.

Sponsoring agency: Environmental Protection Agency
Minimum project size for large communities: $20 million
Minimum project size for small communities (less than 25,000 people): $5 million
Maximum portion of eligible project costs that WIFIA can fund: 49%
Examples of eligible activities: Development phase activities, construction, acquisition of real property or equipment, carrying costs during construction
Eligible recipients: Local, state, federal, and tribal governments, partnerships and joint ventures, corporations and trusts, State Revolving Fund (SRF) programs, state infrastructure financing authorities

Chapter 3: **Healthy Communities**

(IN)LOCUS: **Healthy Communities Grant Program**

In 2015, the Charles River Watershed Association received $25,000 to expand its installation of residential rain gardens in Franklin, MA with the goal of mitigating the impact of major storm events and flooding. The association is partnering with the Town of Franklin Department of Public Works to continue this project, educate residents on non-point source pollution, and track stormwater management projects and impacts in the community.

The EPA New England's Healthy Communities Grant Program is intended to reduce environmental risks and improve public health in vulnerable communities in the region. Projects must address at least one of the following Target Program Areas: Clean, Green and Healthy Schools; Community and Water Infrastructure Resilience; Healthy Indoor Environments; and/or Healthy Outdoor Environments. All proposed projects must affect and benefit one or more Target Investment Area within the EPA New England States of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and/or Vermont.

Healthy Communities Grant Program funding can be used to install green infrastructure, like rain gardens, to manage stormwater.

Target Investment Areas are those identified as needing to foster community resilience, those with environmental justice concerns, and/or sensitive populations. This program is not intended to fund routine activities, but rather projects that expand knowledge on the effects, extent, prevention, and elimination of water pollution.

Other past awardees have implemented programs intended to reduce food waste, to assess the effects of climate change on local ecosystems, and to lower exposure to toxic chemicals in schools.

For more information, visit https://www3.epa.gov/region1/eco/uep/grants_2018hc.html.

Sponsoring agency: Environmental Protection Agency
Maximum award amount: $25,000
Eligible activities: Projects that assess, understand, and reduce environmental and health risks
Eligible recipients: State and Local governments, Federally Recognized Indian Tribal Governments, K-12 schools or school districts; and non-profit organizations.
Contribution or Match requirement: 5% of the federal funds requested

Lead-Based Paint Hazard Reduction Grant Program and Healthy Homes Supplemental Funding

The purpose of the Lead-Based Paint Hazard Reduction (LBPHR) grant program is to identify and control lead-based paint hazards in eligible privately owned housing for rental or owner-occupants. Healthy Homes supplemental funding may be used to address non-lead paint related health and safety issues in homes where lead paint hazard remediation is being conducted.

A minimum of 65% of grant funding (excluding Healthy Homes supplemental funds) must be used directly for lead-based paint remediation, which includes the inspection and testing of eligible homes, housing rehabilitation critical to the goal of lead-based paint hazard reduction, temporary relocation to allow for lead control work and staff work associated with lead hazard control activities. No more than 10% of award may be used for administrative costs.

Healthy Homes Supplemental funds may be used only in homes also receiving HUD-funded lead hazard control work (interim controls or abatement). Grantees must use an inspection tool that identifies all 29 hazards identified in the Healthy Homes Rating System (HHRS) for assessing hazards. Grantees must establish a standardized protocol for prioritizing and repairing the identified health and safety hazards within those units.

For more information, visit:
https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy18lbphr
Apply at Grants.gov

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: The maximum award amounts for LBPHR and HH supplemental funding vary depending on jurisdiction size. Combined award amount per project period may not exceed $4,100,000.
Eligible activities: Assessing, prioritizing and repairing health and safety hazards caused by lead-based paint
Eligible recipients: Local, state, regional, or tribal governments
Match requirement: Minimum 10% of federal request (excluding HH Supplemental funds)

Environmental Justice Collaborative Problem-Solving Cooperative Agreement

The Environmental Justice Collaborative Problem-Solving (CPS) Cooperative Agreement Program provides financial assistance to community-based organizations working on non-routine projects to address local environmental and/or public health issues in their communities in collaboration with stakeholders like local businesses and industry, local government, medical providers, and academia.

Projects must be directly related to at least one of the following Qualified Environmental Statutes: Clean Air Act, Section 103(b)(3), Clean Water Act, Section 104(b)(3), Federal Insecticide, Fungicide, and Rodenticide Act, Section 20(a), Marine Protection, Research, and Sanctuaries Act, Section 203,

continued...

Environmental Justice Collaborative Problem-Solving Cooperative Agreement (continued)

Safe Drinking Water Act, Section 1442(b)(3), Solid Waste Disposal Act, Section 8001(a), or the Toxic Substances Control Act, Section 10(a).

Projects must directly address the needs of underserved communities impacted by environment issues and implement the EPA's "Environmental Justice Collaborative Problem-Solving Model". The CPS model includes tools for long-term goal setting, training and leadership development, and conflict resolution. In 2018, programs in rural areas were given special consideration, although those not located in rural areas are still encouraged to apply.

For more information, visit https://www.epa.gov/environmentaljustice/ej-collaborative-problem-solving-cooperative-agreement-program-fy-2018-request

Sponsoring agency: Environmental Protection Agency
Maximum award amount: One cooperative agreement of $120,000 in each of the 10 EPA Regions
Eligible activities: Non-routine projects addressing environmental justice in underserved communities which specifically relate to at least one Qualified Environmental Statute
Eligible recipients: Incorporated non-profit organizations, federally recognized tribal governments, tribal organizations
Contribution or Match requirement: None

Hospitals (Section 242) Mortgage Insurance Program

FHA insures mortgages made by private lenders to facilitate the construction or renovation of acute care hospitals. Clients range in size from large urban teaching hospitals to small rural hospitals. Critical Access Hospitals (hospitals with 25 beds or less which have received designation by states and the Department of Health and Human Services) are also eligible. Facilities must be properly licensed, provide primarily acute patient care, and be able to demonstrate the need for the project. Key program criteria include a maximum loan amount of 90 percent of HUD's estimate of the replacement cost of the hospital, including the equipment to be used in its operation when the proposed improvements are completed and the equipment is installed, a loan term of 25 years, and a mortgagor contribution to a mortgage reserve fund. Existing hospital projects are also eligible for refinancing.

For more information, visit: http://portal.hud.gov/hudportal/HUD?src=/federal_housing_administration/healthcare_facilities http://portal.hud.gov/hudportal/documents/huddoc?id=46151HSGH.pdf

Sponsoring agency: Dept. of Housing and Urban Development, Office of Healthcare Programs
Maximum award amount: Max. loan amount of 90% of HUD's estimate of the replacement cost of the hospital
Eligible activities: Construction or renovation of acute care hospitals
Eligible recipients: Public, proprietary, and nonprofit acute care hospitals licensed or regulated by the state.
Contribution or Match Requirement: N/A

New Construction or Substantial Rehabilitation of Nursing Homes, Intermediate Care Facilities, Board and Care Homes, and Assisted Living Facilities (Section 232)

FHA insures mortgages made by private lending institutions to finance construction or renovation of facilities with patients requiring skilled nursing care and related medical services, or those in need of minimum but continuous care provided by licensed or trained personnel. Assisted living facilities and board and care facilities may contain no fewer than five one-bedroom or efficiency units. Nursing home, intermediate care, and board and care services may be combined in the same facility covered by an insured mortgage or may be in separate facilities. Major equipment needed to operate the facility may be included in the mortgage. Facilities for day care may be included.

Existing projects are also eligible for purchase or refinancing with or without repairs (and not requiring substantial rehabilitation) under section 223(f). Nursing home operators are subject to new regulations adopted in 2012.

For more information, visit: https://www.hud.gov/federal_housing_administration/healthcare_facilities

Sponsoring agency: Dept. of Housing and Urban Development, Office of Healthcare Programs
Maximum award amount: Loan sizing depends on unit type and borrower type (i.e. non-profit or for profit)
Eligible activities: Mortgage insurance to finance the purchase, refinance, new construction, or substantial rehabilitation of a nursing home or assisted living facility
Eligible recipients: Proprietary facilities, facilities of non-profit corporations or associations, and, in the case of nursing homes and assisted living, public facilities, that are licensed or regulated by the state to accommodate convalescents and persons requiring skilled nursing care or intermediate care, and which are owned by single-asset owners, may qualify for mortgage insurance. Patients requiring skilled nursing, intermediate care, assisted living and/or board and care are eligible to live in these facilities.
Contribution or Match Requirement: Lenders fees as based on a formula. There may be a contingency reserve required for substantial rehabilitation projects

Mortgage Insurance for Supplemental Loans for Multifamily and Healthcare Projects (Section 241)

The Federal Housing Authority insures loans made by lenders to pay for improvements or additions to apartment projects, nursing homes, and residential care facilities including assisted living, intermediate care facilities, and board and care facilities, as well as hospitals, or group practice facilities that already carry FHA-insured or FHA-held mortgages.

Projects may also obtain FHA insurance on loans to preserve, expand, or improve housing opportunities, to provide fire and safety equipment, or to finance energy conservation improvements to conventionally financed projects. Major movable equipment for nursing homes, group practice facilities, or hospitals also may be covered by a mortgage under this program.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec241a and https://www.hud.gov/federal_housing_administration/healthcare_facilities

Sponsoring agency: Department of Housing and Urban Development, FHA
Maximum award amount: N/A
Eligible activities: Mortgage insurance to finance improvements and additions to, and equipment for, multifamily rental housing and healthcare facilities
Eligible recipients: Qualified owners & purchasers of multifamily projects; owners of healthcare facilities
Contribution or Match Requirement: N/A

Chapter 4: **Housing**

Section 4.1: Affordable Multifamily and Single Family Housing

The Choice Neighborhoods program encourages public and private investment in distressed neighborhoods. In Pittsburgh, PA, the program is being leveraged to build mixed-income housing and support community-based neighborhood revitalization. Source: https://www.hud.gov/sites/images/MIXEDINCOMEHSING.JPG

Asset Sales

The Department of Housing and Urban Development often has real estate assets and other products for sale.

Listings for asset sales can be found through this link: https://www.hud.gov/program_offices/housing/comp/asset

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Purchase of HUD Assets including property & debt
Eligible recipients: For-profit and nonprofit entities
Contribution or Match requirement: None

Competitive Affordable Housing Program

Federal Home Loan Banks (FHLBs) provide grants through the Competitive Affordable Housing Program to member financial institutions working with community organizations and housing developers to create rental and home ownership opportunities for lower-income households. A member financial institution will pass on the funds received to the project sponsor organization (a community organization or developer) in order to fill gaps in project financing. Projects will be reviewed and accepted based on a scoring system including affordability targeting, access to services that assist residents in moving toward better economic opportunities, and project readiness.

Competitive Affordable Housing Program (continued)

At least 65 percent of the funds must be allocated to the AHP Competitive Funding Program, in which members partner with project sponsor organizations to compete for rental or homeownership project awards. The remaining up to 35 percent of the funds is allocated on a non-competitive basis to assist low- and moderate-income families who want to purchase a home. A project sponsor cannot apply without the support of an FHLB member.

For more information, visit: https://www.fdic.gov/consumers/community/mortgagelending/guide/investment.html And: https://www.fdic.gov/consumers/community/mortgagelending/guide/part-3-docs/affordable-housing-competitive-funding-program.pdf

Sponsoring agency: FHLB
Maximum award amount: Varies annually and by FHLB
Eligible activities: Purchase, construction, or rehabilitation of an owner-occupied project by or for very low-, low-, or moderate-income households
Eligible recipients: Member financial institutions
Contribution or Match requirement: See program page

Federal Housing Administration: Multifamily

The Office of Multifamily Housing Programs (MHP) is a division within the Federal Housing Administration (FHA) that oversees a variety of mortgage insurance products for constructing, rehabilitating, refinancing, and purchasing affordable and market rate, multifamily rental properties, cooperatives, mobile home parks, and health care facilities. MHP programs contain several unique features including long-term fixed-rate financing with up to 40-year terms and amortization periods and combined construction period/permanent financing with the ability to lock interest rates at construction closing. MHP also administers project-based rental subsidy programs, including FHA-insured and non-insured properties and Section 8 renewals. Section 8 is a housing choice voucher program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh
Properties for Sale: https://www.hud.gov/program_offices/housing/mfh/pd/mfplist

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies by program
Eligible activities: Project loans for affordable and market rate housing
Eligible recipients: Nonprofit and for-profit organizations, individuals
Contribution or Match requirement: See program page

HOME Investment Partnerships Program

HOME provides grants to states and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including home purchase or rehabilitation financing assistance, build or rehabilitate housing for rent or ownership, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. Rental assistance can also be considered an eligible activity. Participating jurisdictions (PJs) must reserve at least 15 percent of their allocations to fund housing to be owned, developed, or sponsored by experienced, community-driven nonprofit groups designated as Community Housing Development Organizations (CHDOs). PJs must also ensure the long-term affordability of HOME-funded housing units.

For more information, visit https://www.hudexchange.info/programs/home/.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Formula allocation based on jurisdiction's housing supply, its incidence of poverty, its fiscal distress, and other factors
Eligible activities: Home purchase, rehab finance, housing development, relocation expense
Eligible recipients: State and local jurisdictions
Contribution or Match requirement: No less than 25 cents for each dollar of HOME funds spent on affordable housing

Housing Choice Voucher Program

The housing choice voucher (HCV) program is the federal government's major program for assisting very low-income families, the elderly, and persons with disabilities to afford housing in the private market. Participants are able to find their own housing that meets the minimum standards of health and safety of the program. A housing subsidy is paid directly to the landlord by the public housing agency (PHA) on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

HCVs are administered locally by PHAs. The PHAs receive federal funds from HUD to administer the voucher program.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/ & https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/list

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies by public housing agency
Eligible activities: Rental assistance
Eligible recipients: Very-low income and low-income families
Contribution or Match Requirement: HCV families must pay 30% of their monthly adjusted gross income for rent and utilities.

Housing Trust Fund

The Housing Trust Fund (HTF) is an affordable housing production program that complements existing Federal, state and local efforts to increase and preserve the supply of affordable housing for extremely low- and very low-income households, including homeless families. HTF funds may be used for the production or preservation of affordable housing through the acquisition, new construction, reconstruction, and/or rehabilitation of non-luxury housing. A State must use at least 80 percent of each annual grant for rental housing; up to 10 percent for homeownership; and up to 10 percent for the grantee's reasonable administrative and planning costs. All HTF-assisted units will be required to have a minimum affordability period of 30 years.

For more information, visit https://www.hudexchange.info/programs/htf/.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Annual formula
Eligible activities: Real property acquisition, site improvements/development, relocation assistance, financing costs, operating cost assistance for rental housing, reasonable administrative and planning costs
Eligible recipients: States and state-designated entities
Contribution or Match requirement: See program details

Mark-to-Market Program

The Mark-to-Market (M2M) program is designed to preserve low-income rental housing affordability while reducing the long-term costs of federal rental assistance, including project-based assistance from HUD, for certain multifamily rental projects. The projects involved are projects with (1) FHA-insured or previously FHA-insured, now Secretary held, mortgages; and (2) contracts for project-based rental assistance from HUD, primarily through the Section 8 program, for which the average rents for assisted units exceed the rent of comparable properties.

The program objectives are to (1) preserve housing affordability while reducing the costs of project-based assistance; (2) restructure the HUD-insured or previously FHA-insured, now Secretary-held financing so that the monthly payments on the first mortgage can be paid from the reduced rental levels; (3) reduce the costs of insurance claims; and (4) ensure competent management of the project. The M2M program also offers financial incentives to owners for greening their portfolio (such as making water and energy efficient improvements and using sustainable building materials and products to achieve reduced water and energy consumption). The restructured project is subject to long-term use and affordability restrictions.

For more information: https://www.hud.gov/program_offices/housing/mfh/presrv/presmfh/aboutm2m

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Preserving low-income rental housing affordability while reducing the long-term costs of federal rental assistance
Eligible recipients: See program description
Contribution or Match requirement: See program details

Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing

Section 207/223(f) insures mortgage loans to facilitate the purchase or refinancing of existing multi-family rental housing. The property must contain at least 5 residential units with complete kitchens and baths and have been completed or substantially rehabilitated for at least 3 years prior to the date of the application for mortgage insurance. Properties requiring substantial rehabilitation are not eligible for mortgage insurance under this program.

For more information, visit https://www.hud.gov/program_offices/housing/mfh/progdesc/purchrefi223f

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies based on affordability of housing.
Eligible activities: Acquisition or refinancing of multifamily rental housing
Eligible recipients: Nonprofit or for profit borrowers
Contribution or Match requirement: N/A

Multifamily Mortgage Risk-Sharing Programs

Both Sections 542(b) and 542(c) of the Housing and Community Development Act of 1992 allow HUD and State and local housing finance agencies to provide new risk-sharing arrangements in order to offer more insurance and credit for multifamily loans. Section 542(b) authorizes HUD to enter into reinsurance agreements with Fannie Mae, Freddie Mac, qualified financial institutions (QFIs), and the Federal Housing Finance Board. The agreements provide for risk-sharing on a 50-50 basis. Section 542(c) enables HUD to carry out a program in conjunction with qualified state and local housing finance agencies (HFAs) to provide federal credit enhancement for loans for affordable multifamily housing through a system of risk-sharing agreements. Agreements provide for risk-sharing between 10 and 90 percent.

For more information, visit https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec542b and https://www.hud.gov/program_offices/housing/mfh/progdesc/riskshare542c.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: $5,000,000
Eligible activities: Credit enhancement for affordable housing loans including new construction, substantial rehabilitation, refinancing, and housing for the elderly
Eligible recipients: Eligible mortgagors include investors, builders, developers, public entities, and private non-profit corporations or associations. Eligible customers include individuals, families, and property owners.
Contribution or Match requirement: Depends on risk-sharing agreement

Multifamily Rental Housing for Moderate-Income Families (Section 221(d)(3) and (4))

This program provides mortgage insurance to finance rental or cooperative multifamily housing for moderate-income households, including projects designated for the elderly. Section 221(d)(3) and (4) are HUD's major insurance programs for new construction or substantially rehabilitated multifamily rental housing. HUD may insure up to 100 percent of replacement costs in the case of new construction under Section 221(d)(3) for public, nonprofit and cooperative mortgagors, but only up to 90 percent under Section 221(d)(4), irrespective of the type of mortgagor. Beginning in Fiscal Year 2013, HUD suspended the Section 221(d)(3) program unless the project to be financed also receives Low Income Housing Tax Credits (LIHTC).

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/rentcoophsg221d3n4 & https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec221d4

Sponsoring agency: Department of Housing and Urban Development/ FHA
Maximum award amount: Varies by project and loan type
Eligible activities: Mortgage insurance for new construction or substantially rehabilitated multifamily rental housing
Eligible recipients: Section 221(d)(3) is primarily available to public, nonprofit, and cooperative mortgagors. Section 221(d)(4) mortgages are primarily available to profit-motivated sponsors.
Contribution or Match requirement: None

Public Housing Capital Fund

The Public Housing Capital Fund, which agencies use for updating and maintaining their housing stock, is available by formula distribution for capital and management activities, including development, financing, and modernization of public housing projects, which includes redesign, reconstruction, and reconfiguration of public housing sites and buildings and development of mixed-finance projects.

PHAs may request HUD approval to borrow funds from the private market to make improvements to and/or develop additional public housing, by pledging a portion of their future annual Capital Fund grants to make debt service payments.

More Information: https://www.hud.gov/hudprograms/phcapfund

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies
Eligible activities: Updating public housing stock
Eligible recipients: Public Housing Authorities
Contribution or Match requirement: N/A

Public Housing Homeownership (Section 32)

The Public Housing Homeownership program allows public housing agencies to make public housing dwelling units available for purchase by low-income families as their principal residence. A PHA may sell all or a portion of a public housing development to eligible public or non-public housing residents, provide Capital Fund assistance to public housing families to purchase homes, or provide Capital Fund assistance to acquire homes that will be sold to low-income families.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/centers/sac/homeownership/

Sponsoring agency: Office of Public and Indian Housing
Maximum award amount: N/A
Eligible activities: Allows public housing agencies to make units available for sale
Eligible recipients: Public housing agencies
Contribution or Match requirement: N/A

Public Housing Operating Fund

The Public Housing Operating Fund provides an annual, formula-based subsidy to public housing agencies (PHAs) for operations and management. Funding eligibility is offset by the amount of expected tenant rental revenue. A PHA can use operating funds for operating and management costs, including administration, routine maintenance, anti-crime and anti-drug activities, resident participation in management, insurance costs, energy costs, and costs, as appropriate, related to the operation and management of mixed finance projects and repayment of debt service to finance rehabilitation and development of public housing units. Non-troubled PHAs that own or operate fewer than 250 public housing units have full discretion in how they allocate these grants between the Capital and Operating funds.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/am

Sponsoring agency: Office of Public and Indian Housing
Maximum award amount: Formula-based
Eligible activities: Operations and management of public housing agencies
Eligible recipients: Public housing agencies
Contribution or Match requirement: Subsidy may be offset by expected tenant rental revenue

Renewal of Section 8 Project-Based Rental Assistance

HUD renews Section 8 project-based housing assistance payments ("HAP") contracts with owners of multifamily rental housing. The project-based rental assistance makes up the difference between what an extremely low-, low-, or very low-income household can afford and the approved rent for an adequate housing unit in a multifamily project. Eligible tenants must pay the highest of 30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing.

The income eligibility requirements limit occupancy to very low-income families (i.e. families whose incomes do not exceed 50 percent of the area median income), which includes extremely low-income families (i.e. families whose income does not exceed 30 percent of the area median income).

While funding is no longer available for new commitments, funding is available for the renewal of Section 8 HAP contracts for units already assisted with project-based Section 8 assistance.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/mfhsec8

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Housing cost assistance
Eligible recipients: Private person or entity, including a cooperative, an agency of the federal government, or a public housing agency, having the legal right to lease or sublease the dwelling units
Contribution or Match requirement: N/A

Single Family Property Disposition Program (Section 204(g))

This program disposes of FHA-acquired single-family properties containing one to four units in a manner that expands homeownership opportunities. Listings of properties in inventory are available on the HUD Home Store website. Individual parties may submit an offer through the HUD Home Store website or a real estate broker registered with HUD. Nonprofit and government entities may purchase properties at a discount without a real estate broker.

For listings of properties in inventory: http://www.hudhomestore.com/Home/Index.aspx

Sponsoring agency: Department of Housing and Urban Development, FHA
Maximum award amount: N/A
Eligible activities: Purchase of properties to expand homeownership
Eligible recipients: Individual bidders are eligible if they can finance their home purchase and provide an earnest money deposit with their bids. Nonprofit and government entities are eligible for special programs, as detailed on HUD's website.
Contribution or Match Requirement: N/A

Single Family Distressed Asset Sale Stabilization Program (DASP)

To participate in DASP, an FHA servicer may submit loans for a sale if certain eligibility criteria are met, including that the borrower is delinquent on his or her mortgage for the period set forth in the DASP contract documents, and the servicer has exhausted all steps in the FHA loss mitigation process. Generally, DASP loans are sold competitively at a discount, which may give the purchaser the financial flexibility to pursue foreclosure avoidance measures, including offering modifications with more affordable terms, that would have been otherwise unavailable. In addition, the sales contract requires a delay in foreclosure for a period after purchase, providing a time during which the purchaser and borrower may find a solution to avoid foreclosure.

For more information, visit: https://www.hud.gov/sites/documents/FINAL_DASP_FACT_SHEET.PDF
For asset loan sales information: https://www.hud.gov/program_offices/housing/comp/asset/hsgloan

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Purchase of distressed assets at a discount
Eligible recipients: Interested purchasers must satisfy HUD's qualification requirements, as set forth in the applicable DASP Qualification Statement.
Contribution or Match Requirement: N/A

Section 4.2: Capacity Building and Technical Assistance

Section 4 Capacity Building for Community Development and Affordable Housing Grants

The Section 4 program is intended to provide support for community development corporations (CDCs) and community housing development organizations (CHDOs) through grants to three intermediary groups: Enterprise Community Partners, Local Initiatives Support Corporation (LISC), and Habitat for Humanity International. These three intermediary groups may use grant funding to provide education and support to CDCs and CHDOs, to provide financial assistance to CDCs and CHDOs, or to build the capacity of CDCs and CHDOs and support the implementation of other HUD programs. The intermediary organizations select which CDCs and CHDOs receive Section 4 assistance.

CDCs and CHDOs may use Section 4 funding for affordable housing and community development activities benefiting low- and moderate-income families, including the acquisition, construction, or rehabilitation of housing for low-income families and persons, and community and economic development activities that create jobs for low-income persons.

For more information, visit https://www.hudexchange.info/programs/section-4-capacity-building/

Section 4 Capacity Building for Community Development and Affordable Housing Grants (continued)

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: $35,000,000
Eligible activities: Training, education, support, and advice to enhance the technical and administrative capabilities of CDCs and CHDOs and/or loans, pass-through grants, predevelopment assistance, development assistance, or other financial assistance to CDCs and CHDOs
Eligible recipients: Enterprise Community Partners, Local Initiatives Support Corporation (LISC), and Habitat for Humanity International
Contribution or Match requirement: Three times the award amount from private sources

Community Compass Technical Assistance Grant

HUD's Community Compass initiative (Community Compass) funds technical assistance and capacity building activities for HUD's customers, including grantees, public housing authorities, and tribes. Community Compass builds on the previous OneCPD Plus program and is an outcome-focused, cross-Departmental approach to HUD's technical assistance and capacity building activities. This integrated technical assistance initiative is a collaborative effort among HUD, its customers, and the organizations providing technical assistance and capacity building on behalf of HUD.

Community Compass brings together technical assistance investments from across HUD program offices, including the Office of Community Planning and Development, the Office of Housing, the Office of Public and Indian Housing, and the Office of Fair Housing and Equal Opportunity for the following programs, policies, systems, and initiatives:

- Affordable Housing & Community Development: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Community Housing Development Organizations (CHDOs), Housing Counseling, and the Integrated Disbursement and Information System (IDIS), Section 202 Direct Loan program, Section 236 program, FHA Small Buildings and Low Income Housing Tax Credit (LIHTC) Pilot, Section 8bb, and Section 214
- Disaster recovery and resiliency: Community Development Block Grant Disaster Recovery (CDBG-DR)
- Economic Development: Economic Development initiatives (EDI), Brownfields Economic Development Initiatives (BEDI), Promise Zones
- Energy Efficiency: Better Buildings Challenge Partners (BBC), Sustainable Communities Initiative (SCI)
- Homeless Assistance: Continuum of Care (CoC), Emergency Solutions Grants (ESG), Rural Housing Stability Program (RHSP), Homeless Management Information System (HMIS), and Annual Homeless Assessment Report (AHAR)
- Housing for Special Populations: Housing Opportunities for Persons with AIDS (HOPWA), Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities

Community Compass Technical Assistance Grant (continued)

- Native American Programs: Indian Housing Block Grant and Native Hawaiian Block Grant
- Public Housing: Housing Choice Voucher, Public Housing Administrative Receiverships, Rental Assistance Demonstration (RAD), Choice Neighborhoods, Jobs Plus, Section 8 and other project based rental assistance
- Rural: Rural Housing and Economic Development (RHED) Programs, Rural Innovation Fund (RIF)

For more information, visit: https://www.hud.gov/program_offices/comm_planning/about/cpdta

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Contact program administrator
Eligible activities: Includes needs assessments, direct Technical Assistance and capacity building engagements, development of products and tools, self-directed and group learning, knowledge management, data reporting, analysis and management, NAHASDA allocation formula administration and negotiated rulemaking support
Eligible recipients: See above
Contribution or Match requirement: N/A

Self-Help Homeownership Opportunity Program

SHOP provides funds to national and regional nonprofits to purchase land or improve infrastructure necessary for sweat equity and volunteer-based homeownership programs for low-income persons and families. Eligible applicants must have a demonstrated track record of work, specifically they must have completed at least 30 units of self-help homeownership housing within the last 24 months. The grantee must also complete and deliver a minimum of 30 units in a region consisting of at least two states during the project period. The average SHOP grant expenditure for the combined costs of land acquisition and infrastructure improvements cannot exceed $15,000 per homeownership unit.

For more information, visit https://www.hudexchange.info/programs/shop/.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: $10,000,000
Eligible activities: Land acquisition, infrastructure improvements, and administrative costs
Eligible recipients: National and regional nonprofit organizations or consortia
Contribution or Match requirement: None

Self-Help Housing Property Disposition

This program makes surplus federal properties available through sale at less than fair market value to states, their subdivisions and instrumentalities, and nonprofit organizations. The property must be used for self-help housing for low-income persons. Residents of the property must make a substantial contribution of labor toward the construction, rehabilitation, or refurbishment of the property. HUD has the right to take the property back if it is not used in accordance with program requirements.

For more information, visit: https://www.hud.gov/hudprograms/shhpd http://disposal.gsa.gov/PBC#-selfhelp

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Self-help housing for low-income individuals
Eligible recipients: State, a political subdivision or instrumentality of a state, or a nonprofit organization that exists for the primary purpose of providing housing or housing assistance for low-income individuals or families.
Contribution or Match Requirement: Residents must contribute labor

Section 4.3: Homelessness and Emergency Assistance

Emergency Capital Repair Program (ECRP)

The ECRP provides private nonprofit owners of eligible developments designated for occupancy by elderly tenants with grants to make emergency capital repairs. The capital repair needs must relate to items that present an immediate threat to the health, safety, and quality of life of the tenants.

Funds may be used to repair or replace systems including, but not limited to: (1) Existing major building and structural components that are in critical condition; and (2) Repairs or replacements to existing mechanical equipment to the extent that they are necessary for health and safety reasons. The purchase of high efficiency heating and cooling systems (Energy Star) for the approved replacement equipment is encouraged to promote energy conservation.

For more information: https://www.hud.gov/program_offices/housing/mfh/progdesc/ecrp

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: $500,000 per project
Eligible activities: Repair or replace structural components and equipment
Eligible recipients: Private, nonprofit owners of Section 202 direct loan projects with or without Section 8 rental assistance; Section 202 capital advance projects receiving rental assistance under their Project Rental Assistance contract (PRAC); Section 515 rural housing projects receiving Section 8 rental assistance; projects subsidized with Section 221(d)(3) below-market interest mortgage; projects assisted under Section 236 of the National Housing Act; and other projects receiving Section 8 project-based rental assistance that are designated primarily for occupancy by the elderly are eligible. Projects must have had closing on or before January 1, 1999.
Contribution or Match requirement: N/A

Emergency Solutions Grants Program

ESG funds may be used for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and the Homeless Management Information System (HMIS), as well as administrative activities (up to 7.5% of a recipient's allocation can be used for administrative activities). Metropolitan cities, urban counties and territories may subgrant ESG funds to private nonprofit organizations. State recipients must subgrant all of their ESG funds (except for funds for administrative costs and under certain conditions, HMIS costs) to local government and/or private nonprofit organizations. All recipients must consult with the Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG funds.

For more information, visit https://www.hudexchange.info/programs/esg/.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Street outreach, renovation of emergency housing, essential services and shelter operations, rental and financial assistance to prevent homelessness, rapid rehousing, data collection; Up to 7.5 percent of a recipient's allocation can be used for Administrative activities.
Eligible recipients: Metropolitan cities, urban counties, territories, and states
Contribution or Match requirement: Metro areas must match 100%. States must match all but $100,000. States may pass on the $100,000 exemption to their subrecipients based on need

Federal Surplus Property for Use to Assist Persons Experiencing Homelessness (Title V)

Enables states, local governments, and nonprofit organizations to use suitable and available federal properties, which are categorized as unutilized, underutilized, excess, or surplus, to assist persons experiencing homelessness. HUD collects information from federal landholding agencies about their unutilized, underutilized, excess, and surplus properties and determines which are suitable for use to assist persons experiencing homelessness. HUD reviews property information that the landholding agency submits to HUD. HUD posts the suitability determination in a weekly Suitability Determination Listing on the HUD Exchange. If a property is listed on the Suitability Determination Listing as suitable and available, eligible applicants have 30 days from the date the suitability determination was posted to notify the Department of Health and Human Services (HHS) of its interest in a property, because HHS is the federal entity responsible for the conveyance process for the Title V program. If a property is listed on the Suitability Determination Listing as unsuitable, a homeless service provider has 20 days from the date the suitability determination is posted to submit an appeal request to HUD.

For more information, visit https://www.hudexchange.info/programs/title-v/

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Purchase of surplus federal properties for anti-homelessness programs
Eligible recipients: States, local governments, and nonprofit organizations.
Contribution or Match requirement: N/A

Projects for Assistance in Transition from Homelessness

Projects for Assistance in Transition from Homelessness are intended to reach those with serious mental disorders and/or substance abuse disorders who are currently experiencing homelessness or are at risk of homelessness. States receive funding through a formula based system, which they then distribute to local organizations providing community-based outreach, mental health, substance abuse, case management, and other support services, as well as a limited set of housing services.

For more information, visit https://www.samhsa.gov/homelessness-programs-resources/grant-programs-services/path.

Sponsoring agency: Substance Abuse and Mental Health Services Administration
Maximum award amount: Formula based, range from $50,000 to $8.8 million
Eligible activities: Outreach and substance abuse treatment services, housing services as specified in Section 522(b)(10) of the Public Health Service Act
Eligible recipients: States, D.C., Puerto Rico, U.S. territories
Contribution or Match requirement: ⅓ of PATH funding from public or private sources

Section 4.4: Housing for the Elderly & Accessibility

Assisted Living Conversion Program (Multi-Family)

The Assisted Living Conversion Program provides grants to private, nonprofit owners of developments to convert some or all of the dwelling units into an Assisted Living Facility (ALF) or Service-Enriched Housing (SEH). Assisted Living Facilities (ALFs) are designed to accommodate elderly and people with disabilities who can live independently but need assistance with activities of daily living. They also must provide support services such as personal care, transportation, meals, housekeeping, and laundry. An SEH provides comparable service to an ALF, which must be provided through a licensed third party. ALFs or SEHs must have sufficient community space to accommodate provisions of meals and supportive services.

Eligible projects must also qualify as one of the following: Section 202 direct loan projects with or without Section 8 rental assistance; Section 202 capital advance projects receiving rental assistance under their Project Rental Assistance Contract (PRAC); Section 515 rural housing projects receiving Section 8 rental assistance; Other projects receiving Section 8 project-based rental assistance; Projects subsidized with Section 221(d)(3) below-market interest mortgage; or Projects assisted under Section 236 of the National Housing Act.
For more information, visit https://www.hud.gov/program_offices/housing/mfh/progdesc/alcp

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Physical cost of converting existing project units, common, and services to ALFs or SEHs
Eligible recipients: Private, nonprofit developers of residences designated for elderly person
Contribution or Match requirement: See HUD program site

Continuum of Care Program

The Continuum of Care Program provides funds to eligible entities working to quickly rehouse homeless individuals, families, persons fleeing domestic violence, dating violence, sexual assault and stalking, and youth while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs by homeless individuals and families; and to optimize self-sufficiency among those experiencing homelessness.

For more information, visit: https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy18coc.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies based on need determined by formula process
Eligible activities: Acquisition and rehabilitation of property, new construction, leasing costs, rental assistance, supportive, operating, and administrative costs, Homeless Management Information System (HMIS) costs
Eligible recipients: Nonprofit organizations, states, local governments, and instrumentalities of state and local governments, public housing agencies. For-profit entities prohibited.
Contribution or Match requirement: 25% of funds

Supportive Housing for Persons with Disabilities

The Section 811 program provides capital advances to finance the development of rental housing with supportive services for persons with disabilities. The advance is interest-free and does not have to be repaid if the housing remains affordable for at least 40 years. Under the Section 811 PRA program, HUD also provides project rental assistance to state housing agencies that set aside units in affordable housing projects funded through Federal Low-Income Housing Tax Credits, Federal HOME funds, or other state, Federal and local funding sources. For Fiscal Year 2018, HUD has been authorized to provide new capital advances in addition to administering funding for project rental assistance under Section 811.

For more information, visit https://www.hud.gov/program_offices/housing/mfh/progdesc/disab811.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies by project type
Eligible activities: Development of rental housing with supportive services for persons with disabilities, rental assistance
Eligible recipients: Non-profit developers, state governments; 501(c)(3) organizations
Contribution or Match requirement: None

Supportive Housing for the Elderly

Section 202 provides funding for capital advances and contracts for project rental assistance to expand the supply of affordable housing with voluntary supportive services for very-low income elderly persons and funding for enhanced services and research on the supportive services model. HUD is currently only administering funding for project rental assistance under Section 202.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Development of housing through new construction, rehabilitation, or acquisition, rental assistance
Eligible recipients: Private, nonprofit organizations and consumer cooperatives
Contribution or Match Requirement: 0.5 percent of the amount HUD advances

Multifamily Housing Service Coordinators

This program provides funding for service coordinators who assist elderly individuals and persons with disabilities, living in federally assisted multifamily housing and in the surrounding area, to obtain needed supportive services from community agencies. HUD provides funding through three mechanisms: (1) a national competition with other properties for a limited amount of grant funding, (2) the use of the development's residual receipts or excess income, or (3) budget-based rent increases.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/scp/scphome

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Funding for elderly supportive services in federally assisted housing
Eligible recipients: Owners of Section 202, Section 8 project-based (including Rural Housing Services Section 515), Section 221(d)(3) Below Market Interest Rate, and Section 236 housing developments that are designated primarily for occupancy by the elderly or persons with disabilities.
Contribution or Match Requirement: N/A

Section 4.5: Mortgage Assistance and Insurance

FHA Energy Efficient Mortgage Programs (One to Four-Family)

FHA's Energy Efficient Mortgage program (EEM) helps homebuyers or homeowners save money on utility bills by enabling them to finance the cost of adding energy efficiency features to new or existing housing as part of their FHA-insured home purchase or refinancing mortgage. The homeowner can choose from a variety of efficiency improvements, including energy saving technology and renewable energy sources, from an energy package determined by a qualified home energy assessor.

Applicant Eligibility: One- to four-unit existing and new properties are eligible.
Information Sources: Assistant Secretary for Housing—Federal Housing Commissioner; HUD field offices.
For more information, visit: https://www.hud.gov/program_offices/housing/sfh/eem/energy-r

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies by location and home energy assessment
Eligible activities: Energy efficiency improvement to existing housing
Eligible recipients: Homeowners and home buyers with FHA-insured mortgages
Contribution or Match Requirement: N/A

Manufactured Homes Loan Insurance (Title I)

By protecting mortgage lenders against the risk of default, HUD encourages lenders to finance manufactured homes. The program increases the availability of affordable financing and mortgages for buyers of manufactured homes and allows such buyers to finance their home purchase at a longer term and lower interest rate than with conventional loans. The maximum loan term is 20 years and 32 days from the date of the loan for a manufactured housing loan.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/title/manuf14

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies
Eligible activities: Mortgage insurance for manufactured homes
Eligible recipients: Individuals who meet the program's credit requirements
Contribution or Match Requirement: N/A

Mortgage Insurance for Disaster Victims (Section 203(h))

This program provides mortgage insurance to protect lenders against the risk of default on loans to qualified disaster victims. Individuals are eligible for this program if their previous residences were located in disaster areas and were destroyed or damaged to such an extent that reconstruction or replacement is necessary. Insured loans may be used to finance the purchase or reconstruction of a one-family dwelling that will be the principal residence of the homeowner.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/ins/203h-dft

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies
Eligible activities: Mortgage insurance for disaster victims
Eligible recipients: Individuals whose residences have been affected by natural disasters
Contribution or Match Requirement: N/A

Mortgage Insurance for Cooperative Housing (Section 213)

FHA insures mortgages made by private lending institutions on cooperative housing projects of five or more dwelling units to be occupied by members of nonprofit cooperative ownership housing corporations. These loans may finance new construction, rehabilitation, acquisition, improvement, or repair of a project already owned, and resale of individual memberships; construction of projects composed of individual family dwellings to be bought by individual members with separate insured mortgages; and construction or rehabilitation of projects that the owners intend to sell to nonprofit cooperatives.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec213

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Finance construction, acquisition of existing or rehabilitated detached, semi-detached, row, walk-up, or elevator type housing projects consisting of five or more units.
Eligible recipients: Nonprofit cooperative ownership housing corporations or trusts organized to construct homes for members of the corporation or beneficiaries of the trust; and qualified sponsors who intend to sell the project to a nonprofit corporation or trust.
Contribution or Match Requirement: N/A

Mortgage Insurance for Manufactured Home Parks (Section 207)

FHA insures mortgages made by private lending institutions to help finance construction or rehabilitation of manufactured home parks consisting of five or more spaces. The park must be located in an area approved by HUD in which market conditions show a need for such housing.
Investors, builders, developers, cooperatives, and others meeting HUD's requirements may apply to an FHA-approved lending institution after conferring with the local HUD office.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/homepark207

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Construction or Rehab financing for Manufactured Home Parks
Eligible recipients: Investors, builders, developers, cooperatives, and others meeting HUD's requirements
Contribution or Match Requirement: N/A

Mortgage Insurance for One- to Four-Family Homes (Section 203(b))

Homebuyers may obtain FHA-insured financing from FHA-approved lenders to purchase new or existing one- to four-family homes (including condominium units) with low down payments or to refinance existing debt on such properties. HUD insures loans made by private lenders which are HUD-approved. By insuring lenders against loss, FHA encourages them to invest capital in the home mortgage market. The loan may finance homes in both urban and rural areas. HUD sets limits on the mortgage amount that may be insured, and FHA publishes updated limits periodically. The current FHA mortgage limit can be found online at HUD's website and can vary depending on geographic location. Higher limits also exist for two- to four-family properties. The loan limits may change annually based on home price estimates. The limits are benchmarked to the loan limits of the Government-Sponsored Enterprises, Fannie Mae and Freddie Mac. The lender collects from the borrower an up-front mortgage insurance premium payment, which may be financed, at the time of loan closing, as well as annual premiums that are not financed, but included in the regular mortgage payment. Any person intending to use the mortgaged property as their primary residence is eligible to apply for an FHA-insured mortgage through FHA approved lenders.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/ins/203b--df
HUD-approved lender list, visit: https://www.hud.gov/program_offices/housing/sfh/lender/lenderlist
Condominium program website: https://www.hud.gov/program_offices/housing/sfh/ins/sfh_ins_condominiums
To determine the maximum mortgage amount by county: https://entp.hud.gov/idapp/html/hicostlook.cfm

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies by state
Eligible activities: Purchase or refinance of 1-4 family homes
Eligible recipients: Owner-occupiers
Contribution or Match Requirement: Upfront mortgage insurance premium payment

Mortgage Insurance for Purchase or Refinance of Existing Health-care and Multifamily Rental Housing (Sections 207 & 223(f))

Mortgage insurance for the purchase or refinancing of existing multifamily rental housing. FHA insures mortgages under Section 207 of the National Housing Act pursuant to Section 223(f) of the same Act to purchase or refinance existing multifamily and healthcare projects originally financed with or without federal mortgage insurance. HUD may insure mortgages on existing multifamily projects under this program that do not require substantial rehabilitation. A project must contain at least five units, and construction or substantial rehabilitation must have been completed for 3 years or more.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/purchrefi223f

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Purchase and Refinance of existing multifamily structures
Eligible recipients: Investors, builders, developers, and others who meet HUD requirements
Contribution or Match Requirement: N/A

Mortgage Insurance for Rental Housing for the Elderly (Section 231)

To assure a supply of rental housing suited to the needs of the elderly or persons with disabilities, FHA insures mortgages made by private lending institutions to build or rehabilitate multifamily projects consisting of eight or more units. FHA may insure up to 100 percent of the Federal Housing Commissioner's estimate of value after completion for nonprofit and public mortgagors, but only up to 90 percent for private mortgagors. Congregate care projects with central kitchens providing food service are not eligible.

For nonprofit sponsors, the maximum loan amount is 100 percent of the estimated replacement cost of the building (or 100 percent of project value for rehabilitation projects). For all other sponsors, the maximum loan is 90 percent of the replacement cost (or 90 percent of project value for rehabilitation projects).
For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec231

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: N/A
Eligible activities: Mortgage insurance to support housing development for the elderly
Eligible recipients: Investors, builders, developers, public bodies, and nonprofit sponsors may qualify for mortgage insurance. All elderly (62 or older) and/or persons with disabilities are eligible to occupy units in a project insured under this program.
Contribution or Match Requirement: N/A

Mortgage Insurance for Rental Housing for Urban Renewal and Concentrated Development Areas (Section 220)

FHA insures mortgages on new or rehabilitated homes or multifamily structures located in designated urban renewal areas and areas with concentrated programs of code enforcement and neighborhood development. Insured mortgages may be used to finance construction or rehabilitation of detached, semi-detached, row, walk-up, or elevator-type rental housing or to finance the purchase of properties that have been rehabilitated by a local public agency. Properties must consist of two or more units and be located in an urban renewal area, an urban development project, code enforcement program area, urban area receiving rehabilitation assistance as a result of natural disaster, or area where concentrated housing, physical development, or public service activities are being carried out in a coordinated manner.

The program has statutory mortgage limits, which may vary according to the size of the unit, the type of structure, and the location of the project. There are also loan-to-replacement cost and debt service limitations. The maximum amount of the mortgage loan may not exceed 90 percent of the estimated replacement cost for new construction. For substantial rehabilitation projects, the maximum mortgage amount is 90 percent of the estimated cost of repair and rehabilitation and the estimated value of the property before the repair and rehabilitation project. The maximum mortgage term is 40 years, or not in excess of three-fourths of the remaining economic life of the project, whichever is less.

For more information, visit: https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec220

Current Status: The Multifamily program is active. The Single Family program, Supplemental Loan program, and 221(d)(3) program are not active.

Sponsoring agency: Department of Housing and Urban Development, FHA
Maximum award amount: N/A
Eligible activities: Construction or Rehabilitation finance
Eligible recipients: Investors, builders, developers, individual homeowners, and apartment owners
Contribution or Match Requirement: N/A

Mortgage Revenue Bonds

State and local governments sell tax-exempt housing bonds, commonly known as Mortgage Revenue Bonds (MRBs) and Multifamily Housing Bonds, and use the proceeds to finance low-cost mortgages for lower income first-time homebuyers or the production of apartments at rents affordable to lower-income families.

Each state's annual issuance of housing bonds is capped. MRB mortgages are restricted to first-time homebuyers who earn no more than the area median income (AMI). Larger families can earn up to 115 percent of AMI. The price of a home purchased with an MRB mortgage is limited to 90 percent of the average area purchase price.

HFAs also use their MRB authority to issue Mortgage Credit Certificates (MCCs), which provide a nonrefundable federal income tax credit for part of the mortgage interest qualified home buyers pay each year. State HFAs have used MCCs to provide critical tax relief to over 275,000 families
Multifamily housing bond developments must set aside at least 40 percent of their apartments for families with incomes of 60 percent of AMI or less, or 20 percent for families with incomes of 50 percent of AMI or less. In 2016 alone, HFAs financed the development of nearly 45,000 affordable apartments through bonds.

For program details contact your state's local Housing Finance Agency: https://www.ncsha.org/membership/hfa-members/

Property Improvement Loan Insurance (Title I)

FHA insures loans to finance improvements, alterations, and repairs of individual homes, apartment buildings, and nonresidential structures, as well as new construction of nonresidential buildings. Loans on single family homes (except manufactured homes) and nonresidential structures may be for up to $25,000 and may extend to 20 years and 32 days from the date of the loan. Loans on apartment buildings may be as high as $12,000 per unit, but the total for the building cannot exceed $60,000, and the loan term cannot exceed 20 years and 32 days from the date of the loan.

These are fixed-rate loans, for which lenders charge interest at market rates. The interest rates are not subsidized by FHA, although some communities participate in local housing rehabilitation programs that provide reduced-rate property improvement loans through Title I lenders. A property improvement loan on a manufactured home that is classified as real property may be up to $17,500, with the maximum term at 15 years and 32 days from the date of the loan, and property improvement loans on other manufactured homes (not classified as real property) are limited to $7,500, with the maximum term limit at 12 years and 32 days from the date of the loan. FHA insures private lenders against the risk of default for up to 90 percent of any single loan. The annual premium for this insurance is 1.00 percent of the amount advanced multiplied by the number of years of the loan; although this fee may be charged to the borrower separately, it is sometimes covered by a higher interest charge.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/title/title-i

Sponsoring agency: Department of Housing and Urban Development, FHA
Maximum award amount: $60,000 (see details above)
Eligible activities: Financing of rehab or new construction
Eligible recipients: Qualified borrowers
Contribution or Match Requirement: Borrower must have at least a 50 percent ownership in the property to be improved. To be eligible for a manufactured home improvement loan, the borrower must have at least a 50 percent interest in the manufactured home, and the home must be the principal place of residence of the borrower.

Rehabilitation Loan Mortgage Insurance (Section 203(k))

This is HUD's primary program for the rehabilitation and repair of single family properties. A loan can be used to (1) finance rehabilitation of an existing property; (2) finance rehabilitation and refinancing of the outstanding indebtedness of a property; and (3) finance purchase and rehabilitation of a property. While the maximum repair threshold has been eliminated, the total loan amount must still fall within the FHA mortgage limit for the area. The loan amount is limited by the lesser of (1) the value of the property before rehabilitation plus the cost of rehabilitation, or (2) 110 percent of the appraised value of the property after rehab. In certain circumstances, a unit of local government may be able to demonstrate to the Commissioner that the loan limitations should not apply. The Streamlined 203(k) Limited Repair program permits homebuyers to finance up to $35,000 into their mortgage for simple home improvements.

All homeowners that can make the monthly mortgage payments are eligible to apply. Cooperative units are not eligible. Currently, individual condominium units may be insured if they are in projects that have been approved by FHA and there are 4 or fewer units in the building. To be eligible, the property must be a one- to four-family dwelling that has been completed for at least one year. There are other eligibility requirements for the use of the 203(k) loan in a condominium unit.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/203k/203k--df https://www.hud.gov/program_offices/housing/sfh/203k

Section 4.6: Native American, Native Hawaiian, & Tribal Housing

Community Development Block Grant Program for Indian Tribes and Alaska Native Villages

This Community Development Block Grant program provides funding to create decent housing, suitable living environments, and economic opportunities primarily for persons with low- and moderate-incomes. There are two primary grant types: Single Purpose Grants benefiting persons with low- and moderate-incomes and Imminent Threat Grants for projects which address issues with immediate negative impact on public health or safety of tribal residents.

For more information, visit https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy18icdbg.

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: $4,000,000
Eligible activities: Housing rehabilitation, new housing construction, economic development projects, acquisition, public services
Eligible recipients: Native American tribal governments (Federally recognized), Native American tribal organizations
Contribution or Match requirement: None

Insured Mortgages on Hawaiian Home Lands (Section 247)

FHA's mortgage insurance provides opportunities to low- to moderate income Native Hawaiians to purchase a home on Hawaiian Home Lands. This program increases the availability of mortgage credit to Native Hawaiians to live on Hawaiian Home Lands. FHA's low down payment requirements and flexible underwriting standards increase the ability of Native Hawaiians to meet the requirements for the loan.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/ins/sfh_hawaiian_home_lands

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Varies
Eligible activities: Mortgage insurance for primary residences on Hawaiian Home Lands
Eligible recipients: Native Hawaiians
Contribution or Match Requirement: N/A

Indian Housing Block Grant

The Indian Housing Block Grant (IHBG) provides housing assistance to American Indian tribes and tribally designated housing entities (TDHEs). The IHBG program authorizes housing assistance under a single block grant to eligible American Indian tribes or their TDHEs. Eligible tribes include both federally recognized and those State-recognized Indian tribes formerly eligible under the U.S. Housing Act of 1937. The allocation is made under a needs-based formula. The tribe must submit, for HUD's review, an annual Indian Housing Plan describing the various programs the grantee will operate and the funds allocated to each program during the applicable program year to address the housing needs of the Indian families they serve.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/ih/grants/ihbg

Sponsoring agency: Housing and Urban Development, Office of Native American Programs
Maximum award amount: Formula-based
Eligible activities: Affordable housing development, assistance to housing developed under the Indian Housing Program (including modernization or operating assistance), housing services to eligible families and individuals, crime prevention and safety, and model activities that provide creative approaches to solving affordable housing problems.
Eligible recipients: Federally recognized Indian tribes or their TDHEs, and a limited number of State-recognized tribes who were funded under the Indian Housing Program authorized by the U. S. Housing Act of 1937.
Contribution or Match Requirement: None

Loan Guarantees for Indian Housing (Section 184)

This program provides home loan guarantees for American Indian and Alaska Native (AIAN) families, Indian housing authorities, and Indian tribes. Section 184 of the Housing and Community Development Act of 1992 established a loan guarantee program for AIAN families, Alaska villages, tribes, or tribally designated housing entities to facilitate homeownership and increase access to capital in Native American communities. The loans guaranteed under the program are used to construct, acquire, refinance, or rehabilitate single family housing located on and off native lands. The program operates under its own guarantee fund. HUD may enter commitments to guarantee loans for any fiscal year only to the extent amounts have been provided in appropriations acts.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/ih/homeownership/184

Sponsoring agency: Housing and Urban Development, Office of Native American Programs
Maximum award amount: Dependent on annual appropriations
Eligible activities: Construct, acquire, refinance, or rehabilitate single family housing
Eligible recipients: American Indians or Alaska Natives; Indian tribes; Indian housing authorities
Contribution or Match Requirement: 1.5% guarantee fee paid at closing which can be financed into the loan. Loans with a loan to value of 78% or **gre**ater will be subject to an annual .25% mortgage insurance premium

Loan Guarantees for Native Hawaiian Housing (Section 184A)

The purpose of the Loan Guarantee program is to provide access to sources of private mortgage financing to Native Hawaiian families who could not otherwise acquire housing financing because of the unique legal status of the Hawaiian Home Lands or as a result of a lack of access to private financial markets. Loans are to be used to construct, acquire, or rehabilitate housing located on the Hawaiian Home Lands. The program operates under its own guarantee fund. HUD may enter commitments to guarantee loans for any fiscal year only to the extent amounts have been provided in appropriations acts. HUD is only authorized to guarantee a limited amount of Section 184A refinance loan transactions.
For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/ih/codetalk/onap/program184a

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: None
Eligible activities: Guarantees home loans for Native Hawaiians to construct, acquire, or rehabilitate homes
Eligible recipients: Native Hawaiian families, the Department of Hawaiian Homelands, the Office of Hawaiian Affairs, and private nonprofit organizations experienced in the planning and development of affordable housing for Native Hawaiians.
Contribution or Match Requirement: Guarantee fee of 1% of loan principal paid by the lender to HUD upon guarantee agreement (then payable by borrower at closing); 97.75% of the appraised value of the home as security for loan (other options for collateral are available)

Mortgage Insurance Programs on Indian Reservations and Other Restricted Lands (Section 248)

FHA's mortgage insurance provides opportunities for low- and moderate income Native Americans to purchase an existing home (including a manufactured or mobile home, providing it meets certain FHA requirements) or to build a new home in their communities on Indian land. A homeowner who purchases a house under this program can apply for financing through an FHA-approved lending institution. Because of the complex title issues on Indian land, many lenders have been reluctant to provide financing for housing. With FHA insurance, the lender's risk is minimized, and this program increases the availability of mortgage credit to Native Americans living on Indian land. FHA's lower down payment requirements as compared to the conventional lending market and flexible underwriting standards increase the ability of Native Americans to meet the requirements of section 248 of the National Housing Act.

For more information, visit: https://www.hud.gov/program_offices/housing/sfh/ins/sfh248

Sponsoring agency: Department of Housing and Urban Development, FHA
Maximum award amount: N/A
Eligible activities: Mortgage insurance for loans made to Native Americans to buy, build, or rehabilitate houses on Indian land; fundamentally the same as Section 203(b) loans
Eligible recipients: Native Americans who meet FHA eligibility requirements, wish to live on Indian land, and intend to use the mortgaged property as their principal residence
Contribution or Match Requirement: N/A

Native Hawaiian Housing Block Grant (NHHBG)

The Native Hawaiian Housing Block Grant (NHHBG) Program provides grants for affordable housing activities for Native Hawaiians. The NHHBG program is patterned after the Indian Housing Block Grant (IHBG) program, but contains changes to address the housing needs and circumstances of Native Hawaiians. The NHHBG program authorizes HUD to make grants to the State of Hawaii's Department of Hawaiian Home Lands (DHHL) to carry out affordable housing activities for low-income Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands. Housing can be either rental or homeownership. In order to qualify for an annual grant, the DHHL is required to submit proposed activities in an annual Native Hawaiian Housing Plan to HUD for review. Grant funds are then made available to the DHHL by HUD to be used in accordance with the housing plan.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/ih/codetalk/onap/nhhbgprogram

Sponsoring agency: Department of Housing and Urban Development, Office of Native American Programs
Maximum award amount: None
Eligible activities: New construction, rehabilitation, acquisition, infrastructure, community support services (like housing counseling and technical assistance), and facilities that serve residents of affordable housing
Eligible recipients: Hawaii State Department of Hawaiian Home Lands (disburses funds to applicants); preference is given to nonprofit organizations experienced in the planning and development of affordable housing for Native Hawaiians
Contribution or Match Requirement: None

Tribal Housing Activities Loan Guarantee Program (Title VI)

The Title VI loan guarantee program assists Indian Housing Block Grant (IHBG) recipients in financing additional construction or development, including new housing, rehabilitation, infrastructure, community facilities, land acquisition, architectural and engineering plans, and financing costs. Tribes may use a variety of funding sources in combination with Title VI financing, such as low-income housing tax credits. Title VI loans may also be used to pay development costs. The applicant pledges the need portion of its current and future Indian Housing Block Grant funds as the primary security for the loan guarantee. HUD will guarantee the lender's loan for 95 percent of the outstanding principal and interest. Tribes may structure their loans to meet the requirements of their project and negotiate a variety of repayment terms with the lender. Loan terms can range up to 20 years, and payments may be made monthly, quarterly, or annually. Additionally, interest rates can be fixed, adjustable, or floating, and are based on an index.

For more information, visit: https://www.hud.gov/program_offices/public_indian_housing/ih/homeownership/titlevi

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Loan guarantee up to 95% of outstanding principal and interest
Eligible activities: Financing affordable housing and community development, including construction, planning, and development costs
Eligible recipients: Indian tribes and tribally designated housing entities that are IHBG recipients
Contribution or Match Requirement: A portion of the current and future IHBG funds designated to the recipient must be used as primary security for loan

Section 4.7: Neighborhood Development

CDFI Fund Program

The Community Development Financial Institutions Program (CDFI Program) invests federal resources—which are matched with private funding—in CDFIs working to serve low-income and underserved people and communities. The CDFI Program offers both Financial Assistance and Technical Assistance awards to CDFIs. These competitive awards support and enhance the ability of these organizations to meet the needs of the communities they serve.

Financial Assistance awards are made in the form of loans, grants, equity investments, deposits, and credit union shares, which CDFIs are required to match dollar-for-dollar with non-federal funds. This requirement enables CDFIs to multiply the impact of federal investment to meet the demand for affordable financial products in economically distressed communities. In 2017 the CDFI Program originated more than $5 billion in loans and investments. Technical Assistance grants are offered to CDFIs and Certifiable CDFIs to build their organizational capacity.

For more information, visit: https://www.cdfifund.gov/programs-training/Programs/cdfi-program/Pages/default.aspx

Sponsoring agency: CDFI Fund
Maximum award amount: Up to $2 million; up to $175,000 for Technical Assistance
Eligible activities: lending capital, loan loss reserves, capital reserves, operations, and development services, technical assistance
Eligible recipients: CDFIs
Contribution or Match requirement: CDFIs must match funds from non-federal sources

CDFI Bond Program

Enacted through the Small Business Jobs Act of 2010, the CDFI Bond Guarantee Program responds to a critical market need—long-term, low-cost capital that can be used to spur economic growth and jump start community revitalization. Through the CDFI Bond Guarantee Program, Qualified Issuers (CDFIs or their designees) apply to the CDFI Fund for authorization to issue bonds worth a minimum of $100 million in total. The bonds provide CDFIs with access to substantial capital that is then used to reignite the economies of some of our nation's most distressed communities. Unlike other CDFI Fund programs, the CDFI Bond Guarantee Program does not offer grants, but is instead a federal credit subsidy program, designed to function at no cost to taxpayers. The bond proceeds are debt instruments that must be repaid.

The Secretary of the Treasury provides a 100 percent guarantee on these loans, with a maximum maturity of 30 years. The Qualified Issuer sells the government-backed bonds to the Federal Financing Bank (FFB)—a government corporation that ensures the efficient use of federal financing—and bond proceeds are used to extend credit to CDFIs for community development purposes. The Qualified Issuer thus acts as a "go between" financier to the broader CDFI community.

For more information, visit: https://www.cdfifund.gov/programs-training/Programs/cdfi-bond/Pages/default.aspx

Sponsoring agency: CDFI Fund; Dept. of Treasury
Maximum award amount: See program page
Eligible activities: Bond origination
Eligible recipients: Qualified Issuers
Contribution or Match requirement: See program page

Choice Neighborhoods Program

The Choice Neighborhoods program leverages significant public and private dollars to support locally driven strategies that address struggling neighborhoods with distressed public or HUD assisted housing through a comprehensive approach to neighborhood transformation. Local leaders, residents, and stakeholders, such as public housing authorities, cities, schools, police, business owners, nonprofits, and private developers, come together to create and implement a plan that revitalizes distressed HUD housing and addresses the challenges in the surrounding neighborhood. The program helps communities transform neighborhoods by redeveloping severely distressed public and/or HUD-assisted housing and catalyzing critical improvements in the neighborhood, including vacant property, housing, businesses, services and schools. To this end, Choice Neighborhoods is focused on three core goals:

1. **Housing:** Replace distressed public and assisted housing with high-quality mixed income housing that is well-managed and responsive to the needs of the surrounding neighborhood;
2. **People:** Improve outcomes of households living in the target housing related to employment and income, health, and children's education; and
3. **Neighborhood:** Create the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families' choices about their community

For more information, visit: https://www.hud.gov/sites/dfiles/SPM/documents/2018cnpgnofa.pdf

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: $1.3 million
Eligible activities: Housing, Economic Development, Workforce Development
Eligible recipients: PHAs, local governments, tribal entities, and nonprofits are eligible to apply
Contribution or Match requirement: By the end of the grant term, matching funds in the amount of five percent of the grant amount in cash or in-kind donations are required.

ConnectHomeUSA

HUD launched the ConnectHome demonstration program in July of 2015, in partnership with the nonprofit EveryoneOn, a 501(c)(3) nonprofit whose mission it is to narrow the digital divide. The early focus of ConnectHome was to close the "homework gap" in the 28 communities selected for participation. These communities span the entire country, including metropolitan areas, cities, counties, and a tribal nation.

ConnectHome will be expanding to an additional 100 communities by 2020, with the potential impact of connecting 350,000 residents. The expansion of ConnectHome will continue to focus on closing the homework gap but will also emphasize connecting all residents to the Internet, regardless of age, race, geography, income, or education level. This is accomplished by working to make high-speed, low-cost Internet service and computers, and free digital literacy courses accessible to all unconnected Americans. Enrollment is currently closed, but will reopen to an additional 30 eligible communities in 2019.

For more information, visit: https://connecthomeusa.org/

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Contact program administrator
Eligible activities: See program description
Eligible recipients: All public housing agencies and multifamily property owners housing HUD-assisted residents.
Contribution or Match requirement: N/A

Neighborhood Stabilization Initiative (NSI)

The Neighborhood Stabilization Initiative (NSI) is designed to stabilize neighborhoods hardest hit by the housing downturn. It was jointly developed by the Federal Housing Finance Agency (FHFA), Fannie Mae, and Freddie Mac and includes strategies for disposing of the inventory of real estate owned (REO) properties held by Fannie Mae and Freddie Mac.

Fannie Mae and Freddie Mac selected the National Community Stabilization Trust (NCST), a national non-profit organization experienced in stabilization efforts for distressed communities to implement the NSI. Working together, they leverage connections with community organizations, non-profits, and local governments to make decisions about the best treatment of individual properties.NCST community buyers have an exclusive opportunity to buy foreclosed properties prior to being listed for sale to the public, at fair market value which includes discounts for expenses saved through a quicker sale.

For more information, visit: https://www.fhfa.gov/Media/PublicAffairs/Pages/Neighborhood-Stabilization-Initiative-Program-Fact-Sheet.aspx

Sponsoring agency: Department of Housing and Urban Development/FHA
Maximum award amount: N/A
Eligible activities: Purchase of foreclosed and abandoned REO properties prior to the properties being marketed to investors and other buyers.
Eligible recipients: National Community Stabilization Trust (NCST) community buyers, including non-profit organizations.
Contribution or Match requirement: N/A

(IN)LOCUS: Low Income Housing Tax Credits (LIHTC)

The Low Income Housing Tax Credit is one of the largest tools used by the federal government to encourage the creation of affordable housing. Credits are awarded to developers of qualified projects through a competitive application process that is managed by state housing finance authorities. Two types of LIHTCs are available, depending on the type of project, known as the 4% credit, designed for rehabilitation and projects financed with tax-exempt bonds, and the 9% credit, aimed at new construction. The actual rates have varied over the years in order to provide a 30% subsidy for the 4% credit and a 70% subsidy for the 9% credit.

A qualified project must meet the standards of two tests, the income test and the gross rents test. There are three ways in which developers may satisfy the income test: the 20-50 test, the 40-60 test, and the income averaging option, which was added in the 2018 Consolidated Appropriations Act. The 20-50 test requires that at least 20% of the units must be occupied by individuals with income of 50% or less of the area's median gross income, adjusted for family size. To satisfy the 40-60 test, at least 40% of the units must be occupied by individuals with income of 60% or less of the area's median gross income, adjusted for family size.

The recently added income averaging test states that at least 40% percent of a project's units must be occupied by tenants with an average income no greater than 60% of AMI and that no tenant may have an income greater than 80% AMI. In order to satisfy the gross rents test, rents may not exceed 30% of the elected 50% or 60% of area median gross income, depending on which income test option the project elected. *(continued...)*

Enhanced LIHTCs are available in areas where the need for affordable housing is greatest. This means that a LIHTC can be claimed for 130% of a project's costs, rather than the usual 100%. Developers usually sell their tax credits to investors in exchange for equity. It is important to note that the tax credits can only be claimed once the project is completed and operational.

Portland, ME.

In Portland, Maine, $6,033,000 worth of tax credits was used to finance a new four-story mixed-income building. 409 Cumberland Avenue Apartments consist of 11 market-rate units and 46 units of affordable housing for residents earning up to 60% of AMI. Nine of those units are reserved for people who have previously experienced homelessness. The building is an infill development and supports the City of Portland's 2030 comprehensive plan by providing space for community gardens and a demonstration kitchen, which serve a dual purpose of maintaining a sustainable food system and facilitating community gatherings. To learn more about this project, visit https://www.huduser.gov/portal/casestudies/study-030718.html.

For more information about the program, visit: https://www.huduser.gov/portal/datasets/lihtc.html
Additional resources: https://www.occ.gov/topics/community-affairs/resource-directories/tax-credits/tax-credits-lihtc.html

Sponsoring agency: Treasury, IRS
Maximum award amount: Varies depending on product type and location
Eligible activities: Construction capital and loans to create low-income rental housing
Eligible recipients: Nonprofit or for profit organizations, individuals
Contribution or Match requirement: N/A

Private Activity Bonds

Private activity bonds help to fund the Purple Line Project expanding public mobility options in Maryland and Washington, D.C.

Private activity bonds are debt instruments issued on behalf of a private entity for highway and freight transfer projects, allowing private project sponsors to benefit from the lower financing costs of tax-exempt municipal bonds. The Secretary of Transportation is responsible for allocating $15 billion in bonds to qualified facilities.

Private activity bonds are among the funding sources contributing to the construction of the Purple Line in Maryland. The Purple Line Project is a P3 formed to create a new light rail transit line connecting several communities in Maryland and Washington, D.C. and providing direct connections to three branches of the existing Metrorail system, MARC commuter rail lines, and Amtrak's Northeast Corridor line. This new transit line is intended to reduce traffic congestion and improve east-west mobility. PABs have contributed $313,035,000.00 toward the construction of this transit line.

For more information, visit https://www.transportation.gov/buildamerica/programs-services/pab

Rehabilitation Tax Credit (Historic)

The federal Rehabilitation Tax Credit, also known as the Historic Tax Credit (HTC), provides an incentive for the private sector to preserve historic buildings. A 20% income tax credit is available for the rehabilitation of historic, income-producing buildings that are designated as "certified historic structures" by the Secretary of the Interior. State Historic Preservation Offices and the National Park Service review the rehab work to ensure compliance with the Secretary's Standards for Rehabilitation. The Internal Revenue Service defines qualified rehabilitation expenses on which the credit may be taken. Owner-occupied residential properties do not qualify for the federal rehabilitation tax credit.

Solar panels, wind turbines, and geothermal systems can qualify as eligible expenses if they are essential to the operation of the historic building. Systems that feed power back into the grid may not qualify. Each year, Technical Preservation Services approves approximately 1200 projects, leveraging nearly $6 billion annually in private investment in the rehabilitation of historic buildings across the country.

Please note: In 2017, the Tax Cuts and Jobs Act repealed the 10% tax credit for pre-1936 non-historic buildings. For more information, visit: https://www.nps.gov/tps/tax-incentives/before-you-apply.htm

Sponsoring agency: National Park Service, Internal Revenue Service
Maximum award amount: Varies depending on product type and location
Eligible activities: Repair or improvement of the structural or architectural elements of a historic building
Eligible recipients: Owners of eligible historic properties
Contribution or Match requirement: N/A

New Markets Tax Credit

Through the NMTC Program, the CDFI Fund allocates tax credit authority to Community Development Entities (CDEs) through a competitive application process. CDEs use their authority to offer tax credits to investors in exchange for equity in the CDE. Using the capital from these equity investments, CDEs can make loans and investments to businesses operating in low-income communities on better rates and terms and more flexible features than the market. In exchange for investing in CDEs, investors claim a tax credit worth 39 percent of their original CDE equity stake, which is claimed over a seven-year period.

NMTC Program applicants must be certified as CDEs by the CDFI Fund. For more information on CDE Certification, visit: https://www.cdfifund.gov/programs-training/certification/cde/Pages/default.aspx

Sponsoring agency: CDFI Fund, Dept. of Treasury
Maximum award amount: $5,000,000
Eligible activities: Credit enhancement for affordable housing loans, including new construction, substantial rehabilitation, refinancing, and housing for the elderly
Eligible recipients: Eligible CDEs, and investors working with certified CDEs
Contribution or Match requirement: N/A

Section 4.8: Related Agencies

NeighborWorks America (Neighborhood Reinvestment Corporation)

This program provides financial support, technical assistance, and training for community-based revitalization efforts. NeighborWorks works to create opportunities for lower-income people to live in affordable homes in safe, sustainable neighborhoods that are healthy places for families to grow. NeighborWorks seeks to promote reinvestment in urban, suburban and rural communities by local financial institutions working cooperatively with residents and local government. It funds over 240 organizations, monitors their progress, and provides grants and consulting services. The NeighborWorks Center for Homeownership Education and Counseling works with HUD to develop and provide training for housing counselors. NeighborWorks' board of directors is determined by statute and consists of the head of the financial regulatory agencies and HUD, who are presidential appointees subject to Senate confirmation, or their statutorily designated representatives. The Secretary for HUD (or the Secretary's designee) is a member ovf the NeighborWorks Board of Directors.

Read more at: http://www.neighborworks.org and https://www.hud.gov/hudprograms/nrc_nwa

Sponsoring agency: Department of Housing and Urban Development
Maximum award amount: Dependent on project
Eligible activities: Financial support, technical assistance, training for community-based revitalization projects
Eligible recipients: Nonprofit community-based organizations that focus on community revitalization and the production of affordable housing
Contribution or Match Requirement: Dependent on project

Ginnie Mae Single-Class Mortgage-Backed Securities

Ginnie Mae (Government National Mortgage Association) guarantees investors (security holders) the timely payment of principal and interest on securities issued by private lenders that are backed by pools of Federal Housing Administration (FHA), Veterans Affairs (VA), Rural Housing Service (RHS), and Public and Indian Housing (PIH) mortgage loans. The full faith and credit guarantee of the U.S. Government that Ginnie Mae places on mortgage-backed securities (MBS) lowers the cost of, and maintains the supply of, mortgage financing for government-backed loans.

Ginnie Mae I: Ginnie Mae I MBS are modified pass-through mortgage-backed securities on which registered holders receive separate principal and interest payments on each of their certificates.

Ginnie Mae II: Ginnie Mae II MBS are modified pass-through mortgage-backed securities for which registered holders receive an aggregate principal and interest payment from a central paying agent. The Ginnie Mae II MBS allows small issuers who do not meet the dollar requirements of the Ginnie Mae I MBS program to participate in the secondary mortgage market.

For more information, visit: https://www.ginniemae.gov/about_us/what_we_do/Pages/programs_products.aspx

Sponsoring agency: Ginnie Mae
Maximum award amount: N/A
Eligible activities: Mortgage securitization program
Eligible recipients: Approved FHA Mortgagees
Contribution or Match Requirement: N/A

Ginnie Mae Multiclass Securities

This program guarantees the timely payment of principal and interest as provided by the terms of the multiclass security. The Ginnie Mae Multiclass Securities program increases the liquidity of Ginnie Mae MBS and attracts new sources of capital for federally-insured or guaranteed loans.

REMIC Securities: Real Estate Mortgage Investment Conduits (REMICs) direct principal and interest payments from underlying mortgage-backed securities to classes with different principal balances, interest rates, average lives, prepayment characteristics and final maturities.

Platinum Securities: A Ginnie Mae Platinum security is formed by combining Ginnie Mae MBS pools that have uniform coupons and original terms to maturity into a single certificate.

SMBS Securities: “Stripped” Mortgage-Backed Securities (SMBS) are created by stripping apart the principal and interest payments from the underlying mortgage-related collateral into two or more classes of securities.

For more information, visit: https://www.ginniemae.gov/investors/multiclass_resources/Documents/MS_Guide_Part-I.pdf

Sponsoring agency: Ginnie Mae
Maximum award amount: N/A
Eligible activities: Mortgage securitization
Eligible recipients: Varies by program
Contribution or Match Requirement: N/A

Chapter 5: **Transportation & Infrastructure**

Roaring Fork Transportation Authority in Colorado received $2.2 million to modernize their buses through the Bus and Bus Facilities Infrastructure Investment program. https://www.transit.dot.gov/about/news/nations-top-transit-official-announces-22-million-grant-help-modernize-bus-system-serving

Section 5.1: Infrastructure

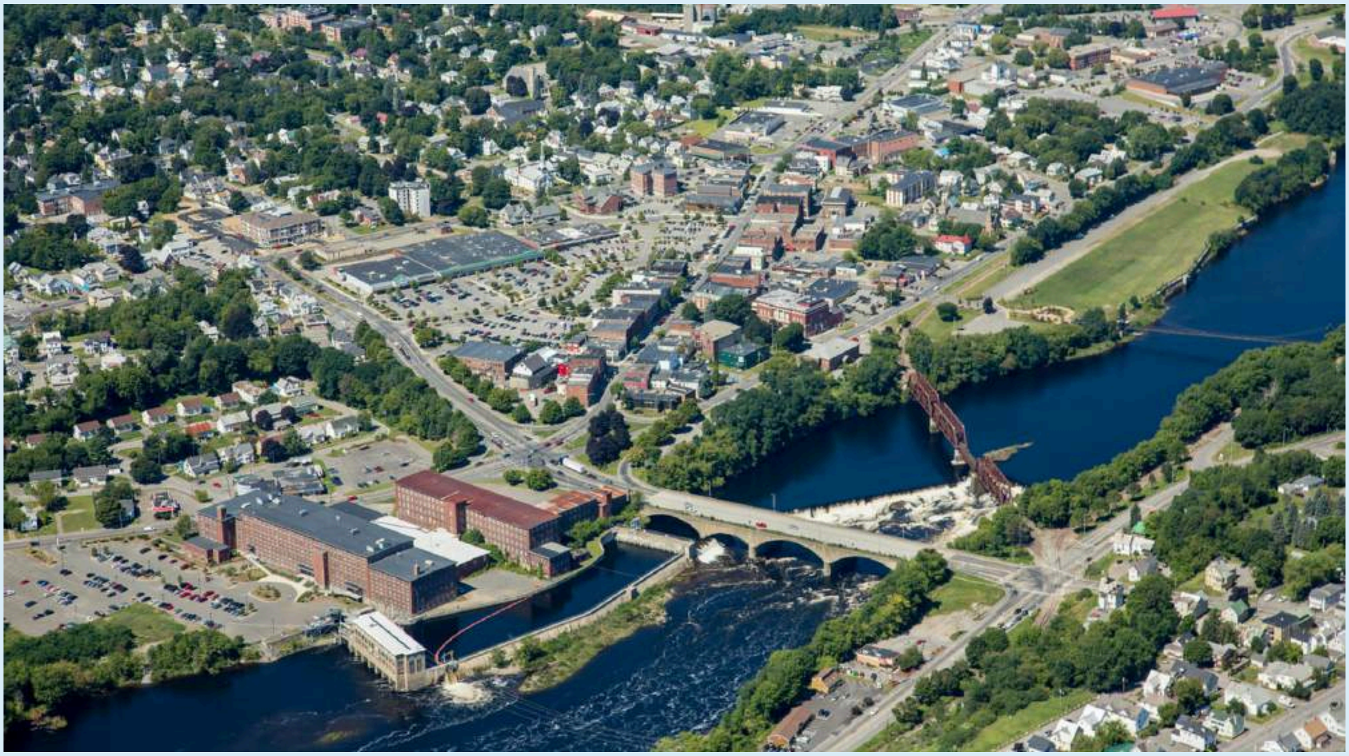
Buses and Bus Facilities Infrastructure Investment Program

The purpose of the Buses and Bus Facilities Infrastructure Investment Program is to assist in the financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing or leasing buses or related equipment, and rehabilitating, purchasing, constructing or leasing bus-related facilities. The maximum federal share for projects selected under the Buses and Bus Infrastructure Program is generally 80 percent of the net project cost.

For more information, visit https://www.transit.dot.gov/bus-program.

Sponsoring agency: Federal Transit Administration
Maximum award amount: $36,630,000
Eligible activities: Replacing, rehabilitating, purchasing or leasing buses or related equipment, and rehabilitating, purchasing, constructing or leasing bus-related facilities
Eligible recipients: Designated recipients (which are entities designated by state or local officials, public transportation operators, or state/regional transportation authorities) that allocate funds to fixed route bus operators, and to states, and local governmental authorities that operate fixed route bus service.
Contribution or Match requirement: Maximum federal share generally 80% of net project cost

(IN)LOCUS: **Better Utilizing Investments to Leverage Development (BUILD)**



The Waterville Downtown Transit Corridor was awarded over $7.3 million in BUILD grant funding to improve its downtown access and walkability.

BUILD Grants, which replaced the TIGER Grant program, provide funding for surface transportation infrastructure and are to be awarded on a competitive basis for projects that will have a significant local or regional impact. DOT plans to award a greater share of BUILD Transportation funding to projects located in rural areas that align well with the merit criteria than to those in urban areas. Merit criteria to be considered for grant proposals include the proposal's impacts on safety, contributions to a state of good repair for existing infrastructure, economic competitiveness, environmental protection, and overall quality of life.

The 2018 BUILD Grant awardees included the Waterville Downtown Transit Corridor, Gateways, and Revitalization Project in Waterville, Maine. The $7,371,200 received through this grant will contribute to a public-private partnership tasked with designing and constructing a transportation corridor in this rural location. The project proposes converting two downtown streets from single-direction to two-way traffic, making safety and walkability improvements to several intersections, reconstructing sidewalks, and incorporating streetscape features to help revitalize the downtown area by promoting accessibility and mobility and encouraging biking and walking.

For more information, visit https://www.transportation.gov/BUILDgrants.

Sponsoring agency: Department of Transportation
Maximum award amount: $25 million
Eligible activities: Surface transit project, passenger and freight rail, port infrastructure, intermodal projects
Eligible recipients: State, local, and tribal governments, including U.S. territories, transit agencies, port authorities, metropolitan planning organizations (MPOs), and other political subdivisions of State or local governments
Contribution or Match requirement: Federal funding up to 80% in urban areas, may exceed that amount in rural areas

Congestion Mitigation & Air Quality Improvement Program

GreenTrips is a web-based program that allows members to earn rewards for using non-single-occupancy vehicle commuting options.

Funding through the Congestion Mitigation & Air Quality Improvement Program is available to reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards for ozone, carbon monoxide, or particulate matter (nonattainment areas) and for former nonattainment areas that are now in compliance (maintenance areas). Funds are apportioned to states and may be used for any transit capital expenditures otherwise eligible for FTA funding as long as the project has an air quality benefit. Program examples include bicycle and pedestrian facilities, fare subsidies, new vehicles, and other transit improvements. The Greater Chattanooga Area Green Trips Program (as part of the Chattanooga-Hamilton County Regional Planning Agency/Transportation Planning Organization) received $600,000 in funds through the CMAQ grant. The program was created to encourage the use of alternative transportation options in work commutes (e.g. carpooling, transit, biking, walking, and telecommuting) to reduce single-occupancy vehicle trips and the congestion and poor air quality it causes. The program educates users in sustainable transportation and provides incentives like rewards points for redemption at local businesses for people that use an alternative method of transportation to commute to work.

For more information, visit https://www.fhwa.dot.gov/environment/air_quality/cmaq/.

Sponsoring agency: Department of Transportation, Federal Highway Administration
Maximum award amount: Formula based
Eligible activities: Transportation projects that benefit air quality
Eligible recipients: States
Contribution or Match requirement: Federal share no greater than 80% of cost

Federal Lands Access Program

Island Explorer Shuttle Service at Acadia National Park in Maine. FLAP funds were used to cover operating expenses of this fleet to increase free public service to tour Acadia National Park.

The Federal Lands Access Program supplements state and local resources for public roads, transit systems, and other transportation facilities that provide access to, are adjacent to, or are located within federal lands with an emphasis on high-use recreation sites and economic generators.

For more information, visit https://flh.fhwa.dot.gov/programs/flap/.

Sponsoring agency: Department of Transportation
Maximum award amount: Formula based
Eligible activities: Transportation projects that provide access to, are adjacent to, or are located within Federal lands, including: operation and maintenance of transit facilities; planning, engineering, construction, or rehabilitation of transportation facilities with access to federal land; acquisition of necessary scenic easements and/or historic sites; environmental wildlife mitigation
Eligible recipients: States
Contribution or Match requirement: Federal share depends on type of activity

Federal Lands Transportation Program

The Federal Lands Transportation Program provides funding to Federal Land Management Agencies (including the National Park Service, US Fish and Wildlife Service, USDA Forest Service, Bureau of Land Management, US Army Corps of Engineers, Bureau of Reclamation, and independent federal agencies with land management responsibilities) to plan for and improve the transportation infrastructure they own and operate. The primary focus of the program is to fund strategic transportation planning and projects, and to track performance management of transportation networks in and around federal lands.

For more information, visit https://flh.fhwa.dot.gov/programs/fltp/.

Sponsoring agency: Department of Transportation
Maximum award amount: Varies by agency and application
Eligible activities: Costs related to federal lands transportation facilities (FLTFs), capital, operations, and maintenance of transit facilities, transportation projects that provide access to, are adjacent to, or are located within federal lands, operation and maintenance of transit facilities
Eligible recipients: Federal Land Management Agencies
Contribution or Match requirement: Federal share is 100%

Grant Anticipation Notes (GANs)

Grant Anticipation Notes allow transit agencies to borrow against federal-aid grants they anticipate receiving (Federal Transit Administration Title 49 grants) as allocated by formula programs (Section 5307) or by project (Section 5309). These short-term notes are meant to give transit agencies liquidity sooner than they would need to wait to receive their expected grant funds so they may initiate projects more quickly. GANs do not include debt-related financing costs such as interest and issuance costs.

For more information, visit https://www.fhwa.dot.gov/ipd/finance/tools_programs/federal_debt_financing/garvees/.

Sponsoring agency: Federal Transit Administration
Maximum award amount: Determined by states
Eligible activities: Pre-funding debt financing for transit agencies
Eligible recipients: Transit agencies anticipating federal funding and financing
Contribution or Match requirement: None

Infrastructure For Rebuilding America (INFRA)

INFRA provides funding for highway or freight infrastructure projects of regional significance. INFRA funds are intended to support infrastructure projects that impact four key objectives: benefiting national and regional economic vitality, leveraging federal funds to attract non-federal investment, using innovative methods to improve public safety and expedite development and construction processes (particularly with regards to environmental regulations), and achieving specific, measurable outcomes

Infrastructure For Rebuilding America (INFRA)

put forth by grant applicants. DOT is seeking to fund projects which will result in construction, but will consider development phase projects as well. At least 25% of funding must go toward rural projects.

For more information, visit https://www.transportation.gov/buildamerica/infragrants.

Sponsoring agency: Department of Transportation, Build America Bureau
Maximum award amount: Large project minimum = $25 million, small project minimum = $5 million. $500 million cap spread over FY 2016-2020 for non-highway projects like freight rail, water/port, or other freight intermodal projects, with some exclusions.
Eligible activities: Construction, reconstruction, rehabilitation, acquisition of property, environmental mitigation, construction contingencies, equipment acquisition, and operational improvements.
Eligible recipients: States or groups of states, Urbanized Area (>200,000 people) metro planning organizations, local government or groups of local governments, political subdivisions, public authority with a transportation function, federal land management agencies that apply with a state or group of states, tribal government or a consortium of tribal governments, multi-state or multijurisdictional group of public entities
Contribution or Match requirement: INFRA grant share may not exceed 60% of project costs

State Infrastructure Banks

State Infrastructure Banks are revolving infrastructure investment funds for surface transportation that are established and administered by states. A SIB can offer a range of loans and credit assistance enhancement products to public and private sponsors of highway construction projects, transit capital projects, and railroad projects. Eligible projects must fall under the jurisdiction of Title 23 (highways), Title 49 (transportation) or Title 49 subtitle V (railroads) of the federal statutes. SIB capital can also be used as collateral to borrow in the bond market or to establish a guaranteed reserve fund. SIBs are capitalized with federal-aid surface transportation funds and matching state funds determined per a prescribed ratio. (Several states have established SIBs or separate SIB accounts capitalized solely with state funds.)

For more information, visit https://www.transit.dot.gov/funding/funding-finance-resources/state-infrastructure-banks/state-infrastructure-banks-sibs.

Sponsoring agency: Department of Transportation, Federal Highway Administration
Maximum award amount: Varies by State, loans may cover all of a project's costs
Eligible activities: Loans and credit enhancement for highway and transit capital project sponsors
Eligible recipients: Determined by State SIBs
Contribution or Match requirement: Non-federal fund match equal to 25% of each capitalization grant made to the state, unless the deposit is made into a highway account for a project that has a lower match requirement under 23 U.S.C. Section 120(b)

(IN)LOCUS: **Railroad Rehab and Improvement Financing**

Railroad Rehabilitation and Improvement Financing provides direct long-term, low-interest loans and loan guarantees for the development and improvement of rail infrastructure. Not less than $7 billion is reserved for projects benefiting freight railroads other than Class I carriers. Because the loan financing program is designed to operate at no cost to the government, borrowers pay a fee upon application and a credit risk premium when the loan is issued. In addition to supporting economic vitality, environmental enhancement, and increased rail capacity, RRIF seeks to encourage transit-oriented development. See the Transit-Oriented Development sub-section of this Toolkit for more information.

The Denver Union Station redevelopment project received a 30-year $155 million dollar RRIF loan, at an interest rate of under 4%. It was the first project to combine RRIF and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans for such a large infrastructure project. The project aimed to transform the once-bustling train station into a multi-modal transit hub surrounded by transit-oriented development. The station serves as a hub for Amtrak and the Flatiron Flyer (a local bus rapid transit system), in addition to regular bus service. According the the Regional Transportation District, the public investment in Denver Union Station has led to 2,403 residential units, 1,836,191 square feet of office space, 296, 204 square feet of retail space, and 743 hotel rooms.[1] Learn more about this project here.

For more information, visit https://www.transportation.gov/buildamerica/programs-services/rrif.

Sponsoring agency: Department of Transportation, Build America Bureau
Maximum award amount: Loan authority is $35 billion, loans for up to 100% of project costs
Eligible activities: Acquisition, improvement, rehabilitation of intermodal or rail facilities, debt refinancing for those purposes, new development of rail or intermodal facilities, transit-oriented development
Eligible recipients: Railroads, state and local governments, government-sponsored authorities and corporations, limited option freight shippers that intend to construct a new rail connection, and joint ventures that include at least one other type of eligible recipient
Contribution or Match requirement: Application processing fee, Credit risk premium

Surface Transportation Block Grant Program

The Surface Transportation Block Grant program (STBG) provides flexible funding that may be used by states and localities for projects to preserve and improve transportation infrastructure, such as federal-aid highway projects, public road, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals. States receiving block funds for allocation are directed to set aside a portion for "transportation alternatives" that are smaller-scale transportation projects such as pedestrian and bike facilities, recreational trails, safe routes to school projects, and other community improvements. States must also allocate among different urban, suburban, and rural areas.

For more information, visit https://www.fhwa.dot.gov/specialfunding/stp/.

Sponsoring agency: Department of Transportation, Federal Highway Administration
Maximum award amount: Formula-based
Eligible activities: Construction, planning, operation, assessment, and modification to surface infrastructure. Fund usage is purposely flexible.
Eligible recipients: States and metropolitan planning organizations
Contribution or Match requirement: Federal share generally no greater than 80%, or 90% if the project is on an interstate highway

(IN)LOCUS: **Transportation Infrastructure Finance and Innovation Act**

The Transportation Infrastructure Finance and Innovation Act aims to stimulate non-federal investment in transportation infrastructure by providing credit assistance in the form of direct loans, loan guarantees, and standby lines of credit. Loans have a maximum term of 35 years post-substantial completion. Repayments on direct loans and loans guaranteed by the federal government must start no later than 5 years after substantial completion to allow for facility construction and ramp-up. Standby lines of credit are available up to 10 years after substantial completion.

Examples of eligible projects include highways and bridges, intermodal connectors, transit vehicles and facilities, pedestrian bicycle infrastructure networks, and transit oriented development. Project applicants will be evaluated based on creditworthiness, ability to attract public and private partnerships, and reduction to federal grant needs, among other factors.

The TIFIA Rural Project Initiative expands funding access to rural areas (areas located outside an urbanized area with population over 150,000) by offering credit assistance to eligible surface transportation projects between $10 and $75 million in cost. As part of this initiative, Build America Bureau will provide fixed interest loans for up 35 years or longer which cover up to 49% of these projects' costs. Loans can be well below market interest rate, which is equal to one half of the U.S. Treasury rate at the time of closing. Build America Bureau can also pay the application fees.

TIFIA has provided $526.1 million dollars of credit assistance to the Empire State Development Corporation to finance the creation of Moynihan Hall, a state-of-the-art transportation facility. https://www.transportation.gov/tifia/financed-projects/moynihan-train-hall

The Empire State Development Corporation received $526.1 million dollars of credit assistance to transform the James A. Farley Post Office Building in New York City into a modern transportation hub. The project aims to reduce congestion at Penn Station. The first phase of the project included a new passenger concourse and underground connections to existing transportation systems. The second phase of the project will include a new train hall, service spaces, exterior rehabilitation, and updates to existing infrastructure.

For more information, visit https://www.transportation.gov/buildamerica/programs-services/tifia.

Sponsoring agency: Department of Transportation, Build America Bureau
Minimum Anticipated Project Costs: 10 million for Transit-Oriented Development, Local, and Rural Projects, $15 million for Intelligent Transportation System Projects, $50 million for all other eligible Surface Transportation Projects
Eligible activities: Nationally or regionally significant transportation infrastructure projects
Eligible recipients: State and local governments, state infrastructure banks, private firms, special authorities, transportation improvement districts
Contribution or Match requirement: Federal credit assistance no greater than 33% of total cost

Transit Security Grant Program

The Transit Security Grant Program provides funds to owners and operators of transit systems (which include intra-city bus, ferries and all forms of passenger rail) to increase the resilience of surface transportation infrastructure from acts of terrorism. In order to be eligible for FY 2018 funding, high risk public transportation agencies must have created a security plan based on a security assessment within the past three years. Additionally, each public transportation agency receiving funds through this program must participate in a Regional Transit Security Working Group (RTSWG), which serves as a forum to discuss regional security, or develop a RTSWG if one does not already exist.

For more information, visit https://www.fema.gov/transit-security-grant-program.

Sponsoring agency: Department of Homeland Security, FEMA
Maximum award amount: $88,000,000 total funding available
Eligible activities: operational activities (training, drills/exercises, public awareness, security planning); operational deterrence (operational packages, patrols); and capital projects
Eligible recipients: Predetermined list of transit agencies, determined based upon daily ridership and transit systems that serve historically eligible Urban Area Security Initiative (UASI) jurisdictions
Contribution or Match requirement: None

Urbanized Area Formula Grant

Urbanized Area Formula Grants provide funding to urban areas for transit capital, operating assistance, and transit-related planning. Eligible activities include: planning, engineering, design and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities such as replacement, overhaul and rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. In addition, associated transit improvements and certain expenses associated with mobility management programs are eligible under the program. All preventive maintenance and some Americans with Disabilities Act complementary paratransit service costs are considered capital costs.

For more information, visit https://www.transit.dot.gov/funding/grants/urbanized-area-formula-grants-5307.

Sponsoring agency: US Department of Transportation, Federal Transit Administration
Maximum award amount: Formula based
Eligible activities: Planning, engineering, design and evaluation of transit projects, capital investments in bus and bus-related activities, and capital investments in new and existing fixed guideway systems, transit improvements and certain expenses associated with mobility management programs.
Eligible recipients: Public bodies in urban areas > 50,000 population
Contribution or Match requirement: Federal share generally no more than 80% for capital expenditures, 50% for operating costs. 90% for costs of vehicle-related equipment if complying with the Americans with Disabilities Act and the Clean Air Act

Section 5.2: Transit-oriented Development

FTA Joint Development Planning Grant Program

In general, the term "joint development" refers to partnerships between transit agencies and the public or private sector in the development of land either owned by a transit agency or related to a transit system improvement; integrated development of transit and non-transit projects; or transit improvements physically related to, and often co-located with, commercial, residential, or mixed-use development; and mutual benefit and shared cost among all of the partners involved.

For example, a joint development project would be where a transit agency enters into a partnership with a private developer to build commercial space or residential units on property owned by a transit agency next to a transit station, thereby raising revenue for transit in the process.

FTA-assisted joint development refers to a joint development improvement that uses FTA financial assistance in one of two ways: a) new grant funding through one of FTA's planning or capital assistance grant programs; or b) development of existing property or air rights previously acquired with FTA grant funding. There is no separate FTA grant program specifically for joint development. FTA funds used for joint development are subject to the requirements of the specific FTA grant program through which they were received. Examples of FTA grant programs that may be used to assist joint development include:

- Urbanized Area Formula Grants;
- Fixed Guideway Capital Investment Grants;
- Enhanced Mobility of Seniors and Individuals with Disabilities;
- Formula Grants for Rural Areas;
- State of Good Repair Grants;
- Buses and Bus Facilities Grants; and
- Federal Highway Administration (FHWA) Flex Funds; including
- FHWA Surface Transportation Program (STP); and
- FHWA Congestion Mitigation and Air Quality Improvement Program (CMAQ).

For more information, visit: https://www.transit.dot.gov/JointDevelopment

Sponsoring agency: Federal Transit Administration
Maximum award amount: Dependent on program grant
Eligible activities: Transit-oriented development
Eligible recipients: Public and private sector partnership, transit agencies
Contribution or Match requirement: Dependent on program grant

Pilot Transit-Oriented Development Planning Grant Program

This program provides funding to local communities to integrate land use and transportation planning with a new fixed guideway or core capacity improvement transit capital project. Examples of transit-oriented development planning considerations include economic development, increased ridership, access to transportation for pedestrians and bicyclists, and mixed-use development near transit stations. Awardees are encouraged to identify infrastructure needs and engage private sector stakeholders in the planning process. Projects should be focused on an entire transit corridor, rather than the area surrounding a single station or stop.

For more information, visit https://www.transit.dot.gov/TODPilot.

Sponsoring agency: Federal Transit Administration
Maximum award amount: $2,000,000
Eligible activities: Transit-oriented planning
Eligible recipients: Existing FTA grantees, project sponsor or land use planning authority with eligible transit corridor project
Contribution or Match requirement: Federal share up to 80%

Railroad Rehabilitation Improvement and Financing - TOD provision

The Railroad Rehabilitation Improvement and Financing (RRIF) program is a federal loan program to provide direct loans and loan guarantees up to $35 billion to finance development of railroad infrastructure. (Learn more about RRIF in the Transportation section of this Toolkit)

RRIF loans can be used to finance economic development, including commercial and residential development, and related infrastructure and activities that (1) incorporate private investment, and (2) is located near (or functionally related) to a passenger rail station or multimodal station that includes rail service. In addition, the project must be able to start no later than 90 days after the date, which the loan is obligated, and demonstrate new sources of revenue for the passenger rail station or service by increasing ridership, tenant lease payments or other activities that generate revenue exceeding cost.

Private corporations (i.e., real estate companies) are now eligible applicants by joint venturing with one of the abovementioned applicants.

Sponsoring agency: Department of Transportation, Build America Bureau
Maximum award amount: Loan authority is $35 billion
Eligible activities: Transit-oriented development near a passenger rail station or multimodal station that includes rail service
Eligible recipients: Local or state governments, Amtrak, government sponsored authorities and corporations, railroad companies, private corporations (i.e., real estate
companies) in a joint venture with one of the other types of applicants
Contribution or Match requirement: Federal share up to 75%

Transportation Infrastructure Finance and Innovation Act - TOD provision

The Transportation Infrastructure Finance and Innovation Act (TIFIA) is a popular federal loan program for eligible transportation projects of national or regional significance under which the USDOT provide three product offerings: (i) secured (direct) loans, (ii) loan guarantees, and (iii) standby lines of credit. The program is designed to fill financing gaps left by private capital markets and leverage federal funds by attracting substantial private and other non-Federal co-investment.

Examples of eligible TOD projects include:

- Property acquisition;
- Demolition of existing structures;
- Site preparation;
- Utilities;
- Building foundations;
- Walkways;
- Pedestrian and bicycle access to a public transportation facility;
- Construction, renovation, and improvement of intercity bus and intercity rail stations and terminals;
- Renovation and improvement of historic transportation facilities;
- Open space;
- Safety and security equipment and facilities (including lighting, surveillance, and related intelligent transportation system applications);
- TOD related Infrastructure (i.e., parking garages)*
- Facilities that incorporate community services such as daycare or health care;
- A capital project for, and improving, equipment or a facility for an intermodal transfer facility or transportation mall;
- Construction of space for commercial uses

*NOTE: While TOD "related infrastructure" includes TOD infrastructure categories such as parking garages, these projects should (1) promote greater transit ridership, (2) walkability, or (3) increased private investment.

Examples of Local Infrastructure Project Types

Trail networks
Protected bike lanes
Sidewalks and streets
Pedestrian and bike friendly infrastructure

Sponsoring agency: Department of Transportation, Build America Bureau
Minimum Anticipated Project Costs: 10 million for Transit-Oriented Development projects
Eligible activities: Nationally or regionally significant transportation infrastructure projects
Eligible recipients: State and local governments, state infrastructure banks, private firms, special authorities, transportation improvement districts
Contribution or Match requirement: Federal credit assistance no greater than 33% of total cost

Chapter 6: **Rural Development**

Low-interest loans from the USDA helped bring broadband access to Council Grove, Kansas.

Section 6.1: Community and Economic Development

Community Facilities Direct Loan and Grant Program

USDA Rural Development provides direct loans and grants for the development of community facilities in rural areas. Examples of essential community facilities include healthcare facilities, public safety facilities, educational services, local food systems, public facilities (courthouses, town halls, etc.), and community support services (childcare, transitional housing, etc.). Community facilities may not include private, commercial, or business activities.

A $34.5 million Community Facilities Direct Loan will finance the new Pfeiffer University Health Science Center in downtown Albemarle, NC. The loan term is 35 years at 3.875 percent interest. The building will house both the physician assistant and occupational therapy graduate programs. The influx of students and faculty is anticipated to be a major factor in the economic revitalization on the small city's downtown. It is estimated that the new facility will have a wider economic impact of $136 million over 10 years. The educational programs will also focus on rural health, which is intended to benefit Albemarle and the surrounding rural communities.[2]

Albermarle, NC.

The city is making efforts to encourage development around the new health center. For example, the town is assisting with a university-led focus group to determine what services students want downtown. The town will then encourage outside businesses that can provide these services to move downtown, unless an existing business in the area already meets the demand. Additionally, the city is working to identify buildings downtown that could be developed.[3]

For more information, visit https://www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program.

Sponsoring agency: USDA Rural Development
Maximum award amount: Based on a graduated scale with smaller communities with the lowest median household income being eligible for projects with a higher proportion of grant funds
Eligible activities: Purchase, construction, and / or improvement of essential community facilities, purchase of equipment, and payment of related project expenses
Eligible recipients: Public bodies, community-based nonprofit corporations, and Federally-recognized tribes
Contribution or Match requirement: Federal share varies based on population size and median household income

Community Facilities Relending Programs

The Community Facilities Relending Program makes low-interest loans to eligible re-lenders who in turn re-loan those funds to applicants for essential community facilities, with the goal of improving quality of life and access to amenities for residents of persistent-poverty rural areas with populations under 20,000. Loans to re-lenders may be up to 40 years and are fixed-interest. Loans between re-lenders and project applicants are negotiated by the two parties. Examples of potential projects include health-care facilities, town halls and courthouses, street improvements, community support services such as child care centers, community centers, fairgrounds, or transitional housing, and public safety services.

For more information, visit https://www.rd.usda.gov/programs-services/community-facilities-relending-program.

Sponsoring agency: USDA Rural Development
Maximum award amount: FY2016 $500 million program level; no limit on individual re-lender request
Eligible activities: The re-lender uses funds from the USDA to re-lend to applicants. Applicants may use the funds from the re-lender to purchase, construct, and/or improve essential community facilities, purchase equipment, and pay related project expenses
Eligible recipients: Public bodies, community-based nonprofit corporations, and federally recognized tribes

Community Facilities Technical Assistance and Training Grant

The Community Facilities Technical Assistance and Training Grant program provides funding to rural areas (outside the boundaries of a city of 20,000 or more) for Technical Assistance and Training related to community facilities. Potential funding uses include assisting communities in identifying facilities' needs, identifying potential funding sources for community facilities, preparing reports and surveys necessary to request financial assistance to develop community facilities, and improving community facilities management. For more information, visit https://www.rd.usda.gov/programs-services/community-facilities-technical-assistance-and-training-grant.

Sponsoring agency: USDA Rural Development
Maximum award amount: $150,000
Eligible activities: Technical assistance and/or training in identifying and planning for community facilities needs
Eligible recipients: Public bodies, Federally recognized tribes, private non-profit organizations
Contribution or Match requirement: None required, but preference given to projects with cash matching funds

Distance Learning & Telemedicine Grants

The Distance Learning & Telemedicine Grants provide funding to rural communities to bring education and healthcare services to their communities through telecommunication technology. For example, communities can use telecommunications technology to provide educational and healthcare-related

Distance Learning & Telemedicine Grants (continued)

services, as well as access to job training, to rural communities. For more information, visit https://www.rd.usda.gov/programs-services/distance-learning-telemedicine-grants

Sponsoring agency: USDA Rural Development
Maximum award amount: $500,000
Eligible activities: Acquisition of capital assets, instructional programming, technical assistance for equipment
Eligible recipients: State and local governments, Federally recognized tribes, nonprofits, for-profit businesses
Contribution or Match requirement: 15%

Economic Impact Initiative Grants

Economic Impact Initiative Grants provide funding to rural communities with extreme unemployment and economic depression for the construction of community facilities relating to healthcare, public safety, or public service. Eligible areas have a population no greater than 20,000, a not employed rate greater than 19.5, and a median household income below 90% of the state median for non-metropolitan areas. Potential projects range from assisted-living facilities and hospitals to community gardens and libraries. For more information, visit https://www.rd.usda.gov/programs-services/economic-impact-initiative-grants.

Sponsoring agency: USDA Rural Development
Maximum award amount: Up to 75% of project cost depending on need and funding availability
Eligible activities: Construction, enlargement, or improvement of community facilities for health care, public safety and public services
Eligible recipients: Public bodies, nonprofits, federally-recognized tribes
Contribution or Match requirement: Federal share no greater than 75% of project cost

Energy Efficiency and Conservation Loan Program

The Rural Utilities Service provides low-interest loans and loan guarantees to rural electric utilities and electric co-ops for generation, transmission, and distribution facilities in rural areas, including renewable energy providers. With the EECLP, eligible utilities, including existing Rural Utilities Service borrowers can borrow money tied to Treasury rates of interest and re-lend the money to develop new and diverse energy service products within their service territories. Funds must be used to improve energy efficiency or reduce peak demand. Applications for electric loans are accepted year-round at RD Apply.

For more information, visit https://www.rd.usda.gov/programs-services/energy-efficiency-and-conservation-loan-program.

Sponsoring agency: USDA Rural Development Rural Utilities Service
Maximum loan term: 15 years
Eligible activities: Improvement of energy efficiency, reduction of peak demand
Eligible recipients: Most retail or power supply providers

Intermediary Relending Program

The Intermediary Relending Program provides 1 percent low-interest loans to local intermediaries that re-lend to businesses to improve economic conditions and create jobs in rural communities. Loan proceeds can be used to acquire, construct, convert, enlarge or repair a business or business facility, particularly when jobs will be created or retained; purchase or develop land (easements, rights of way, buildings, facilities, leases, materials); purchase equipment, machinery or supplies, or make leasehold improvements; start-up costs and working capital; pollution control and abatement; transportation services; feasibility studies and some fees; hotels, motels, convention centers; education institutions; and aquaculture-based rural small business.

For more information, visit https://www.rd.usda.gov/programs-services/intermediary-relending-program.

Sponsoring agency: USDA Rural Development
Maximum award amount: $250,000 or 75 percent of the total cost of the ultimate recipient's project for which the loan is being made, whichever is less.
Eligible activities: Acquisition, construction, conversion, enlargement or repair of a business or business facility; purchase or development of land; purchase of equipment, machinery or supplies; start-up costs and working capital; pollution control and abatement; transportation services; feasibility studies and some fees; hotels, motels, convention centers; education institutions; aquaculture-based rural small business; revolving lines of credit
Eligible recipients: Nonprofits and cooperatives, Federally-recognized tribes, public agencies. Ultimate recipients may be individuals, public or private organizations, or other legal entities

Rural Business Development Grants

This program is a competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas which will employ 50 or fewer new employees and have less than $1 million in gross revenue. Programmatic activities are separated into enterprise or opportunity type grant activities.

For more information, visit https://www.rd.usda.gov/programs-services/rural-business-development-grants.

Sponsoring agency: USDA Rural Development
Maximum award amount: No maximum, but smaller requests are prioritized. Generally, grants range from $10,000 to $500,000.
Eligible activities: A wide range of projects to benefit small and emerging businesses in rural areas
Eligible recipients: Towns, communities, state agencies, authorities, nonprofit corporations, institutions of higher education, federally-recognized tribes, rural cooperatives (if organized as a private nonprofit corporation)
Contribution or Match requirement: None

Rural Capacity Building for Community Development and Affordable Housing Grants

Through funding of national organizations with expertise in rural housing and community development, the Rural Capacity Building (RCB) program enhances the capacity and ability of rural housing development organizations, Community Development Corporations (CDCs), Community Housing Development Organizations (CHDOs), local governments, and Indian tribes to carry out community development and affordable housing activities that benefit low- and moderate-income families and persons in rural areas.

For more information, visit https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy17RCB.

Sponsoring agency: Housing and Urban Development
Maximum award amount: $2,500,000
Eligible activities: training, education, support, and advice to enhance the technical and administrative capabilities of ultimate recipients; holistic planning for resources; performance evaluation; loans, pass-through grants, or other financial assistance to local entities addressing community development and affordable housing
Eligible recipients: National 501(c)3 Organizations with requisite experience in rural development
Contribution or Match requirement: None

Rural Community Development Initiative Grants

Rural Community Development Initiative Grants provide funding to improve housing, community facilities, and community and economic development projects in rural areas. The intermediary grant recipient must provide a program of financial and technical assistance to one or more of the following: a private, nonprofit community-based housing and development organization, a low- income rural community or a federally recognized tribe, which will then provide programs to its community.

For more information, visit https://www.rd.usda.gov/programs-services/rural-community-development-initiative-grants.

Sponsoring agency: USDA Rural Development
Maximum award amount: $250,000
Eligible activities: Training and technical assistance to subgrantees for community and economic development projects, housing, and community facilities
Eligible recipients: Public bodies, nonprofit organizations, Qualified Private (for-profit) Organizations
Contribution or Match requirement: Equal to grant amount

Special Evaluation Assistance for Rural Communities and Households

The Special Evaluation Assistance for Rural Communities and Households program helps very small, financially distressed rural communities with pre-development feasibility studies, design and technical assistance on proposed water and waste disposal projects.

For more information, visit https://www.rd.usda.gov/programs-services/search-special-evaluation-assistance-rural-communities-and-households/

Sponsoring agency: USDA Rural Development
Maximum award amount: $30,000
Eligible activities: Pre-development feasibility studies, design and technical assistance on proposed water and waste disposal projects
Eligible recipients: Most state and local governmental entities, nonprofits, federally recognized tribes
Contribution or match requirement: None

Telecommunications Infrastructure Loans & Loan Guarantees

This program provides financing for the construction, maintenance, improvement and expansion of telephone service and broadband in rural areas. Cost-of-money and hardship loans, as well as loan guarantees of up to 80% are available.

For more information, visit https://www.rd.usda.gov/programs-services/telecommunications-infrastructure-loans-loan-guarantees.

Sponsoring agency: USDA Rural Development
Minimum loan amount: $50,000
Eligible activities: Improvements, expansions, construction, acquisition, refinancing of broadband capable telecommunications service
Eligible recipients: State and local governmental entities, federally-recognized tribes, nonprofits, including cooperatives, and limited dividend or mutual associations, for-profit businesses (must be a corporation or limited liability company)

USDA Business and Industry Guaranteed Loans

Through this program, USDA guarantees private loans to rural businesses. Lenders with legal authority, demonstrated sufficient experience, and adequate financial strength may apply to the program. Projects must be located in an area with a population under 50,000.

For more information, visit https://www.rd.usda.gov/programs-services/business-industry-loan-guarantees.

USDA Business and Industry Guaranteed Loans (continued)

Sponsoring agency: USDA Rural Development
Maximum loan guarantee amount: 80 percent for loans of $5 million or less, 70 percent for loans between $5 and $10 million, 60 percent for loans exceeding $10 million, up to $25 million maximum
Eligible activities: Business development, purchase of land, buildings, equipment, debt refinancing, business acquisition that will save jobs
Eligible recipients: Borrowers may include for-profit businesses, nonprofits, cooperatives, Federally-recognized tribes, public bodies, individuals

Section 6.2: Energy and Environment

Distributed Generation Energy Project Financing Program

The Distributed Generation Energy Project Financing Program provides loans and loan guarantees to energy project developers for distributed energy projects. Distributed energy refers to electricity generated from sources, often renewable energy sources, near the point of use instead of from centralized generation sources, such as power plants. Eligible distributed energy projects must provide wholesale or retail electricity to existing borrowers from the USDA's Rural Utilities Service (RUS)'s Electric Program or to rural communities served by other utilities. As the program is related to RUS's Electric Program, the loan program is financed through the Electric Infrastructure Loan and Loan Guarantee program.

Three different types of borrowers are eligible for these loans and loan guarantees: an existing borrower (cooperative) who owns and operates the project; a project developer with Power Purchasing Agreements (PPAs) who builds and operates the project that serves rural customers, or a wholly-owned subsidiary of an existing RUS borrower which owns and operates the project.

For specific information on borrower requirements, project requirements, and loan operations for each borrower type, visit: https://www.rd.usda.gov/programs-services/distributed-generation-energy-project-financing

Sponsoring agency: U.S. Department of Agriculture
Maximum award amount: Up to 75 percent of project cost
Eligible activities: Distributed energy projects that provide wholesale or retail electricity to to rural communities
Eligible recipients: Energy project developers for distributed energy projects and RUS Electric Program borrowers or other utilities that serve rural areas
Contribution or Match requirement: For project developer borrowers, minimum of 25 percent cash equity at the start of the project, with equity remaining at 25-30 percent through the life of the project. No equity requirement for existing borrowers nor wholly-owned subsidiary borrowers.

Electric Infrastructure Loan and Loan Guarantee Program

This program makes insured loans and loan guarantees to nonprofit and cooperative associations, public bodies, and other utilities. The loans and loan guarantees finance energy conservation programs, on-grid and off-grid renewable energy systems, and the construction or improvement and replacement of electric distribution, transmission, and generation facilities in rural areas.

To begin the application process, contact the General Field Representative for your region: https://www.rd.usda.gov/contact-us/electric-gfr.

For more information about the Electric Infrastructure Loan and Loan Guarantee Program, visit: https://www.rd.usda.gov/programs-services/electric-infrastructure-loan-loan-guarantee-program

Sponsoring agency: U.S. Department of Agriculture
Maximum award amount: Up to 100 percent of project cost for loan financing
Eligible activities: Finance maintenance upgrades, expansion, replacement of distribution, sub transmission and headquarter facilities, energy efficiency, and renewable energy systems
Eligible recipients: State, local, or tribal governments, nonprofit and for-profit organizations

Rural Energy for America Program (REAP)

This program provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses to implement renewable energy systems or to make energy efficiency improvements. Eligible agricultural producers must have at least 50 percent of their gross income coming from agricultural operations. Funds may be used for renewable energy systems, such as biomass, geothermal, hydropower, hydrogen, wind generation, solar generation, and ocean generation. Funds may also be used for the purchase, installation, and construction of energy efficiency improvements, such as high efficiency HVAC, insulation, lighting, cooling or refrigeration, doors and windows, select pumps for sprinkler pivots, switching from diesel to electric irrigation motors, and replacement of energy-inefficient equipment. Loan rates and terms are negotiated by lender and are subject to approval by USDA.

For more information about REAP, visit: https://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency

Sponsoring agency: U.S. Department of Agriculture
Maximum grant amount: $500,000 for renewable energy system grants; $250,000 for energy efficiency grants
Maximum loan amount: $25 million (up to 85% loan guarantee)
Eligible activities: Renewable energy systems installation, energy efficiency improvements
Eligible recipients: Small businesses in communities with under 50,000 people, rural or non-rural agricultural producers with at least 50% of gross income from agricultural operations
Contribution or Match requirement: If applying for a grant only, applicants must provide at least 75 percent of the project cost. If applying for a loan or loan/grant combination, applicants must provide at least 25 percent of the project cost

Rural Energy Savings Program (RESP)

The Rural Energy Savings Program (RESP) provides loans to entities that agree to make affordable loans to help consumers implement durable, cost-effective, energy efficiency measures. Eligible applicants under the RESP include current and former RUS borrowers, subsidiaries of current or former RUS borrowers, and entities that provide retail electric service needs in rural areas. The loans awarded through RESP are available for a term of up to 20 years at a 0% interest rate, up to 3% interest rate for a maximum of 10 years for relending to end users qualified consumers, or for up to 4% of the loan total to be used for startup costs. This program differs from the Energy Efficiency and Conservation Loan Program (EECLP) as it offers a lower-cost financing option with a 0 percent interest rate, has a broader pool of eligible borrowers, and offers longer, 20-year loan terms versus the EECLP's 15-year terms.

For more information on the RESP, including application information, visit: https://www.rd.usda.gov/programs-services/rural-energy-savings-program

Sponsoring agency: U.S. Department of Agriculture
Maximum award amount: Not available, contingent on funding available via first come, first served basis
Eligible activities: Energy efficiency loan relending
Eligible recipients: Utilities, nonprofit organizations, local and state governments

Section 6.3: Housing

Multifamily Housing Preservation & Revitalization Demonstration Loans & Grants

This program restructures loans for existing Rural Rental Housing and Off-Farm Labor Housing projects to help improve and preserve the availability of safe, affordable rental housing for low-income residents. Borrowers must continue to provide affordable rental housing for 20 years or the remaining term of any USDA loan, whichever is later. Grants are limited to nonprofit applicants, but a variety of restructuring tools are available to other entities including no-interest loans, soft-second loans, and debt deferral.

For more information, visit https://www.rd.usda.gov/programs-services/housing-preservation-revitalization-demonstration-loans-grants.

Sponsoring agency: USDA Rural Development
Maximum award amount: Outstanding loan balance
Eligible activities: Loan restructuring
Eligible recipients: Current multi-family housing project owners with Rural Rental Housing and Off-Farm Labor Housing loans

Multifamily Housing Loan Guarantees

The program works with qualified private-sector lenders to provide financing to qualified borrowers to increase the supply of affordable rental housing for low- and moderate-income individuals and families in eligible rural areas and towns. Private lenders may apply for a loan guarantee on loans made to eligible borrowers who are building or preserving affordable rural rental housing.

For more information, visit https://www.rd.usda.gov/programs-services/multi-family-housing-loan-guarantees.

Sponsoring agency: USDA Rural Development
Maximum award amount: For-profit entities may borrow up to 90% and nonprofit entities may borrow up to 97% of the total development cost or appraised value, whichever is less
Eligible activities: Construction, improvement and purchase of multi-family rental housing for low to moderate-income families and individuals in areas with less than 35,000 people or on federally-recognized tribal lands
Eligible borrowers: Most state and local governmental entities; nonprofit organizations; for-profit organizations, including LLCs; and federally-recognized tribes

Multifamily Housing Rental Assistance

This program provides payments to owners of USDA-financed Rural Rental Housing or Farm Labor Housing projects on behalf of low-income tenants unable to pay their full rent. Rental Assistance can only be provided for apartments in new or existing Rural Rental Housing and Farm Labor Housing financed properties. Properties with low- or very low-income tenants qualify to receive assistance. Properties with very low-income tenants receive first priority.

For more information, visit https://www.rd.usda.gov/programs-services/multi-family-housing-rental-assistance.

Sponsoring agency: USDA Rural Development
Maximum award amount: Difference between 30 percent of tenant's income and monthly rental rate, calculated based on owner's project costs.
Eligible activities: Payments are made on behalf of the tenants and become part of the property's income, which pays operational expenses
Eligible recipients: Project owners as part of their Rural Rental Housing or Farm Labor Housing new construction financing applications. Projects must be established on a nonprofit or limited profit basis.

Rural Housing Site Loans

Rural Housing site loans provide two types of loans to purchase and develop housing sites for low- and moderate-income families: Section 523 and Section 524 loans. Section 523 loans are used to acquire and develop sites only for housing to be constructed by the self-help method, i.e. families using their own labor to reduce construction costs. Refer to RD Instruction 1944-I for more information about the Self-Help program. Section 524 loans are made to acquire and develop sites for low- or moderate-income families, with no restriction as to the method of construction. Both Section 523 and 524 loans are 2-year loans. Section 523 loans have a 3% interest rate, while Section 524 loans are market rate, at the discretion of the customer either at loan approval or closing. Low-income is defined as between 50-80 percent of the area median income (AMI); the upper limit for moderate income is $5,500 above the low-income limit.

For more information, visit: https://www.rd.usda.gov/programs-services/rural-housing-site-loans.

Sponsoring agency: USDA Rural Development
Maximum award amount: Subject to funding
Eligible activities: Loans to acquire and develop housing sites for low and moderate-income families
Eligible recipients: Public or private non-profit organizations, federally-recognized tribes

Farm Labor Housing Direct Loans and Grants

The Farm Labor Housing Direct Loans and Grants program provides affordable financing to develop housing for year-round and migrant or seasonal domestic farm laborers. Low-interest loans and grants based on need (may not exceed 90% of project cost) are available.

For more information, visit https://www.rd.usda.gov/programs-services/rural-housing-site-loans.

Sponsoring agency: USDA Rural Development
Maximum award amount: Individual requests may not exceed $3 million (loans and grants)
Eligible activities: Construction, improvement, repair and purchase of housing for domestic farm laborers
Eligible recipients: Farmers, associations of farmers and family farm corporation, associations of farmworkers and nonprofit organizations, most State and local governmental entities, federally-recognized tribes
Contribution or Match requirement: Section 516 grants for off-farm FLH may not exceed 90 percent of the total development cost

Section 6.4: Transportation

Formula Grants for Rural Areas (5311)

The Federal Transit Administration provides formula grants to state governments to support public transportation access in rural areas (fewer than 50,000 people). The program offers funding for capital, planning, and operating costs, job access and reverse commute projects, and acquiring/contracting for public transportation services. The program also provides funding for state and national training and technical assistance through the Rural Transportation Assistance Program. States may distribute funding to eligible subrecipients including state or local government authorities, nonprofit organizations, operators of public transportation or intercity bus service that receives funds indirectly through a recipient. There is an additional $20 million available through the Appalachian Development Public Transportation Assistance Formula Program, a formula based grant to states in the Appalachian Region.

For more information, visit https://www.transit.dot.gov/rural-formula-grants-5311.

Sponsoring agency: Federal Transit Administration
Maximum award amount: Formula-based
Eligible activities: Planning, capital, operating, job access and reverse commute projects, and the acquisition of public transportation services.
Eligible recipients: States, Indian tribes or Alaskan Native villages, groups or communities identified by the Bureau of Indian Affairs (BIA)
Contribution or Match requirement: Federal share no greater than 80 percent for capital projects & ADA non-fixed route paratransit service; 50 percent for operating assistance

Tribal Transit Program

Section 5311(j) of the FAST Act authorizes the Tribal Transit Program as a set-aside of the Formula Grants for Rural Areas program (above) to provide funding to federally recognized tribes in support of public transportation projects that support the needs of growing rural tribal populations. The program currently offers two funding opportunities: a $30 million formula program and a $5 million competitive grant program subject to the availability of appropriations.

For more information, visit https://www.transit.dot.gov/tribal-transit.

Sponsoring agency: Federal Transit Administration
Maximum award amount: Formula-based
Eligible activities: Planning, capital, operating, job access and reverse commute projects, and the acquisition of public transportation services.
Eligible recipients: States, Indian tribes or Alaskan Native villages, groups or communities identified by the Bureau of Indian Affairs (BIA)
Contribution or Match requirement: Federal share no greater than 80 percent for capital projects & ADA non-fixed route paratransit service; 50 percent for operating assistance

Chapter 7: **CDBG** (Community Development Block Grants)

Community Development Block Grant Disaster Recovery (CDBG-DR)

The CDBG-DR program makes grants to help communities recover from presidentially declared disasters, especially in low- and moderate-income areas. This funding is not permanently authorized. When major disasters occur, Congress may appropriate additional funding for the CDBG program as Disaster Recovery grants to rebuild the affected areas and bring crucial seed money to stimulate recovery. Past appropriations have provided funds for disaster relief, long-term recovery, restoration of infrastructure, housing, economic revitalization, and mitigation. HUD publishes allocations and grant requirements in notices in the Federal Register. Generally, CDBG requirements apply unless modified by an appropriations statute, waiver, or alternative requirement. CDBG-DR Assistance is also subject to some of the requirements of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) that apply to federal disaster assistance. Because CDBG funds a broad range of activities, CDBG–DR assistance helps communities and neighborhoods that otherwise might not recover due to limits on other resources. Historically, recipients have included states and local governments in places that have been declared by the President of the United States as major disaster areas pursuant to the Stafford Act. Some appropriations acts have restricted recipients to states or geographically limited the use of funds to most impacted and distressed areas within counties with major disaster declarations. HUD generally awards noncompetitive, nonrecurring CDBG-DR grants by a formula that considers disaster recovery needs unmet by other Federal disaster assistance programs.

For more information, visit: https://www.hudexchange.info/programs/cdbg-dr/

Sponsoring agency: Dept. of Housing and Urban Development
Maximum award amount: Formula-based
Eligible activities: CDBG activities, exceptions may be granted with waiver
Eligible recipients: Appropriations language determines applicant eligibility.
Contribution or Match requirement: See full program requirements

State CDBG Program

Under the State Community Development Block Grant Program, states award grants to smaller units of local government that build and preserve affordable housing, provide services to the most vulnerable in our communities, and create and retain jobs. Annually, each state develops funding priorities and criteria for selecting projects. Congress amended the Housing and Community Development Act of 1974 (HCD Act) in 1981 to give each state the opportunity to administer CDBG funds for non-entitlement areas, which do not receive CDBG funds directly from HUD.

CDBG funds may be used for activities which include, but are not limited to:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources

- Provision of assistance to nonprofit and profit-motivated businesses to carry out economic development and job creation/retention activities

Activities must meet one of the following national objectives of the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available. A need is treated as urgent if it poses a significant and immediate threat to the health and welfare of the community and has arisen in the past 18 months.

For more information, visit: https://www.hudexchange.info/programs/cdbg-state/state-cdbg-program-eligibility-requirements/

Community Development Block Grants (Section 108 Loan Guarantee)

Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Under this section, HUD offers communities a source of financing for certain community development activities, such as housing rehabilitation, economic development, and large-scale physical development projects. Loans may be for terms up to 20 years. Eligible activities are

- real property acquisition,
- rehabilitation of property owned by the applicant public entity or its designated public agency,
- housing rehabilitation eligible under the CDBG program,
- special economic development activities under the CDBG program,
- interest payments on the guaranteed loan and issuance costs of public offering,
- acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities,
- acquisition, construction, reconstruction, rehabilitation or installation of public works and sites in colonias,
- debt service reserves for repayment of the Section 108 loan,
- payment of fees charged by HUD for the purpose of paying the credit subsidy cost of the loan guarantee, and
- other related activities, including relocation assistance, demolition and clearance. When determining eligibility, the CDBG rules and requirements apply.

As with the CDBG program, all projects and activities must meet CDBG's primary objective (use of 70 percent of CDBG funds, including Section 108 guaranteed loan funds, must benefit low- and moderate-income persons) and at least one of the following three national objectives: (a) principally benefit low- and moderate-income persons, (b) aid in eliminating or preventing slums or blight, or (c) meet urgent community development needs. The applicant pledges its current and future CDBG grant funds as security for the repayment of the guaranteed note. HUD requires additional security for each Section 108 note, which is determined on a case-by-case basis. In recent years, Congress has not made credit subsidy appropriations for the program and has instead directed HUD to collect fees from borrowers to result in a credit subsidy cost of zero for guaranteeing loans. The program regulations establish procedures for the collection of fees when HUD is required or authorized to collect fees from borrowers to cover the credit subsidy cost of guaranteed loans.

The public entity applicant may issue the Section 108-guaranteed debt obligation itself, or it may designate a local public agency with the necessary legal authority to do so. States may borrow on behalf of the local governments in non-entitlement communities and apply directly to HUD for loan guarantee assistance if authorized by the appropriations acts or other laws.

For more information, visit: https://www.hudexchange.info/programs/section-108/

Sponsoring agency: Dept. of Housing and Urban Development
Maximum award amount: Formula-based
Eligible activities: See program description
Eligible recipients: Metropolitan cities and urban counties that receive entitlement grants; non-entitlement communities that have a pledge of state CDBG funds; insular areas and non-entitlement communities in Hawaii
Contribution or Match requirement: The borrower will be required to secure the loan by pledging current or future CDBG allocations to either repay the loan or secure it. In addition, the borrower may be required to pledge additional security to the loan. Additional security may include property liens or other collateral.

Community Development Block Grants (CDBG) (Entitlement)

Provides annual grants on a formula basis to entitlement communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services. Entitlement communities develop their own programs and funding priorities and consult with local residents prior to making final decisions. All CDBG activities must meet at least one of the following national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet certain urgent community development needs. Some of the activities that can be carried out with community development block grant funds include the acquisition of real property; rehabilitation of residential and nonresidential properties; provision of public facilities and improvements, such as water and sewer, streets, and neighborhood centers; public services; clearance; homeownership assistance; and assistance to for-profit businesses for economic development activities.

To receive its annual CDBG entitlement grant, a grantee must develop and submit to HUD a Consolidated Plan. In its Consolidated Plan, the jurisdiction must identify its planned use of funds and the goals for these programs and for affordable housing. The CDBG program requires additional certifications, including that not less than 70 percent of the funds expended over a period specified by the grantee, not to exceed 3 years, and must be used for activities that benefit low- and moderate-income persons.

From each year's CDBG appropriation that is available for formula distribution, 70 percent is allocated to metropolitan cities and urban counties. Each entitlement grant amount is determined by statutory formula, which uses several objective measures of community need, including poverty, population, housing overcrowding, age of housing, and growth lag.

For more information, visit: https://www.hudexchange.info/cdbg-entitlement/

Sponsoring agency: Housing and Urban Development
Maximum award amount: Formula-based
Eligible activities: See program description
Eligible recipients: Metropolitan cities (MSAs or over 50,000 population) and urban counties (population over 200,000)

Chapter 8: **Opportunity Zones**

Market Street in downtown Newark; located in a NJ Opportunity Zone

In December 2017, the Tax Cuts and Jobs Act created the federal Opportunity Zones program, a new community development tax incentive aimed at encouraging long-term private capital investment in America's low-income communities. Shortly after the tax bill was signed into law, the governor of every U.S. territory and state, as well as the mayor of the District of Columbia, nominated 25 percent of the total number of low-income census tracts in their respective jurisdictions as qualified Opportunity Zones; the U.S. Treasury subsequently approved designations of 8,762 Opportunity Zones in all 50 states, the District of Columbia, and five U.S. territories.

The core of the new Opportunity Zone program is three scalable tax incentives—temporary deferral, step-up in basis, and permanent exclusion—designed to funnel a projected $8 trillion in capital gains into distressed communities through qualified Opportunity Funds. These funds are private investment vehicles organized as either corporations or partnerships that invest or hold at least 90 percent of their assets in a qualified Opportunity Zone business or property. The eligible activities and projects that the Fund can support are broad, from commercial and industrial real estate, to housing, infrastructure, and existing or start-up businesses.To become a qualified Opportunity Fund, an eligible corporation or partnership self-certifies by filing Form 8996 with its federal income tax return.

In October 2018, the IRS released its first round of proposed regulations on Opportunity Zones. They address key issues like self-certification, qualified Opportunity Zone businesses, and valuation of Opportunity Fund assets. More federal regulations and guidance documents expected to be released before tax filing begins in 2019.

The Opportunity Zones tax incentive is beneficial to both communities and investors. Under the terms of the program, communities will receive access to mission-oriented and patient capital. Meanwhile, anyone with access to capital gains, especially private developers and investors, will be able to concentrate capital in areas of most need, hold a stake in communities' futures, and align their payoffs with community success.

For more information about the federal Opportunity Zones program, visit: https://smartgrowthamerica.org/program/locus/opportunity-zones/

White House Opportunity and Revitalization Council

On December 12, 2018, President Donald Trump issued an Executive Order establishing the White House Opportunity and Revitalization Council. The Council will be chaired by the Secretary of Housing and Urban Development (HUD) and vice-chaired by the Assistant to the President for Domestic Policy; other federal department leaders, including the Secretary of the Treasury, the Attorney General, and the Secretary of Transportation, have also been appointed to serve on the Council.

The Council's purpose is to:

- Engage officials from federal agencies, State, local, and tribal governments, and the private sector on prioritizing economic development and revitalization strategies for economically distressed areas across the country, including Opportunity Zones.
- Recommend policies that would simplify the federal assistance application process and make it easier for applicants to receive and manage multiple types of public and private community investment funds.
- Evaluate how federal agencies can prioritize financing support for economically distressed areas, specifically, Opportunity Zones.
- Explore developing an integrated web based tool that displays the full range of federal financing programs and incentives available to Opportunity Zones projects.
- Consider Opportunity Zones and other economically distressed areas as possible locations for federal buildings.
- Determine how federal technical assistance, planning, financing tools, and implementation strategies can be coordinated across agencies to assist communities in addressing economic problems, engaging in comprehensive planning, and advancing regional collaboration; and, what data, metrics, and methodologies can be used to measure the effectiveness of public and private investments in Opportunity Zones.

The Council is slated to close on January 21, 2021.

Read the full Executive Order here:
https://www.whitehouse.gov/presidential-actions/executive-order-establishing-white-house-opportunity-revitalization-council/

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Endnotes

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Smart Growth America

Improving lives by improving communities