

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-5600-N-39]**

**Notice of Funding Availability (NOFA) for the Strong Cities, Strong Communities (SC2)**

**National Resource Network**

**A. Federal Agency Name:** U.S. Department of Housing and Urban Development, Office of Policy Development and Research

**B. Funding Opportunity Title:** Strong Cities, Strong Communities National Resource Network

**C. Announcement Type:** Initial announcement

**D. Funding Opportunity Number:** FR-5600-N-39

**E. Catalog of Federal Domestic Assistance Number:** 14.534

**F. Dates:** Deadline for Receipt of Applications **XXX**.

**G. Eligible Applicants:** Eligible applicants who may apply to this NOFA include the following entities: Nonprofit organizations, foundations, anchor institutions, for-profit companies, or a consortium of these entities with demonstrated ability to raise philanthropic support. In addition, under the NOFA process, the applicant that is selected to become the Administrator must meet all threshold requirements contained in HUD’s Fiscal Year 2012 NOFA General Section, including requirements addressing civil rights and other cross-cutting requirements applicable to federal funding. Where an application involves multiple entities, each entity must meet the civil rights threshold requirement of “Resolution of

1 Outstanding Civil Rights Matters.” Please see section *III.A. Eligible Applicants* for full  
2 details.

3 **H. Additional Information:**

4 This NOFA announces HUD’s proposal to award approximately \$5 million to a single grantee  
5 (that may be comprised of a single entity or a consortium) through the form of a cooperative  
6 agreement to administer, manage and implement the Strong Cities, Strong Communities National  
7 Resource Network (SC2 Network). The SC2 Network will offer a centralized portal to connect  
8 America’s most economically distressed communities to national and local experts with wide-  
9 ranging expertise and skills. The focus of the SC2 Network will be to strengthen the foundation  
10 for economic growth and resiliency in these communities—namely, local technical capacity,  
11 comprehensive planning, and regional collaboration.

12 The SC2 Network will help HUD build on its direct relationships with communities, and  
13 continues its founding mandate under the Department of Housing and Urban Development Act  
14 of 1965, which prescribes HUD to “[e]xercise leadership at the direction of the President in  
15 coordinating activities affecting housing and urban development; provide technical assistance  
16 and information, including a clearinghouse service to aid State, county, town, village, or other  
17 local governments in developing solutions to community and metropolitan development  
18 problems.”

19 To administer the SC2 Network, HUD will select an Administrator as defined in section  
20 *I.B.2 Definitions* of this NOFA. Interested applicants are invited to submit applications to be  
21 reviewed by HUD for consideration.

1 While there is no match requirement for the SC2 Network, HUD recognizes that the scope of  
2 work required of the program may exceed the funds that are available for this cooperative  
3 agreement. Therefore, HUD expects that the Administrator will secure additional funding and in-  
4 kind support from philanthropic organizations and other public and private sector entities to  
5 fulfill the scope of work for the network. (Please see section XX *Engagement* for full details on  
6 leveraging.)

7 HUD will launch the SC2 Network using approximately \$5 million from its fiscal year 2012  
8 appropriation for the Transformation Initiative.

9 The OMB control number for this NOFA is **XXXXXX**.

## 10 **FULL TEXT OF ANNOUNCEMENT**

### 11 **I. FUNDING OPPORTUNITY DESCRIPTION**

#### 12 **A. Background on the Strong Cities, Strong Communities (SC2) Initiative**

13 In July of 2011, the Obama Administration launched SC2, an innovative and flexible pilot  
14 initiative to strengthen local capacity and spark economic growth in distressed local communities  
15 while ensuring taxpayer dollars are used wisely and efficiently. SC2 evolved from ongoing  
16 conversations with mayors, foundations, nonprofits, and Members of Congress working in  
17 economically distressed communities who consistently highlighted challenges of local  
18 governments, the inadequacy of disjointed programs, and the need for a strong, clear and  
19 coordinated relationship with the federal government. SC2 focuses on five goals to accomplish  
20 this:

- 1     • *Improve the relationship between local and federal government:* SC2 seeks to break  
2           down traditional local and federal government silos, allowing the federal government to  
3           partner more effectively with localities that have faced significant long-term challenges.
- 4     • *Provide coordination and support:* SC2 provides on-the-ground technical assistance and  
5           planning resources tailored to a city's needs, while also offering guidance to use federal  
6           funds more efficiently and effectively. SC2 provides the necessary technical expertise to  
7           help cities focus efforts around populations served by both federal and local programs.
- 8     • *Partner for economic growth:* SC2 assists cities in developing critical partnerships that  
9           focus on job creation, workforce improvement and economic development with key  
10          local and regional stakeholders that include municipal and state governments, the  
11          business community, non-profits, faith-based institutions, and other public, private, and  
12          philanthropic leaders. SC2 provides a customized approach to supporting communities  
13          on the ground in their efforts to create jobs and revitalize their economies.
- 14    • *Enhance local capacity:* Every community is unique, with its own set of challenges and  
15          opportunities. SC2 emphasizes inclusive comprehensive community planning and  
16          economic visioning. The key to winning the future is empowering communities to frame  
17          their own economic vision and then partnering with them to identify, strengthen and  
18          leverage the tremendous physical, commercial, and social assets that they possess.
- 19    • *Encourage regional collaboration:* Recognizing that regions are unique, SC2 helps build  
20          relationships between the cities, towns, and counties, and fosters new connections in  
21          order to strengthen regional economies to compete in an increasingly globalized world.  
22          Through enhanced technical capacity, collaboration, and comprehensive planning at the

1 regional level, local governments can best take advantage of economic development  
2 opportunities.

### 3 **1. SC2 Components**

4 At this time there are four major components to SC2: The Community Solutions Teams (CSTs),  
5 Fellowship Program, Economic Visioning Challenge and the SC2 Network. At present, the CSTs  
6 and Fellowship Program operate in six pilot locations that were selected to participate in SC2  
7 following a rigorous city assessment: Chester, PA; Detroit, MI; Fresno, CA; Memphis, TN; New  
8 Orleans, LA; and the Northeast Ohio region of Cleveland and Youngstown. While the CSTs and  
9 Fellows are currently engaged in these six locations, the Economic Visioning Challenge and SC2  
10 Network will focus on additional economically distressed cities. The four components are  
11 described below:

- 12 • **SC2 Community Solutions Teams (CST):** Since summer 2011, CSTs comprised of  
13 federal employees from numerous federal agencies have been working directly with cities  
14 to support the mayors in the six pilot locations. Embedded in city hall, CSTs assist cities  
15 with issues mayors have identified as vital to their economic strategies, including but not  
16 limited to efforts to build on local assets, strengthen regional economies, develop  
17 transportation infrastructure, improve job-training programs and support comprehensive  
18 community revitalization.
- 19 • **SC2 Fellowship Program:** Operating in the SC2 pilot locations, the fellowship program  
20 has selected, trained, and placed early- to mid-career professionals in local government  
21 positions to serve two-year terms and build additional local capacity. Through a  
22 competitive process, the German Marshall Fund was selected in December 2011 to  
23 administer the fellowship program. Fellows were deployed in September 2012. The

1 program is funded by the Rockefeller Foundation, which donated \$2.5 million in initial  
2 funding to HUD.

- 3 • **SC2 Economic Visioning Challenge:** In addition to the SC2 pilot locations, the  
4 Economic Development Administration (EDA) has launched an Economic Visioning  
5 Challenge designed to help additional cities develop economic blueprints. This national  
6 grant competition will enable cities to adopt and implement innovative economic  
7 development strategies to support comprehensive city and regional planning efforts.  
8 Cities have been competitively selected to receive a grant of approximately \$1 million  
9 that they will use to administer an “X-prize style” competition, whereby they will  
10 challenge multi-disciplinary teams of experts to develop comprehensive economic and  
11 land use proposals for their city.
- 12 • **SC2 National Resource Network (SC2 Network):** The SC2 Network—the subject of  
13 this NOFA—will amplify the model of SC2 to a broader array of local governments,  
14 offering a single portal to a wide range of technical experts for shorter-term engagements.  
15 The extent of each engagement will be scaled to ensure a measurable impact, both for the  
16 community’s growth and resilience and the efficiency of public funds, particularly the  
17 federal funding streams they already receive.

## 18 **2. Executive Order**

19 To help oversee and guide and the various components of the SC2 initiative, on March 15, 2012,  
20 President Obama signed an Executive Order establishing a White House Council on Strong  
21 Cities, Strong Communities (SC2 Council) composed of 27 senior leaders representing federal  
22 agencies and key White House offices. The Council’s goals include coordinating agency efforts  
23 to ensure communities had access to comprehensive, localized technical assistance and planning

1 resources to develop and execute their economic vision and strategies, as well as providing  
2 recommendations to the President. These recommendations would include:

- 3 • Policies for building local expertise in strengthening local economies;
- 4 • Changes to Federal policies and programs to address issues of special importance to cities  
5 and local governments that pertain to local capacity and economic growth;
- 6 • Implementing best practices from the SC2 initiative government-wide to better support  
7 cities and local governments; and
- 8 • Opportunities to increase the flexible utilization of existing Federal program resources  
9 across agencies to enable more performance and outcome-based funding.

10

## 11 **B. SC2 Network Program**

### 12 **1. Program Purpose**

13 Rising costs and declining revenues have pushed local governments closer to insolvency and  
14 further from solutions to the ever more complex challenges face by their communities. Almost  
15 all state and local governments are required to balance their budgets, leaving no buffer during  
16 these tough economic times.

17 Local governments have many partners willing to assist with the various issues faced, but a  
18 **major impediment** to supporting and developing the capacity of these places with chronic  
19 challenges is the limited number of organizations with expertise in turning whole regions and  
20 cities around. The field is rich with organizations and intermediaries with experience in  
21 neighborhood development and revitalization, but very thin in organizations that take a holistic  
22 approach to urban and regional economic development. Much of this expertise is spread across  
23 a variety of organizations that play critical niche roles—public management, fiscal reform, land  
24 use development, business attraction and retention, workforce development, etc. This is also

1 true in the cases of many federal programs and government institutions dedicated to improving  
2 urban and regional economic conditions that do not take a comprehensive approach to  
3 deploying technical assistance for the purposes of helping distressed communities. As a result,  
4 local governments often find it difficult to determine which agency and program to approach for  
5 aid when their challenges cut across agency jurisdictions and priorities.

6

## 7 **2. Definitions**

8 Below are definitions for key terms used in this NOFA presented in alphabetical order:

9 **a. Administrator:** The entity that will manage and implement the SC2 Network.

10 **b. Anchor Institutions:** Entities that represent educational institutions, or regional and national  
11 organizations that support economic drivers such as in housing, infrastructure, and/or economic  
12 and workforce development.

13 **c. Community(s):** HUD uses this term to broadly encompass cities, counties, regions,  
14 townships, or municipalities.

15 **d. Eligible Applicants:** Entities eligible to apply to be the Administrator of the SC2 Network.  
16 (Please see section III.A. *Eligible Applicants* for a full description of eligible applicants).

17 Throughout this NOFA, HUD will also use the term “applicant” interchangeably.

18 **e. Grantee:** The selected eligible applicant chosen by HUD to become the Administrator of the  
19 SC2 Network.

20

## 21 **3. SC2 Network Program Description**

22 The SC2 Network will align federal resources as well as coordinate distinct and wide-ranging  
23 pools of technical experts and assistance programs with the needs and priorities of each engaged



1 community to help them make more effective and efficient local investments. Essentially, the  
2 SC2 Network would function as a “one stop” shop that could connect and supply communities  
3 with an array of technical assistance.

4 HUD anticipates that communities who apply to the Administrator for assistance may be  
5 from entities such as local government; non profits, think tanks or anchor institutions with a  
6 history of strong community presence and engagement; regional organizations like  
7 Metropolitan Planning Organizations, Regional Councils of Governments and other forms of  
8 regional partnerships; or a consortium of the aforementioned entities with a “lead entity”  
9 specified.

10 The objectives of the SC2 Network are as follows:

- 11 • Provide communities facing long-term economic challenges with easily accessible and  
12 comprehensive technical assistance that can help retool them for future economic growth;
- 13 • Build capacity in distressed communities by connecting them with philanthropic  
14 organizations, non profits, public and private sector entities to facilitate long-term  
15 partnerships and economic investments;
- 16 • Develop a set of best practices and policy recommendations that can be disseminated and  
17 shared across all communities facing similar economic challenges;
- 18 • Improve the alignment of federal programs, resources, technical assistance, as well as  
19 strengthen federal and local partnerships.

20 The SC2 model reflects the idea that local issues do not stop at the boundaries of individual  
21 federal agency jurisdictions, and that effective technical assistance must also target issues that  
22 cross federal funding sources. While HUD will host the SC2 Network, the SC2 Network is

1 expected to help communities find expertise across a wide range of federal agencies and outside  
2 partners.

3 It should be noted that SC2 Network assistance is **not intended to replace or recreate** any  
4 technical assistance already provided by the federal government or another external party, but  
5 aims to build general local capacity by effectively connecting communities to, and helping them  
6 access such programs.

7

#### 8 **4. Required Activities of the Administrator**

9 To achieve the SC2 Network program objectives, HUD will select one grantee through a  
10 competitive process to administer the SC2 Network. As the Administrator of the SC2 Network,  
11 the grantee will have five categories of required activities: **Structure Development,**  
12 **Engagement, Capacity Building, Evaluation,** and **Policy Recommendations.** Each category  
13 is described in detail below.

14 **a. Structure Development:** *In this first category, the Administrator will develop the SC2*  
15 *Network structure to include a team of expert technical service providers (pro bono or paid)*  
16 *that represent the breadth of relevant expertise needed to address the long-term, economic*  
17 *challenges of communities. This responsibility also includes developing a Peer-to-Peer network*  
18 *to share lessons learned and best practices.*

19 As a pilot, the SC2 Network must first establish its operating procedures. HUD expects that  
20 the SC2 Network's resources will fund **up to 30 percent** of the activities associated with this  
21 category in its first year. By year two, the activities associated with this category **must use no**  
22 **more than 15 percent** of the SC2 Network's resources. The responsibilities of the  
23 Administrator under this category are as follow:

1       **(1) Providing technical experts:** Because the SC2 Network will offer a broad range of  
2 technical assistance to communities, the Administrator will be responsible for identifying and  
3 providing technical experts from a wide-array of fields that can fulfill the anticipated needs of  
4 communities that apply to the SC2 Network for assistance. Here, the Administrator will be  
5 responsible for developing the structures necessary to obtain, support and nurture a roster of  
6 both paid and pro-bono experts.

7       **(2) Marketing to distressed communities:** The Administrator will be responsible for  
8 advertising the SC2 Network’s availability to economically distressed communities utilizing a  
9 variety of engagement strategies.

10       **(3) Developing a clearinghouse of federal, state and local technical assistance**  
11 **programs:** The Administrator will identify and maintain a catalog of other federal, state and  
12 local technical assistance programs eligible to local governments that can be shared and  
13 disseminated publicly, either through the peer-to-peer network (described below under “Peer-to-  
14 Peer Network”) or a user-friendly website. HUD anticipates that the clearinghouse will be  
15 invaluable to communities seeking, and connecting to, technical assistance programs.  
16 Therefore, in identifying and maintaining a list of programs for this catalog, HUD expects the  
17 Administrator to have demonstrated knowledge, expertise and understanding of how these  
18 programs operate and how they can be used to assist distressed communities. This  
19 clearinghouse will catalog existing programs that include, but are not limited to: Economic  
20 Development (economic visioning, job market analysis, cluster analysis and engagement);  
21 Workforce Development (job training strategies, industry needs analysis, cradle-to-career  
22 education reform); Public Safety (juvenile justice, corrections restructuring, policing strategies);

1 and Sustainable Land Use (brownfield redevelopment, corridor planning, consolidated  
2 transportation & housing plans).

3 **(4) Peer-to-Peer Network.** In addition to the above responsibilities, the Administrator will  
4 develop a Peer-to-Peer Network. The Peer-to-Peer Network is a vital aspect to SC2 and will  
5 serve as its “central hub” to link all of the other components of SC2 (described in section I.A.1.  
6 *SC2 Components*) in a manner that promotes peer exchanges, and the continued sharing and  
7 dissemination of information and best practices.

8 Furthermore, HUD envisions that the Peer-to-Peer Network would function as an  
9 “innovations lab” where communities, anchor institutions, non-profits and other public and  
10 private organizations can connect, communicate, share knowledge, recommend federal policy  
11 changes, and inspire new ideas that can be tested out in their own localities.

12 HUD expects the Peer-to-Peer Network to facilitate the following activities:

- 13 (a) House background information on SC2 that is accessible to the public online;
- 14 (b) Maintain an easily accessible online resource bank of significant materials generated  
15 in SC2 and its four components that could have utility for other governments and  
16 practitioners. This may also include a clearinghouse of federal, state and local  
17 technical assistance programs that was described in the last section, part (3)  
18 *Developing a clearinghouse of federal, state and local technical assistance*  
19 *programs;*
- 20 (c) Routinely transmit and disseminate information and best practices among cities, SC2  
21 stakeholders and interested parties that are working to devise solutions to address  
22 their economic challenges;

1 (d) Utilize meetings, webinars and online forums to aggregate and distribute information  
2 and resources that promote knowledge sharing and allow for the participation of  
3 communities, SC2 stakeholders and interested parties.

4  
5 **b. Engagement:** *In this second category, the Administrator will develop the engagement*  
6 *strategy for how the SC2 Network will select and assist economically-distressed communities.*  
7 *This responsibility also includes managing the expected high-demand for community*  
8 *engagements by prioritizing the level of assistance for each community and matching the level*  
9 *of assistance based on local needs.*

10 Individual engagements with local communities are the core of the SC2 Network's activities.  
11 Under this category, the Administrator must allocate **a minimum of 50 percent** of the SC2  
12 Network's funds. In addition, the Administrator will use a portion of these funds to finance  
13 operational assessments for the cities receiving EDA grants under the Economic Visioning  
14 Challenge (described in this section in detail below under **XX EDA Assessments**).

15 As stated, the SC2 Network will provide a range of technical assistance to communities, and  
16 HUD anticipates that the level of engagement undertaken by the Administrator towards those  
17 communities seeking assistance also will be wide-ranging. Some requests may require no  
18 financial assistance, such as connecting a city to a potential federal program that may better  
19 assist them, while other requests may require financial assistance, such as procuring a technical  
20 assistance expert to help establish a vacant property management plan. Regardless of the  
21 request, HUD expects the Administrator **to determine in a systematic way how it will take-in,**  
22 **address and prioritize** the service requests of communities given the limited resources of the  
23 SC2 Network.

1 In addition, HUD expects that any technical assistance request that require funding from the  
2 SC2 Network must first undergo an operational assessment (described in this section in detail  
3 below under **XX Assessment**). HUD recognizes that these operational assessments will need  
4 some level of funding commitment from the SC2 Network (and eligible applicants will be  
5 required to include in their budget a cost estimate for these operational assessments).

6 Given the breadth and scope of what HUD expects the SC2 Network to accomplish, the  
7 Administrator will be responsible for allocating limited resources in the most meaningful,  
8 productive and effective manner.

9 Under this “Engagement” category, the Administrator has five key responsibilities: **Initial**  
10 **Intake, Prioritization, Assessment, Documentation, and Leveraging**. The five  
11 responsibilities are described in detail below.

12 **(1) Initial Intake:** The Administrator will have a system in place for the initial intake of  
13 technical assistance requests. HUD anticipates that the Administrator may receive a large  
14 number of requests that will require more detailed follow-up. At a minimum, HUD expects that  
15 this intake would include the following information:

16 **(a)** Who is making the request and contact information such as name, address, phone  
17 number, and email;

18 **(b)** The city (and, if relevant, partnering entities) that the request is for;

19 **(c)** Whether or not a request placed was made as a result of a referral from a federal agency  
20 or congressional member;

21 **(d)** A general description that describes the problem that the community is trying to resolve;  
22 and

23 **(e)** Date of request.

1 **(2) Prioritization:** The Administrator will have a system in place to filter and prioritize  
2 requests and determine the appropriate level of response or engagement. As previously stated,  
3 HUD recognizes that some communities requesting assistance simply may be helped by  
4 connecting them to the appropriate federal, state or local resource, while other communities  
5 need more intense engagement, and therefore, more resources from the SC2 Network which  
6 would require them first to receive an operational assessment. To make this determination, the  
7 Administrator will use the selection criteria it has developed to prioritize community assistance  
8 to determine which communities receive this operational assessment. In addition, HUD requires  
9 that the Administrator make its selection criteria public to add transparency to the prioritization  
10 and selection process so that communities understand why they did or did not qualify for an  
11 operational assessment.

12 HUD recognizes that a community applying to the SC2 Network will require a range of  
13 assistance, and may need help in identifying its key challenges. Therefore, the Administrator  
14 will be responsible for helping a community first **articulate and define** what it is trying to  
15 achieve from its request. As a result, the level of engagement undertaken by the Administrator  
16 will have to comport to the needs of each community, and HUD anticipates that communities  
17 requesting assistance would fall into one of three categories:

18 (a) Those communities that can be easily served by connecting them to the appropriate  
19 resource (such as those resources provided in the clearinghouse described under **XXX.a**  
20 *Structure Development*).

21 (b) Those communities that might require a deeper engagement and might qualify for an  
22 operational assessment (described in detail below under **XXX Assessment**). However,

1 more information is necessary to determine if an operational assessment is the  
2 appropriate engagement.

3 (c) Those communities where it is clear that they will require an operational assessment.

4 HUD anticipates that the Administrator is likely to receive a high number of requests that  
5 may require an operational assessment. However, given the SC2 Network's limited funding  
6 streams, HUD expects eligible applicants to define in their application how they will develop  
7 and publicly share criteria to prioritize what communities receive an operational assessment. It  
8 is important to HUD that the Administrator is transparent about its selection criteria so that  
9 communities understand how they are evaluated in the prioritization process. The selection  
10 criteria might include, but is not limited to the following

11 (a) A dedicated team in place comprised of local agencies, philanthropy or other public and  
12 private sector organizations with funding, staff time and/or resources committed to  
13 implementation;

14 (b) The community's ranking on a relative distress scale (using data provided by HUD,  
15 other SC2 agencies and other sources as appropriate);

16 (c) Scope or estimated cost of the request;

17 (d) Willingness of local government to commit to attaining certain performance standards;

18 (e) Demonstration of existing and on-going partnerships or collaborations between local  
19 government offices and public/private entities;

20 (f) Referral from another SC2 agency technical assistance program that is assisting the  
21 community but recommends broader assistance beyond its allowed scope;

22 (g) Compelling evidence that the community has made, or is making efforts to address the  
23 issue, but is in need of additional assistance;



1 (h) Demonstration of commitment from local government and community leadership in  
2 seeking and receiving the operational assessment and acting on its findings;

3 (i) The amount of existing unexpended federal funding; and

4 (j) Other criteria the applicant deems important and can provide a justification of its  
5 importance in its NOFA application.

6

7 **(3) Assessment:** For those communities that are selected to receive an operational assessment,  
8 the Administrator will deploy technical assistance experts to conduct these assessments to  
9 identify a broad range of solutions for a community. The Administrator also will be responsible  
10 for developing this operational assessment, and providing these assessments to the cities  
11 receiving EDA grants under the Economic Visioning Challenge in addition to those  
12 communities requesting assistance from the SC2 Network.

13 **(a) Operational Assessment.** Driving the bulk of the SC2 Network's direct assistance is  
14 the operational assessment that would evaluate a community's operational issues. These issues  
15 include, but are not limited to the evaluation of legacy systems that may impede the  
16 effectiveness of local government; revenue/service analysis to determine a community's cash  
17 flow; and performance management that affects government efficiency.

18 Because the SC2 Network specifically targets low-capacity governments, HUD expects  
19 budget shortfalls and operational and program efficiency issues to be common across most, if  
20 not all, communities assisted. Therefore, HUD believes that conducting an operational  
21 assessment will provide a solid foundation from which the SC2 Network can clearly identify  
22 other technical assistance needs.

1           HUD expects that any technical assistance request that requires resources from the SC2  
2 Network must first undergo this operational assessment. In addition, because these assessments  
3 will evaluate the operational capacity of local governments, it should be noted that a community  
4 **would be required** to demonstrate strong buy-in from its local government before an  
5 assessment is initiated by the Administrator.

6           Here, eligible applicants should note that they will have to propose in  
7 their application what criteria they will use for an operational assessment, a  
8 plan for how they will identify the technical experts needed to make the  
9 assessment, and how they plan to assess the community using their  
10 proposed operational assessment. These assessments may evaluate a  
11 range of factors that include a community's existing legacy system,  
12 performance management, revenue intake and program service  
13 expenditures. The assessment also may map out other resources and assets  
14 in a community that could be used to leverage and strengthen a  
15 community's operational capacity.

16           While HUD will evaluate the quality of an applicant's proposed  
17 operational assessment, the agency recognizes that it is likely that any  
18 proposed operation assessment will need to be further refined as HUD  
19 learns more about the communities that are requesting assistance from the  
20 SC2 Network. Therefore, because the operational assessment is the  
21 cornerstone of the program's engagement strategy, HUD will work closely  
22 with the Administrator to improve, amend, and enhance their proposed

1 operational assessment to ensure that it effectively evaluates each  
2 community and comports to the needs and goals of the SC2 Network.

3 Under this “assessment activity,” the Administrator will work with communities that it  
4 has determined would require an operational assessment through the following stages:

5 **(i) Evaluation:** The Administrator will evaluate communities that have qualified for an  
6 operational assessment. Here, the administrator will have identified technical experts  
7 who will be deployed to the community to conduct the assessment.

8 **(ii) Planning:** Upon completing the operational assessment, the Administrator will work  
9 with the community to establish a range of solutions that would address the  
10 challenges identified in the operational assessment. Here, the Administrator will  
11 develop a reasonable technical assistance plan with the community to achieve a  
12 community’s desired results.

13 **(iii) Resource Deployment:** After the development of a technical assistance plan, the  
14 Administrator will work with the community to determine which challenges and  
15 solutions to address based on what desired outcome a community wants to achieve.  
16 Here, the Administrator may identify and fund appropriate technical assistance  
17 providers (either those already in the SC2 Network, or contract new ones as described  
18 in *XXX Structure Development*) who can administer the services set out in the  
19 technical assistance plan. These technical assistance providers may also come as pro-  
20 bono consultants, or where possible, permanent or part-time federal staff engaged in  
21 SC2. In addition, the Administrator may also assist the community in identifying  
22 other federal, state, local, and privately-funded programs and services that could be  
23 appropriate to support the work identified in the technical assistance plan.

1 Under the “Resource Deployment” stage, technical assistance providers funded  
2 by the SC2 Network may be engaged in a community for up to 12 months (this  
3 includes the operational assessment process). In addition, HUD has not set a limit on  
4 the level of funding that could be used towards each engagement, but expects the  
5 Administrator to be judicious in how it allocates its funding and resources in the most  
6 effective manner. However, HUD and the SC2 Council will have the option to extend  
7 any engagement if there are compelling reasons and sufficient resources in the SC2  
8 Network. In these instances, the Administrator may advise and recommend to HUD  
9 and the SC2 Council on possible extension options for consideration.

10 **(iv)Operational Assessment for Cities Receiving EDA**

11 **Economic Visioning Challenge Awards.** In addition to  
12 conducting operational assessments for communities requesting  
13 assistance, the Administrator will be responsible for conducting  
14 operational assessments for the cities receiving grants from EDA  
15 through the Economic Visioning Challenge (as described in **XX.SC2**  
16 *Components*).The EDA assessment process will function similarly as  
17 explained in the stages of “Evaluation” and “Planning” as described  
18 in the above sections. However, the technical assistance plan will  
19 take into account how the cities can act on their new economic  
20 blueprints funded by EDA.

21  
22 **(4) Documentation.** To track the activities under the “Engagement”  
23 category, the Administrator will have a system in place to document and

1 track technical assistance requests, and the proposed scope of work as  
2 outlined by any technical assistance plan including follow-up work and  
3 expected results via a technical assistance plan. The Administrator also will  
4 monitor engagements and track key milestones of projects.

5

6 **(5) Leveraging.** While there is no match requirement for the SC2 Network, HUD recognizes  
7 that the scope of work required of the program may exceed the funds that are available for this  
8 cooperative agreement. Therefore, the Administrator will be responsible for leveraging the  
9 additional resources necessary to meet the program objectives of the SC2 Network. HUD  
10 believes that leveraging the funds of the SC2 Network will make its investment go further and  
11 the SC2 Network less dependent on a single funding stream. Moreover, leveraging outside  
12 investments helps to align and engage the expertise that already exists in the philanthropic, non-  
13 profit, and private sectors, as well as connect technical assistance efforts and programs already  
14 underway. Therefore, improving the alignment of various efforts will allow communities to  
15 maximize their resources and work towards mutual improvements.

16 The Administrator may leverage the SC2 Network's fund by securing, for example  
17 philanthropic funds, or in-kind resources that could include, but are not limited to the services  
18 of pro-bono consultants and issue area experts. Financial resources must be shown to be  
19 dedicated solely to the efforts of the SC2 Network. HUD expects the Administrator to work to  
20 secure additional funds and resources for the SC2 Network engagement efforts.

21

22 **c. Capacity Building:** *In this third category, the Administrator will increase the capacity of*  
23 *participating governments in the area of intervention. This responsibility might also include*

1 *establishing a Local Resource Network (LRN) for communities with potential private and*  
2 *philanthropic resources to sustain local capacity building over a longer term. HUD believes*  
3 *that aligning resources to provide communities with a holistic set of technical assistance, as*  
4 *well as a technical assistance plan to facilitate targeted and effective engagements will help*  
5 *support capacity building efforts.*

6 HUD recognizes that some places have community or local foundations, as well as engaged  
7 private industries that are able to provide resources which, if properly aligned, might replicate  
8 the objectives of the SC2 Network on a local level. These “locally” scaled versions of the SC2  
9 Network would sustainably support local government capacity, and under appropriate  
10 conditions, be spun off into an independent entity—a Local Resource Network (LRN). With the  
11 creation of an LRN, HUD believes that a community would be more economically resilient to  
12 declines in city revenues or federal funding because the LRN will serve to supplement funds  
13 and resources.

14 HUD recognizes that in a limited number of communities, the SC2 Network may also be  
15 ripe for supporting an LRN which, if properly developed, would directly help communities  
16 build sustainable capacity. Given this recognition, the Administrator, under the counsel of HUD  
17 and the SC2 Council may **choose to allot no more than \$500,000** of the SC2 Network’s funds  
18 to finance the development of one or more LRNs. The three activities of this category are  
19 described below.

20 **(1) Administrator Responsibilities under Capacity Building.** In this category, the  
21 Administrator will be responsible for:

22 **(a)** Identifying communities where LRNs may be viable;

1       **(b)** Working with HUD and the SC2 Council to determine whether or not an LRN should be  
2           funded in a community; and

3       **(c)** Developing the foundation of an LRN, as applicable.

4       **(2) Basic Criteria for Identifying Communities for LRN.** In identifying communities where  
5       the climate is ripe to appropriately support an LRN, HUD has established some basic criteria as  
6       follows:

7       **(a)** A community that has strong assets that include anchor institution, philanthropic support  
8           and a sufficient set of private sector or non-profit partners with appropriate pro  
9           bono technical services to contribute;

10      **(b)** A community that already has matching funds from a foundation, local non-profit or  
11       private source that is committed to the LRN's development; and

12      **(c)** A community that demonstrates the strong support of its local government, as well as an  
13       existing base of cross-sector leadership.

14      In addition, applicants will be required in their application to provide additional criteria to  
15      identify the appropriate communities, and provide solid justification for those criteria.

16      **(3) Administrator Duties in Developing LRN.** Once the Administrator has identified a list of  
17      communities, they will work with HUD and the SC2 Council to determine which of those  
18      places should be funded. If it is decided that a place should receive funding, the Administrator  
19      will be responsible for developing the LRN in the following manner:

20      **(a)** Recruit additional local lead organizations, private or non-profit partners where  
21           appropriate;

22      **(b)** Provide funds to a local lead organization to create a business plan for the LRN that  
23           would also assess local capacity;

- 1 (c) Support assembling a leadership team from the public, private, and non-profit sectors;  
2 and  
3 (d) Provide additional technical assistance to support implementation efforts.

4 Finally, it should be noted that while HUD has allocated funding to support an LRN, HUD  
5 expects the LRN to operate on its own after it has been established by the Administrator. As a  
6 result, the LRN likely will be reliant on pro bono support from consulting, accounting and legal  
7 firms.

8

9 **d. Evaluation.** *In this fourth category, the Administrator will carefully document and evaluate*  
10 *interventions to build a series of best practice strategies that can benefit places with similar*  
11 *challenges and develop forums for sharing this knowledge. As a pilot initiative, SC2 allows the*  
12 *federal government to test various place-based strategies that help to enhance local capacity,*  
13 *inform future federal policies, and better assist local governments.*

14 Under this activity, HUD has not prescribed a funding allotment. Rather, eligible applicants  
15 in their application will be required to specify as part of their budget the funding amount  
16 allocated towards evaluating the SC2 Network and its activities. There are three areas of  
17 responsibilities for the Administrator:

18 **(1) Coordinating with the SC2 Council on performance and evaluation metrics.** The SC2  
19 Council is developing a set of metrics to evaluate the SC2 initiative. To streamline this effort,  
20 the Administrator will be required to coordinate its performance metrics, where relevant, with  
21 the SC2 Council, as well as its efforts to track comparable outputs and outcomes of the overall  
22 SC2 initiative. (HUD will provide the Administrator with a list of metrics generated by the SC2  
23 Council.) The types of outputs that may be relevant to the SC2 Council would include, but are



1 not limited to the number of SC2 Network recommendations implemented; the amount of  
2 funding leveraged as a result of the SC2 Network; how quickly the SC2 Networks assistance  
3 has improved a communities ability to expend federal funds; and the number of collaborative  
4 stakeholder networks supporting the implementation of a community's technical assistance  
5 plan.

6 **(2) Developing metrics that can be applied across all technical assistance engagements.** The  
7 Administrator will be expected to develop and track output and outcome measures, and  
8 benchmark milestones that can be applied across all technical assistance engagements. This  
9 includes developing a comprehensive performance measurement system that incorporates long-  
10 term outcome goals that cross every engagement.

11 **3. Developing metrics tailored to communities and/or projects.** The Administrator will be  
12 expected to develop and track output and outcome measures, and benchmark milestones that are  
13 tailored to meet the goals and objectives of each community as prescribed by a technical  
14 assistance plan.

15 In developing metrics, it should be noted that the Administrator should consider both  
16 quantitative and qualitative metrics.

17 Because the SC2 Network seeks to have lasting impact on some of the long-term issues  
18 affecting local governments, HUD recognizes that not all outcomes will be realized during the  
19 duration of the cooperative agreement period. Rather, HUD will evaluate an application based on  
20 its ability to identify potential outcomes an applicant seeks to achieve in their community  
21 engagements, and the specificity of the benchmarks it establishes to measure progress toward a  
22 completed product that guides all of the necessary work. Essentially, HUD wants to know that  
23 the Administrator can create a clear model describing issues targeted, what it seeks to achieve,

1 the specific benchmarks that show success, and the steps the Network will take to reach success.  
2 Once an Administrator is selected, HUD and the SC2 Council will work closely with the  
3 Administrator to improve, amend, and enhance their proposed metrics to ensure that it  
4 effectively evaluates each community served, and comports to the needs and goals of the SC2  
5 Network.

6 HUD recognizes that there will be a feedback loop between policy areas of interest,  
7 community interventions and the evaluation of such engagements, and policy recommendations.  
8 As a result of this feedback, HUD expects the Administrator to take into account each of these  
9 areas when designing its evaluation to inform and guide future policymaking.

10

11 **e. Policy Recommendations.** *In this fifth category, the Administrator will identify for the SC2*  
12 *Council the federal policy changes that could help local governments better achieve their*  
13 *economic development visions, as well as highlight other policies, systems, and practices that*  
14 *support holistic and sustainable economic development.*

15 A critical aspect of the Network Administrator's responsibilities is to provide  
16 recommendations to HUD and the SC2 Council on how federal policy changes could help local  
17 governments better achieve their economic development visions and support holistic sustainable  
18 economic development. The Administrator is expected to help the agency better understand the  
19 following policy areas:

20 (1) How the federal government can improve its allocation of technical assistance funds;

21 (2) How technical assistance programs can be aligned so that it is more effective at the local  
22 level;

1       **(3)** What key challenges local governments face and the strategies for addressing those  
2           challenges, including any barriers that may result from existing federal regulations and  
3           policies and proposed revisions to these regulations and policies; and

4       **(4)** How the SC2 Network can be improved programmatically to addressing the needs of  
5           local governments, including operational capacity constraints.

6           HUD views this activity as more than simply a reporting requirement of the  
7 Administrator, but a means to identify specific challenges and potential solutions or strategies to  
8 better assist communities as well as emerging policy lessons. Given the Administrator's  
9 direct role and relationship with the communities it assists, the  
10 Administrator's insights on trends, practices, and barriers will be invaluable  
11 to the initiative, and specifically to inform the ongoing policy deliberations  
12 of the SC2 Council. Under this category, the Administrator will be expected  
13 to regularly report to HUD and the SC2 Council to address the following  
14 issues:

- 15       • Identification of potential regulatory barriers identified through SC2  
16       Network projects;
- 17       • Recommended changes to federal policies and programs to address  
18       issues of special importance to cities and local governments that  
19       pertain to local capacity and economic growth;
- 20       • Recommended policies for building local expertise in strengthening  
21       local economies;

- 1 • Recommended strategies to implement best practices learned through  
2 the SC2 Network on a government-wide basis to better support  
3 localities; and
- 4 • Identification of opportunities to increase the flexible utilization of  
5 existing federal program resources across agencies to enable more  
6 performance and outcome-based funding.

7 Given the Administrators discussion on the aforementioned issues, HUD and  
8 the SC2 Council will work with the Administrator to determine potential  
9 solutions and next steps where appropriate.

10

11 In addition to these five categories (**Structure Development, Engagement,**  
12 **Capacity Building, Evaluation, and Policy Recommendations**), the Administrator will  
13 also work with the other components of SC2 (described under I.A.1. *SC2*  
14 *Components*), as well as the SC2 Council (described under I.A.2 *Executive*  
15 *Order*) to meet the broad goals and objectives of the initiative.

16

## 17 **II. AWARD INFORMATION**

### 18 **A. Type of Award.**

19 HUD will select one grantee to administer approximately \$5 million for the  
20 SC2 Network. HUD will execute a cooperative agreement with that grantee  
21 that delineates the objectives, roles and responsibilities for HUD and the  
22 grantee.

1 HUD recognizes that the success of the SC2 Network will require flexibility  
2 and adaptability in design and implementation. Therefore, the cooperative  
3 agreement will allow HUD to work closely with the grantee to help fine tune  
4 activities as needed to ensure that activities are implemented in a manner  
5 that is consistent with the objectives of the SC2 Network, SC2 initiative and  
6 the SC2 Council. HUD anticipates that it will have substantial involvement in  
7 the work being conducted under the award to ensure that the purposes of  
8 the SC2 Network are being carried out, and that technical service providers  
9 and units of local government are following through on their commitments to  
10 local and regional development. HUD's involvement includes, but is not  
11 limited to, monitoring progress that is being made in meeting established  
12 performance metrics and ensuring consistency in projects across community  
13 engagements.

14 **B. Cooperative Agreement Period**

15 Approximately \$5 million for the SC2 Network will be made available to  
16 the Administrator to be expended over the course of 36 months from the  
17 date of the cooperative agreement. HUD will monitor the Administrator to  
18 ensure that the funds are effectively and efficiently utilized over the 36  
19 month period.

20 In addition, HUD must approve a grantee's work plan and budget before a  
21 grantee can begin work at each community receiving services under the  
22 cooperative agreement.

1

2 **III. ELIGIBILITY**

3 **A. Eligible Applicants**

4 Eligible applicants for the SC2 Network Administrator may include the  
5 following entities: Nonprofit organizations, foundations, anchor institutions,  
6 for-profit companies, or a consortium of these entities with demonstrated  
7 ability to raise philanthropic support.

8 The Administrator must have a demonstrated ability to engage and  
9 maintain relationships with a diverse group of technical service providers  
10 across a broad range of disciplines, and partner with philanthropies and  
11 units of general local government to advance the objectives of the SC2  
12 Network program. The Administrator must also have a demonstrated ability  
13 to obtain other community, private sector, and federal resources that can  
14 be combined with HUD’s program resources to achieve program objectives.  
15 In general, an ideal Administrator will have most or all of the following  
16 characteristics:

17 **1. Place-based:** The selected Administrator, buoyed by support of agencies  
18 and the philanthropic community, will have experience working in many  
19 distressed communities, and will be able to match these communities to  
20 relevant technical experts quickly and efficiently, understanding the unique  
21 characteristics of each community and the importance of place.

22

1 **2.Resource-maximizing:** The selected Administrator will have a national  
2 scope and will be well-accustomed to the challenge of distributing scarce  
3 resources across communities with distinct needs. The ability to effectively  
4 evaluate requests for service will be paramount to using the SC2 Network's  
5 resources to their greatest potential.

6 **3.Nimble, responsive, and service-oriented:** The SC2 Network will be  
7 designed to provide very timely assistance that can thoroughly understand  
8 and adapt to needs on the ground. Therefore, the selected Administrator  
9 will have, or can quickly pull together a deep team of technical experts, and,  
10 when necessary, develop partnerships between experts on issues that  
11 require multiple skill sets and excellent customer service skills.

12 **4.Objective:** In some cases, procedures or regulations may be a barrier to  
13 local capacity building. The selected Administrator will facilitate local  
14 partnering and provide honest feedback to HUD and the other SC2 agencies  
15 for relieving burdens on local governments, while retaining accountability  
16 for results.

17 **5.Sustainable:** The selected Administrator will have the nonprofit  
18 management expertise required to make the SC2 Network financially  
19 sustainable, and as an outside entity, can attract philanthropic and other  
20 sources of funding and leverage HUD's investment several times over.

21 In addition, under the NOFA process, an applicant selected to become the  
22 Administrator must meet all threshold requirements contained in HUD's  
23 Fiscal Year 2012 NOFA General Section, including requirements addressing

1 civil rights and other cross-cutting requirements applicable to federal  
2 funding. Where an application involves multiple entities, each entity must  
3 meet the civil rights threshold requirement of “Resolution of Outstanding  
4 Civil Rights Matters.”

5 **B. Cost Sharing or Matching**

6 While there is no match requirement for the SC2 Network, HUD  
7 recognizes that the scope of work required of the program may exceed the  
8 funds that are available for this cooperative agreement. Therefore, the  
9 Administrator will be responsible for leveraging the additional resources  
10 necessary to meet the program objectives of the SC2 Network.

11 **C. Other.**

12 **1. Threshold Requirements**

13 **a.** The applicant must meet the threshold requirements of the FY 2012  
14 General Section. **The General Section can be viewed at:**  
15 [http://portal.hud.gov/hudportal/documents/huddoc?](http://portal.hud.gov/hudportal/documents/huddoc?id=2012gensecNOFA.pdf)  
16 [id=2012gensecNOFA.pdf.](http://portal.hud.gov/hudportal/documents/huddoc?id=2012gensecNOFA.pdf)

17 **b.** Each applicant must qualify as an eligible applicant under this NOFA and  
18 must have met the  
19 timely receipt requirements, as described in the FY 2012 General Section.

20 **c.** No applicant may propose to provide assistance that is in violation of this  
21 NOFA, as described in Section **XX** *Funding Restrictions*.



1 **d.** False statements or claims intentionally made in an application constitute  
2 grounds for denial or termination of an award, and may lead to penalties or  
3 prosecution as provided in 18 U.S.C. 1001. 5.

4 **e.** To the extent that the applicant has experienced a recapture of funds  
5 under an open cooperative agreement or contract with a government entity  
6 in the last five (5) years, the applicant(s) must disclose this information and  
7 address how these issues were resolved. Failure to disclose past  
8 performance issues will result in disqualification.

9 **f. Dun and Bradstreet Data Universal Numbering System (DUNS)**

10 **Number Requirement.** Please see the FY2012 General Section, b.  
11 *Registration Requirements*, pg. 39 for instructions on how to secure a DUNS  
12 number if the applicant does not have one. You will need to obtain a DUNS  
13 number to receive an award from HUD.

14 **g. Central Contractor Registration Requirement.** All applicants must  
15 register or update a current registration in the Central Contractor  
16 Registration to receive funding from HUD. Information on CCR registration is  
17 available at [www.sam.gov](http://www.sam.gov).

18 **h.** All applicants must address each component of each rating factor, as well  
19 as submit the required documents listed in section IV.B.5 *Checklist for*  
20 *Application Content*.

1 **i.** The applicant must address all the components of the SC2 Administrator  
2 functions. Applicants that leave out components of the Administrator  
3 functions or leave rating factor questions unanswered will be determined to  
4 have submitted incomplete applications, and their applications **will not** be  
5 considered.

6 **j.** The minimum score for an application to be considered for funding is 75.

7 **k.** Entities that have been found to be in ethical violation, or have violated  
8 standards related to fiscal mismanagement of funds and resources are not  
9 eligible to apply.

## 10 **2. Program Requirements.**

11 **a.** For communities where it has been determined by the Administrator that  
12 it will receive an operational assessment, an operational assessment must  
13 be conducted before any further technical assistance can be provided to a  
14 community.

15 **b.** Funds from the SC2 Network may not be used to provide communities  
16 with grants or any form of direct funding to support technical assistance,  
17 with exception of supporting the LRN as described in section **XX Capacity**  
18 *Building*.

19 **c.** The Administrator is required to secure additional funding and in-kind  
20 support from philanthropic organizations and other public and private sector  
21 entities to fulfill the scope of work for the network.

1 **d.** HUD expects an LRN to operate on its own after it has been established  
2 by the Administrator.

3 **e.** The Administrator must comply with the requirements in Section III.C.5  
4 of the FY2012 General Section.

5 **f.** If applying for funding as a consortium, a lead applicant must be named  
6 in the application submitted by the lead organization.

7

#### 8 **IV. APPLICATION AND SUBMISSION INFORMATION**

##### 9 **A. Addresses to Request Application Package**

10 Applicants should review HUD's General Section for specific procedures  
11 concerning the electronic application submission and timely receipt  
12 requirements. HUD's General Section for FY2012 describes the general rules and  
13 procedures that applicants must follow when applying to HUD NOFAs. **The General Section**  
14 **can be viewed at:** [http://portal.hud.gov/hudportal/documents/huddoc?](http://portal.hud.gov/hudportal/documents/huddoc?id=2012gensecNOFA.pdf)  
15 [id=2012gensecNOFA.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=2012gensecNOFA.pdf).

16 Copies of this NOFA and its relevant application forms found at the grants.gov website at  
17 [http://www07.grants.gov/applicants/find\\_grant\\_opportunities.jsp](http://www07.grants.gov/applicants/find_grant_opportunities.jsp). If you have difficulty  
18 accessing the information, you may receive customer support from Grants.gov by calling its  
19 Support Desk at 800-518-4726 (toll free number if calling from the U.S.), or by sending an  
20 email to support@grants.gov. The Grants.gov help desk is open 7 days a week, 24 hours a day,  
21 except federal holidays.

22

##### 23 **B. Content and Form of Application Submission**

1 In order for HUD to consider an application complete, all applicants applying to this  
2 NOFA must submit additional documents in addition to their responses to the four rating  
3 factors. These documents are application form SF-424, SF424sup, and SF-LLL. These  
4 application forms must be signed by an authorized official of the applicant.

5 If applying as consortium, **a lead applicant must be named** in the application **form**  
6 **SF424**. The lead applicant also will be responsible for managing the eligible activities. Only the  
7 lead applicant needs to submit an application, and all relevant forms and documents on behalf  
8 of the consortium.

9 The SF-424, SF424sup, and SF-LLL are described below, along with instructions on  
10 which entities should submit what form:

- 11 • **SF-424:** Applicants applying as a single entity must complete this form. If an  
12 applicant is applying as a consortium, **ONLY** the lead organization in the  
13 partnership is required to submit a SF-424 on behalf of the consortium.
- 14 • **SF424sup:** This document must be submitted by all entities, regardless of whether  
15 they are applying as a single entity or a consortium.
- 16 • **SF-LLL:** This document is a lobbying disclosure form. This form is **ONLY** required  
17 to be submitted by all entities that conduct lobbying activities, regardless of whether  
18 they are applying as a single entity or a consortium.

19 Note that as part of the SF-424 form, and SF424sup form, the applicant **will be required to**  
20 **provide their DUNS number**. This DUNS number allows the federal government to track  
21 federal funding allocations. Please see the General Section, b. *Registration Requirements*, pg.  
22 39 for instructions on how to secure a DUNS number if the applicant does not have one.

### 23 **1. Electronic Submission Requirement**

1 HUD requires all applicants seeking funding under this NOFA to apply electronically through  
2 Grants.gov. An applicant may request in writing a waiver to the electronic submission  
3 requirement for good cause in accordance with 24 CFR 5.1005 (see the General Section for  
4 more information). Should HUD grant a waiver of the electronic submission requirement, the  
5 waiver approval letter will note the number of paper copies the applicant must send to HUD.

## 6 **2. Page Limitations and Font size**

7 Applicant responses to all of the rating factors must be formatted so that the total number of  
8 pages submitted are equal to no more than 20 single-sided pages of single-spaced text based on  
9 an 8.5 by 11 inch paper, using a standard 12 point font. However, **for a consortium submitting**  
10 **their application**, they are allowed an additional three pages (for a total of 23 pages).

11 Reviewers **will not** review more than 20 pages for all the factors combined (unless the  
12 applicant is submitting as a consortium, in which case the page limit is 23).

## 13 **3. Appendix**

14 The rating factors will ask the applicant to submit an organization chart and contact information,  
15 resumes, references, budget table, project completion schedule and leveraging documents. This  
16 information should be added to the back of the responses to the rating factors as an appendix, and  
17 will **not** count towards the page limit. Please label the appendix using the following format and  
18 order:

- 19 • Appendix A: Organization Chart
- 20 • Appendix B: Contact list
- 21 • Appendix C: Resumes
- 22 • Appendix D: References
- 23 • Appendix E: Budget Table
- 24 • Appendix F: Project Completion Schedule

- 1 • Appendix G: Leveraging Documents

2 **4. Prohibition on Materials Not Specifically Requested.**

3 Materials other than what is specifically requested by HUD in this NOFA should not be  
 4 submitted. Reviewers will not consider any other documents attached to the application not  
 5 specifically requested by HUD in this NOFA.

6 **5. Checklist for Application Content.**

7 The following checklist is provided as a guide to help ensure that your application contains  
 8 all the required elements. For applicants receiving a waiver of the electronic submission, the  
 9 paper application must be in the order provided below.

10 All applicants must enter the applicant name, DUNS number, and page numbers on the  
 11 narrative pages of the application. The DUNS number provided must be for the entity that is to  
 12 receive the award of funds from HUD. All forms are available when you download the  
 13 application and instructions from Grants.gov. You have only to enter the CFDA Number (listed  
 14 on page 1 of this NOFA) or Funding Opportunity number (listed on page 1 of this NOFA) **or**  
 15 Funding Opportunity Competition ID for the respective program. Entering more than one of  
 16 these IDs will result in an error message that the application cannot be found.

17 **Application Checklist**

Document	Check Box
1. Application SF424 (submitted by single entity OR the lead applicant in the consortium)	
2. SF424sup (submitted by all entities, regardless of whether they are applying as a consortium or a single entity.)	
3. SF-LLL (submitted by all entities that conduct lobby activities, regardless of whether they are applying as a consortium or a single entity)	
4. Responses to Rating Factors/Narrative	

<ul style="list-style-type: none"> <li>• For single entities the page limit is 20</li> <li>• For a consortium, the page limit is 23</li> <li>• Make sure to include the lead applicant name, DUNS number, and page numbers on your responses to the rating factors for each page.</li> </ul>	
<p>Appendix:</p> <p>Appendix A: Organization Chart</p> <p>Appendix B: Contact list</p> <p>Appendix C: Resumes</p> <p>Appendix D: References</p> <p>Appendix E: Budget Table</p> <p>Appendix F: Project Completion Schedule</p> <p>Appendix G: Leveraging Documents</p>	

1

2 **C. Submissions, Dates and Times**

3 Completed applications must be received by Grants.gov no later than **11:59:59 p.m. eastern**  
 4 **time** on the application deadline date of **XXX**. Following receipt the application will go through  
 5 a validation process. If the application fails the Grants.gov validation process, it will be rejected.  
 6 Please see the FY2012 General Section for instructions for timely receipt, including actions to  
 7 take if the application is rejected. HUD encourages applicants to submit their applications early,  
 8 at least 48 hours prior to the deadline.

9 Applicants should carefully read the section titled “INSTRUCTIONS ON HOW TO  
 10 DOWNLOAD AN APPLICATION PACKAGE AND APPLICATION INSTRUCTIONS” in  
 11 the FY2012 General Section on page 43. This section contains information on using Adobe  
 12 Reader, HUD’s timely receipt policies, and other application information.

13 **D. Intergovernmental Review**

14 This program is not subject to intergovernmental review.

1 **E. Funding Restrictions**

- 2 1. Funding will only be provided to applicants who meet the standards for eligible applicants.
- 3 2. Funds will not be used to pay for activities outside the scope of the NOFA.
- 4 3. Funds awarded under this program may not be used to pay for computer hardware.
- 5 Honorariums cannot be charged against awards under this program.
- 6 4. An organization may not provide assistance to itself.
- 7 5. An organization may not provide assistance to another organization with which it contracts or
- 8 sub-awards funds to carry out activities under this award. No fee or profit may be paid to any
- 9 recipient or contractor of an award under this NOFA. Contractors providing technical
- 10 assistance/capacity building services/products are not consultants and thus are not subject to the
- 11 salary provisions applicable to consultants in the FY2012 General Section. HUD will determine
- 12 whether the salary rates are reasonable and customary for the skill set provided and the area(s)
- 13 being served.

14 **F. Other Submission Requirements**

15 **Waiver of Electronic Submission Requirements.**

16 Applicants interested in applying for funding under this NOFA must submit their applications

17 electronically via Grants.gov or request a waiver from the Policy Development Division in the

18 Office of Policy Development and Research. You must follow the procedures for electronic

19 submission of applications contained in HUD's General Section unless a waiver for good cause

20 in accordance with HUD's waiver policy of 24 CFR 5.1005 is approved by HUD. Waiver

21 requests must be submitted in writing, either via email or mail. Waiver requests must be

22 submitted no later than 15 days prior to the application deadline date and should be submitted via

23 email to [khengmei.tan@hud.gov](mailto:khengmei.tan@hud.gov) or in writing to:

24 Kheng Mei Tan



1 Office of Policy Development and Research  
2 U.S. Department of Housing and Urban Development  
3 451 7<sup>th</sup> Street SW, Room 8116  
4 Washington, DC 20410

5 Written waiver requests must be **postmarked no later than 15 days prior** to the application  
6 deadline date. HUD only provides waivers for cause under the waiver provisions of 24 CFR  
7 5.110. Instructions regarding the number of copies to submit and the address where they must be  
8 submitted will be contained in any approval of the waiver request. Paper submissions must be  
9 received at HUD Headquarters (Attn: Kheng Mei Tan, 451 7<sup>th</sup> Street SW, Room 8116,  
10 Washington, DC 20410) no later than 4pm on the deadline date. Paper applications **will not be**  
11 **accepted from applicants that have not been granted a waiver**. All applications in paper  
12 format must have received a waiver to the electronic application requirement and the application  
13 must be received by HUD on or before the application deadline date in accordance with the  
14 notification approving the waiver. Applicants submitting paper applications must have a DUNs  
15 number and CCR registration. (HUD only allocates funding awards to grantees with a DUNs  
16 number and CCR registration.)

## 17 **V. APPLICATION REVIEW INFORMATION**

### 18 **A. Rating Factors Overview and Instructions**

19 HUD will rate the qualifications of an applicant on four rating factors described below. Only  
20 applicants (a single entity **OR** a consortium) that can meet the competencies of all five required  
21 activities described in this NOFA should submit applications. Please see section IV *Application*  
22 *and Submission information* for a detailed description of submission requirements, how to

1 submit, page limitations, and required forms that must accompany an application in ordered for it  
2 to be reviewed by HUD. For a helpful checklist for all required documents, please see IV.B.5  
3 *Checklist for Application Content.*

4 The total number of points possibly awarded for an application is **100 points**. Only  
5 applications that achieve a minimum threshold of 75 points will be considered for award.

6 The applicant must address all issues and criteria raised in this NOFA. HUD suggests that  
7 applicants answer and label their responses in the order in which the rating factor questions are  
8 asked so that applications can be evaluated more easily. Applicants that leave criteria  
9 unanswered will be determined to have submitted incomplete applications, and their applications  
10 **will not** be considered.

11 In addition, applicants must submit an organization chart, contact information, resumes,  
12 references, budget table, project completion schedule and leveraging documents as part of their  
13 responses to the rating factors. Please see section IV *Application and Submission information* on  
14 details regarding how applicants submit and label this information as an appendix. This  
15 information will **not** count towards the page limit (described in section IV.B.2 *Page Limit*).

16 **1. Rating Factor 1: Demonstrated Knowledge, Experience and Readiness of the Applicant**  
17 **(20 Points):**

18 This factor evaluates the extent to which the applicant (including its  
19 consortium entities, if applicable) demonstrates the capacity to carry out the  
20 SC2 Network activities as described in this NOFA in an effective and timely  
21 manner. In evaluating this rating factor, HUD will review the depth of an  
22 applicant's experience, readiness and understanding of the issues. As a

1 result, HUD will award points based on the extent to which an applicant  
2 provides a cohesive and comprehensive discussion that demonstrates their  
3 area of expertise, readiness and understanding of the issues as described in  
4 Rating Factor 1.

5 **a. Narrative (8 Points)**

6 The Administrator must have a solid understanding of the economic  
7 challenges of distressed communities and the importance of a broader and  
8 more comprehensive philosophy to engagement. In this section, HUD wants  
9 the applicant to elucidate clearly on a) what it considers to be the key issues  
10 of distressed communities b) key obstacles to capacity building at the local  
11 level and c) specifically how and where a coordinated technical assistance  
12 approach would assist such communities. **In discussing these topics, the**  
13 **applicant must demonstrate its knowledge of existing technical**  
14 **assistance programs and models.**

15 In its narrative, HUD also wants the applicant's explanation to include  
16 credible information and data resources. HUD defines "credible information"  
17 as those from research papers, newspapers, industry reports and guidelines,  
18 and documents from academic institutions and think tanks. HUD defines  
19 "credible data resources" as those from the Census or any federal  
20 government data, as well as data and surveys from academic institutions,  
21 non profits and think tanks.

22 **b. Previous Experience (12 Points)**

1 HUD is interested in the applicant's demonstrated experience working in the  
2 five categories described in this NOFA during the past 36 months. In this  
3 section, HUD wants the applicant to address the following responsibilities  
4 regarding their experience in the past 36 months:

5 **(1) Background (2 points):** Please provide a brief explanation about the  
6 objectives, goals and work of the applicant's organization (and all consortium  
7 entities if relevant) as it relates to the activities described in the five  
8 categories.

9 **(2) Technical assistance and capacity building (10 points):** The  
10 applicant must explain to HUD its prior experience in working on projects  
11 that have required it to hire issue experts, convene policy experts and  
12 practitioners to share best practices, and partner with other local networks,  
13 organizations and/or key individuals in communities (specifically those  
14 communities in distress) to address a range of economic challenges. The  
15 applicant must include in its discussion:

16 (a) At least one example of a technical assistance project for a community  
17 that clearly delineates the goals and objectives of the project, duration of the  
18 project, total cost of the project, specific issue(s) the applicant was resolving,  
19 the technical assistance used, and additional resources (such as  
20 hiring/managing consultants and technical experts), and the results it  
21 achieved. Also, the applicant should elucidate on any lessons learned/best  
22 practices that came out of the project.

1 (b) How it has built and maintained relationships with local networks,  
2 organizations and/or key individuals to build capacity, and how integral these  
3 relationships were to its project. In addition, please describe any previous  
4 work, partnerships or collaborations with the federal or local government.

5 (c) How it has convened practitioners, policymakers and stakeholders to  
6 discuss common economic challenges of communities that include sharing  
7 knowledge, identifying best practices and potential policy recommendations.

8 If applying as a consortium, please provide an explanation from all  
9 entities addressing the rating factor questions where relevant.

## 10 **2. Rating Factor 2: Soundness of Approach (40 Points)**

11 This factor evaluates the quality and soundness of the applicant's approach  
12 to program design, including the operation, management and oversight of  
13 the SC2 Network and its community engagements. HUD will evaluate the  
14 adequacy and effectiveness of the applicant's program design for 1)  
15 ensuring the SC2 Network will be implemented and managed successfully 2)  
16 engaging distressed communities 3) capacity building and 4) the process for  
17 providing policy recommendations back to HUD and the SC2 Council. HUD  
18 will award points based on the extent to which an applicant provides a  
19 sound, thoughtful and comprehensive discussion of each component of their  
20 implementation plan, as described below in Rating Factor 2.

### 21 **a. Implementation Plan (40 Points)**

1 Applicants must propose how they will structure the SC2 Network and how  
2 the activities they will pursue address the problems identified in local  
3 government capacity. The Administrator will be required to develop a plan that includes  
4 specific, measurable, and time-phased objectives for each activity.

5 **(1) Structure Development (10 Points)**

6 The applicant must demonstrate an ability to collaborate and coordinate with other organizations,  
7 experts, and sectors in delivering assistance to communities through the SC2 Network. Here, the  
8 applicant (and where relevant, its consortium entities) must provide HUD with a detailed  
9 description of the following responsibilities:

10 **(a) How they will secure experts. (3 points)** The applicant must explain:

11 (i) How they will develop a structure of both paid and pro bono experts/consultants to  
12 address the holistic needs of communities. The explanation should include where/what  
13 organizations they will draw these experts from, and the process they will undertake in  
14 **recruiting, selecting and vetting** these experts to ensure that they have the adequate expertise to  
15 meet the needs of a project. Securing the most appropriate experts to provide technical assistance  
16 is critical to the success of the SC2 Network. As a result, HUD expects the applicant to be as  
17 descriptive as possible in describing their recruitment, selection and vetting process. In addition,  
18 if the applicant plans to execute contracts or formal agreements between the SC2 Network and  
19 technical experts it plans to hire, the applicant must provide a detailed explanation.

20 (ii) How it will bring in additional experts from other fields if it is necessary to a project's  
21 successful completion. (HUD anticipates that when the Administrator engages a community, it is  
22 likely that the Administrator may have to secure additional experts.)

1 (iii) What key categories of expertise the applicant thinks would be useful for the SC2  
2 Network (e.g. experts in urban planning, infrastructure development, etc?)

3 If the applicant thinks that its organization already has the capacity and expertise to meet the  
4 holistic technical assistance needs of distressed communities, the applicant must provide a  
5 detailed explanation of the range of experts it has employed in its organization; the expertise they  
6 possess; and its justification of why its experts will fully serve the technical assistance needs of  
7 distressed communities. In addition, the applicant must answer part (iii) in this section.

8 **(b) How they will market the SC2 Network to distressed communities. (1 point)**

9 The applicant should include in its discussion how it will target the appropriate communities to  
10 market SC2 Network assistance.

11 **(c) How it will develop and implement the clearinghouse of federal, state and local technical  
12 assistance. (3 points)** Given what was described in section **XXX Structure Development** in this

13 NOFA, the applicant's discussion must address the following responsibilities:

14 **(i)** How it envisions it will utilize the clearinghouse to assist distressed communities;

15 **(ii)** How it will research federal, state and local technical assistance programs to include in  
16 the clearinghouse;

17 **(iii)** What types of information will go into the clearinghouse (eg. program title, program  
18 description, etc.), and;

19 **(iv)** How it will categorize technical assistance to make it user friendly to the public.

20 **(d) How it will establish the Peer-to-Peer Network. (3 points)** Given what was described in

21 **XXX Peer-to-Peer Network** in this NOFA, HUD wants the applicant to explain how it envisions  
22 the Peer-to-Peer Network will connect the four components of the SC2 initiative; how it will

1 foster peer exchanges, and how it will house online materials related to SC2. The applicant's  
2 discussion must also include how it will disseminate information and best practices to cities, SC2  
3 stakeholders and interested parties working to resolve the issues of distressed communities. This  
4 discussion should include what forums (webinars, conferences, etc) the applicant would use to  
5 promote peer exchanges, greater learning opportunities and knowledge exchange that may foster  
6 new ideas and policy recommendations.

7 **(2) Engagements (30 Points)**

8 HUD expects that more local governments will request the services of the SC2 Network than the  
9 SC2 Network is able to engage in, particularly in the first year. As described in this NOFA, the  
10 Administrator will be responsible for systematically taking-in, prioritizing and addressing  
11 requests from communities as described in section **XXX Engagement**. In this section, HUD  
12 wants applicants to provide a proposed engagement plan that is **thoughtful, sensible and**  
13 **cohesive**, as well as effectively **maximizes the resources** of the SC2 Network.

14 **(a) General Narrative. (1 Points)** HUD wants the applicant to provide a brief overview of its  
15 proposed plan to operationalize the SC2 Network.

16 **(b) Engagement Strategy. (10 Points)** Continuing from the overview, HUD wants the  
17 applicant to provide a detailed explanation of how it will accomplish the following  
18 responsibilities:

19 **(i) Initial Intake (1 Points):** The applicant must describe its proposed system in taking in  
20 technical assistance requests. This discussion should include details on the types of information  
21 that it would collect (other than those proposed by HUD listed in section **XXX Initial Intake**).



1        **(ii) Prioritization (4 Points):** Given what was explained in **XXX** *Prioritization*, the  
2 applicant must describe its proposed system on how it would accomplish the following  
3 responsibilities:

4        a) *Assist communities in identifying specific issues they would like to address.* HUD  
5 recognizes that some communities that request assistance may need assistance in defining their  
6 issues. By targeting specific issues of a community, HUD thinks the Administrator will be better  
7 able to determine how to allocate SC2 Network resources.

8        b) *Manage and respond to technical assistance requests that require **no** funding resources.*  
9 This explanation must include a discussion about the types of technical assistance requests the  
10 applicant deems would require no funding.

11        c) *Prioritize and respond to technical assistance requests that require funding resources.*  
12 This explanation must include a detailed discussion of how the applicant plans to prioritize  
13 communities they think would qualify for an operational assessment given limited resources and  
14 the selection criteria it will use to determine which communities will receive an operational  
15 assessment. HUD has provided the applicant with a list of selection criteria in section **XXX**  
16 *Prioritization* for the applicant to include in their proposed prioritization plan. The applicant may  
17 use some or all of the criteria HUD provided, or **justify** and describe its own selection criteria if  
18 it chooses to incorporate it into their proposed plan. The applicant also must describe how it will  
19 make the selection criteria transparent to the public so that communities understand how they are  
20 being evaluated. **Here, HUD is seeking a proposed prioritization system that is thoughtful,**  
21 **rational and would get to targeting SC2 Network funding towards the most appropriate**  
22 **communities.**

1           **(iii) Assessment (5 Points):** Given the applicant’s response to “Prioritization,” HUD wants  
2 to know how the applicant envisions the assessment process. HUD deems this “assessment”  
3 process as one of the most important responsibilities of the Administrator as it drives the bulk of  
4 the SC2 Network’s funding. Given what was described in the NOFA is section **XX Assessment**,  
5 HUD wants the applicant to provide a detailed explanation to the following:

6           **a) Operational Assessment:** The applicant will be responsible for developing the  
7 criteria for the operational assessment used to assess communities. Here, the applicant must  
8 provide a description of its proposed criteria for its operational assessment. The applicant may  
9 present this section in a matrix if it is easier. In evaluating this section, HUD should have a solid  
10 understanding of what criterion is being used in the operational assessment, why that proposed  
11 criterion is important, and what each criterion assesses.

12           **b) Evaluation:** The applicant must explain its proposed process for evaluating  
13 communities using its proposed operational assessment. This explanation must include how the  
14 applicant will identify a team of experts to deploy to the community; how long the applicant  
15 thinks the operational assessment would take; how the applicant would work with the  
16 community to conduct the operational assessment; and how the applicant will utilize the  
17 operational assessment to identify short and long-term solutions for communities.

18           **c) Planning & Resource Deployment:** Upon completing the assessment, the  
19 Administrator will develop a technical assistance plan that will identify a range of solutions for  
20 the community to implement as described in **XXX Assessment**. HUD recognizes that the need for  
21 technical assistance will likely exceed the resources of the SC2 Network. As a result, HUD  
22 wants the applicant to explain how it will work with a community to establish a broad vision for  
23 where the community would like to be in the long-term; negotiate/work with the community to

1 **identify and prioritize** which solutions to implement from the technical assistance plan, given  
2 limited resources; and identify additional experts and resources to ensure the successful  
3 completion of each community engagement. (Note that HUD has proposed a 12 month limit for  
4 each engagement. This process includes the operational assessment.)

5 **(iv) Documentation (1 Points):** The applicant must describe its proposed system to  
6 document and track technical assistance requests, as well as to monitor community engagements  
7 and track milestones to assess whether or not projects are on schedule and completed  
8 successfully.

9 **(3) Capacity Building (4 Points)**

10 As described in section **XXX Capacity Building**, HUD believes that there may be a small  
11 number of communities that could support a Local Resource Network (LRN). In responding to  
12 this rating factor, the applicant must explain how it will accomplish the following  
13 responsibilities:

14 **(a) Identify communities where LRNs may be viable.** The applicant's explanation must include  
15 any additional criteria the applicant will use to identify communities (outside of the criteria  
16 proposed by HUD in section **XXX Capacity Building**) and a justification for that criteria; how the  
17 applicant will research and gather information about communities that could potentially host an  
18 LRN; and how the applicant will prioritize and/rank communities based on its established  
19 identification criteria.

20 **(b) Develop an LRN to Support Local Capacity.** Here, HUD wants to understand the applicant's  
21 proposed process for developing an LRN. The applicant's explanation must include a plan that  
22 broadly delineates what it thinks the broad goals and objectives should be for the LRN, and the

1 types of things it could accomplish in the near and short-term; how it will identify and recruit  
2 additional local partners from non profit, anchor institution, government agencies and/or  
3 public/private sectors; how it will work with the LRN to identify areas of support to offer  
4 technical assistance; and the steps it will take to ensure that the LRN will be sustainable on its  
5 own after the SC2 Network's resources are not supporting the LRN.

6 **(4) Policy Recommendation (5 Points)**

7 As described in section **XXX Policy Recommendation**, the Administrator will be responsible for  
8 providing policy recommendations to HUD and the SC2 Council. Given the Administrator's  
9 direct relationship in assisting communities, it will develop critical insights on trends, practices  
10 and lessons that can inform future policymaking. Here, HUD expects the applicant to explain  
11 how it will accomplish the following responsibilities:

- 12 **(a)** How it will identify key challenges that most distressed communities experience;
- 13 **(b)** How it will track its community engagements to ascertain best practices and lessons learned;
- 14 **(c)** How it will identify key policy areas for HUD and the SC2 Council to consider; and
- 15 **(d)** How it will provide knowledge-sharing experiences that will assist the SC2 Council, HUD,  
16 and other partners to better coordinate cross-agency and cross-sector technical assistance for  
17 economically distressed communities.

18 **(5) Management and Oversight (9 Points)**

19 To implement the SC2 Network, HUD requires the Administrator to have strong management  
20 and oversight. HUD will evaluate the organizational structure of applicants to ensure that  
21 applicants have the capacity to successfully implement the five activities described in this NOFA

1 in a timely and effective manner. Here, HUD requires the applicant to demonstrate that they  
2 either have sufficient personnel or the ability to procure qualified experts or professionals with  
3 the requisite knowledge, skills, and abilities in preparing and coordinating the development of  
4 the SC2 Network. The applicant's management structure must create a balance of paid experts  
5 when necessary while maximizing the contributions of pro bono services.

6 **(a) Organization Structure (3 points).** HUD is interested in understanding the applicant's  
7 capacity to support the SC2 Network in relation to ALL activities described in the NOFA. If  
8 applying as a consortium, the applicant must answer the former questions in the context of the  
9 consortium. The applicant must provide the following:

10 **(i)** A general description of the management structure that explains how the applicant  
11 (and its consortium entities) will work together to ensure that the five activities will be achieved  
12 successfully, and how decisions will be made.

13 **(ii)** An organization chart that identifies all key management positions and the names and  
14 positions of staff managing ALL responsibilities described in the NOFA that are associated with  
15 the five activities. This organization chart must be included in the Appendix.

16 **(iii)** A description of the key staff and their specific roles and responsibilities for  
17 managing its proposed activities, and the percent of each staff member's time that will be  
18 allocated towards those roles and duties.

19 **(iv)** The resumes and a brief description of the prior experience for each key staff  
20 member. These resumes must be included in the Appendix.

1           (v) A contact list of all entities associated with this application. This must include the  
2 name of ONE key point of contact for the applicant and include the address, city, state, zip code,  
3 email and phone number. If you are applying as a consortium, indicate which entity is the lead  
4 organization, and include ONE key point of contact and the respective address, city, state, zip  
5 code, email and phone number for each entity in the consortium, including the lead applicant. In  
6 addition, the contact list should provide the DUNS number and CCR registration for each entity  
7 in an application. Please see section III.C. *Threshold Requirements* on how to secure a DUNS  
8 number and CCR registration. This contact list must be included in the Appendix.

9           (vi) **References (1 Points)**. The applicant must include one reference for recent work  
10 similar to the programs covered under the NOFA that has been undertaken by the applicant. If a  
11 consortium, the applicant must include one reference for each entity. These references must be  
12 included in the Appendix.

13           References must be from an organization, individual or institution that the applicant has  
14 worked with in the past 36 months applicable to the five activities that are described in this  
15 NOFA. References must be submitted in the form of a letter (one-page maximum) that includes a  
16 contact name, address, phone number and email address so that HUD may verify the  
17 information. The letter must speak to the relevant work experience of the applicant.

18  
19           (b) **Budget (2 Points)**. The applicant must submit a detailed budget in the Appendix. HUD is  
20 not prescriptive on how the applicant presents its budget. However, the applicant's budget **must**  
21 **account for HUD's proposed allocation of each of the categories** described in this NOFA over  
22 a 36 month period. The budget must be based on a \$5 million allotment, and include the  
23 following information:

- 1        **(i)** Salaries for program staff;
- 2        **(ii)** Salaries for technical assistance experts;
- 3        **(iii)** Traveling expenses;
- 4        **(iv)** Cost estimates for the operational assessment (including those that will be completed
- 5        for the cities that received funding under the EDA Economic Visioning Challenge—please
- 6        budget for six cities);
- 7        **(v)** Expenses related to developing the clearinghouse;
- 8        **(vi)** Expenses related to developing the Peer-to-Peer Network (eg. website, webinars,
- 9        conferences);
- 10       **(vii)** Expenses related to building a system to track, monitor and manage the performance of
- 11       each community engagement;
- 12       **(viii)** Expenses related to the LRN; and
- 13       **(ix)** Cost for the evaluation.
- 14       **(c) Project Completion Schedule (1 point).** The applicant must submit a project completion
- 15       schedule that includes key milestones for the 36 month period. The project completion schedule
- 16       must be included in the Appendix.
- 17       **(d) Performance and Monitoring (2 points).** HUD grantees must have a plan for monitoring
- 18       and funds control plan for all program activities to ensure successful performance. This includes
- 19       an internal audit function. An internal audit function will continually examine potentially risky
- 20       areas of program and financial operations and management and provide regular and valuable
- 21       feedback to program managers and to those who hold them accountable. This feedback will
- 22       include identification of risky management practices and missing or ineffective internal controls,
- 23       areas that are not in compliance with program requirements, and ineffective implementation of

1 established policies. The end result is the establishment of corrective actions. For the activity(s)  
2 the applicant is applying for in this factor, the applicant must:

3 (i) Describe your monitoring and funds control plan.

4 (ii) Describe how you will meet the internal audit requirement and how corrective actions  
5 will be implemented. Specifically identify the position(s) and agency responsible for internal  
6 audit.

### 7 **3. Rating Factor 3: Leveraging of Other Funds (20)**

8 HUD **does not** require the applicant to have matching funds to be  
9 awarded the cooperative agreement from this NOFA. However, as referenced  
10 in section **XXX Leveraging**, HUD expects that the applicant that is awarded  
11 the grant to leverage funding support from other philanthropic organizations,  
12 non profits and public and private sectors. In evaluating this rating factor,  
13 HUD wants to understand the applicant's experience in securing in-kind or  
14 monetary support for similar activities described in this NOFA, and its ability  
15 to leverage existing funds. As a result, HUD will award points based on the  
16 extent to which an applicant provides a cohesive and comprehensive  
17 discussion that demonstrates their ability to secure resources and describes  
18 a clear and sensible plan for fundraising. Points will also be awarded based  
19 on the amount of financial and in-kind support an applicant currently has to  
20 support the SC2 Network.

#### 21 **a. Success in Securing Resources. (5 Points)**



1 In this section, the applicant must describe its success in securing monetary  
2 and/or in-kind support for projects similar or related to any or all of the  
3 activities described in this NOFA in the past 36 months. In particular, HUD is  
4 interested in the applicant's ability to secure additional monetary support  
5 from philanthropic foundations in the areas of urban planning, infrastructure  
6 development, economic development, public safety and capacity building.  
7 The applicant's explanation should describe the proposed project, what it  
8 was for, and the amount of funds raised (or the type of in-kind support that  
9 was secured) for the project.

10 **b. Fundraising Outreach. (3 Points)**

11 In this section, the applicant must also describe its proposed plan for  
12 reaching out to other philanthropic organizations or private institutions and  
13 fundraising activities it plans to undertake if granted funds.

14 **c. Amount of Leveraged Resources (12 Points)**

15 It is HUD's intention to make the investment go further by leveraging its  
16 resources. Applicants will be scored on the total value of their **firm**  
17 **commitments** in funding and in-kind contributions from philanthropic  
18 foundations, non profits, government agencies and public and private sector  
19 organizations. Financial and in-kind resources, regardless of where it comes  
20 from, must be shown to be dedicated solely to the efforts of the SC2  
21 Network.

1 Financial resources are funds/cash derived from the aforementioned  
2 organizations. HUD **does not** count the waiver of academic institution  
3 indirect costs as a financial contribution. The following items count as in-  
4 kind resources:

- 5 • Donated/volunteer staff time and services from technical  
6 consultants, organizations or agencies that have agreed to work  
7 with the applicant on any of the five activities described in this  
8 NOFA.
- 9 • Donated materials, equipment, supplies, building and land.

10 For each leveraged resource, the applicant must include a written  
11 document that verifies that the leveraged resource is **firmly committed** to  
12 the SC2 Network program activities. These written documents may consist  
13 of an award letter, written agreement or contract. The written document  
14 must specify ALL of the following factors to be counted under this section for  
15 leveraging:

- 16 • Amount of funds (or if an in-kind resource, the value of the  
17 contribution);
- 18 • The applicant as the receiver of the funds or contribution;
- 19 • What the leverage resource is (funds, in-kind contribution of  
20 professional services, equipment, etc.)
- 21 • The source of the leveraged resource (federal, state, local, or  
22 other);

- 1 • That the funds or contributions are solely dedicated to the SC2
- 2 Network program activities;
- 3 • Dated and signed by an authorizing official who is legally able to
- 4 make the leveraged resource commitment on behalf of the
- 5 contributing entity.

6 These documents must be included in the Appendix in the applicant's  
7 application and will not count towards the page limit.

8 HUD believes that the most equitable method in scoring this factor is  
9 to weigh the value of an applicant's contribution against all other applicants  
10 who have applied to this NOFA. As a result, HUD will allocate points based  
11 on the total value of two kinds of contributions:

12 **(1)** An applicant may receive **up to 9 points** for the total value of its  
13 contribution in actual funding dollars, as well as its in-kind contributions of  
14 donated/volunteer staff time and services from technical consultants,  
15 organizations or agencies that have agreed to work with the applicant on any  
16 of the five activities described in this NOFA. Applicants that come in with a  
17 total contribution representing the top third of contributions (67<sup>th</sup> percentile  
18 or higher) will receive 12 points, those that come in the middle third of  
19 contributions (34<sup>th</sup> - 66<sup>th</sup> percentile) will receive 8 points, and those that  
20 come in the bottom third (up to the 33<sup>rd</sup> percentile) of contributions will  
21 receive 4 points.

1 **(2)** An applicant may receive **up to 3 points** for the total value of its in-kind  
2 contribution of donated materials, equipment, supplies, building and land.  
3 Applicants that come in with a total contribution representing the top third of  
4 contributions (67<sup>th</sup> percentile or higher) will receive 3 points, those that come  
5 in the middle third of contributions (34<sup>th</sup> – 66<sup>th</sup> percentile) will receive 2  
6 points, those that come in the bottom third of contributions (up to the 33<sup>rd</sup>  
7 percentile) will receive 1 point.

8 **4. Rating Factor 4: Achieving Results and Program Evaluation (20**  
9 **Points):**

10 This factor assesses the ability of the applicant to track outputs and  
11 outcomes related to the responsibility of being Administrator. In Rating  
12 Factor 4, HUD will award points based on the extent to which the applicant  
13 provides a clear and thoughtful discussion of its evaluation plan, and the  
14 thoughtfulness and comprehensiveness of its proposed evaluation metrics.

15 **a. Evaluation Plan (6 Points)**

16 The applicant must provide a general overview of its proposed plan to  
17 evaluate the SC2 Network, as well as its community engagements. This  
18 discussion must include an explanation of what anticipated questions the  
19 applicant is trying to address and why; its proposed general process for  
20 evaluating those questions, and additional policy researchers and program  
21 evaluators that the applicant may work with to quantify the

1 accomplishments of this program to increase the overall body of policy  
2 knowledge.

3 **b. Evaluation of SC2 Network (7 Points)**

4 Given the applicant's proposed evaluation plan, the applicant must describe  
5 what additional types of qualitative and quantitative metrics should be used  
6 to evaluate the SC2 Network and why, how it intends to collect the necessary  
7 information and data and its frequency of collection.

8 **c. Evaluation of Community Engagements (7 Points)**

9 Given the applicant's proposed evaluation plan, the applicant must describe  
10 what types of qualitative and quantitative metrics should be used to  
11 evaluate community engagements, how it intends to collect the necessary  
12 information and data and its frequency of collection.

13 **B. Review and Selection Process**

14 HUD will conduct an initial screening of all applications to ensure that all  
15 forms and required documentation were received with each application.

16 Afterwards, HUD will host one or more preliminary and final review panels to  
17 select the winning application for award.

18 **C. Corrections to Deficient Applications**

19 After the application deadline, and accordance with the electronic  
20 submission grace period described in this NOFA, HUD may not, consistent

1 with its regulations in 24 CFR part 4, subpart B, consider any unsolicited  
2 information that an applicant may want to provide. HUD may contact an  
3 applicant to clarify an item in its application or to correct curable  
4 (correctable) technical deficiencies.

5 HUD may not seek clarification of items or responses that improve the  
6 substantive quality of an applicant's response to any rating factors or which  
7 correct deficiencies which are in whole or part of a rating factor. In order not  
8 to unreasonably exclude applications from being rated and ranked, HUD may  
9 contact applicants to ensure proper completion of the application, and will do  
10 so on a uniform basis for all applicants.

11 Examples of curable (correctable) technical deficiencies include failure to  
12 submit the proper certifications that do not impact the score of an applicant,  
13 and failure to submit an application that contains a signature by an official  
14 able to make a legally binding commitment on behalf of the applicant. In the  
15 case of an applicant that received a waiver of the regulatory requirement to  
16 submit an electronic application, the technical deficiency may include failure  
17 to submit an application that contains an original signature.

18 If HUD finds a curable deficiency in the application, HUD will notify the  
19 applicant in writing by describing the clarification or technical deficiency.  
20 HUD will notify applicants by email or via the U.S. Postal Service, return  
21 receipt requested. Clarifications or corrections of technical deficiencies in  
22 accordance with the information provided by HUD must be submitted within

1 5 calendar days of the date of receipt of the HUD notification. (If the deadline  
2 date falls on a Saturday, Sunday, or federal holiday, then the applicant's  
3 correction must be received by HUD on the next day that is not a Saturday,  
4 Sunday, or federal holiday.) In the case of electronic submissions to  
5 Grants.gov, any clarifications or cure items must be submitted electronically  
6 using the facsimile telephone number and form HUD96011, Facsimile  
7 Transmittal, contained in the last application package submitted to HUD. The  
8 additional information will be matched to the electronic application in HUD's  
9 files.

10 If the deficiency is not corrected within the above time frame, HUD will  
11 reject the application as incomplete, and it will not be considered for funding.  
12 In order to meet statutory deadlines for the obligation of funds or for timely  
13 completion of the review process, program NOFAs may reduce the number of  
14 days for submitting a response to a HUD request for clarification or  
15 correction to a technical deficiency.

16 Please be sure to carefully read this NOFA for any additional information  
17 and instructions. An applicant's response to a HUD notification of a curable  
18 deficiency should be submitted directly to HUD in accordance with the  
19 instructions provided in the notification

#### 20 **D. Anticipated Announcement and Award Dates**

21 HUD anticipates that it will determine the winning application no more than  
22 60 days after applications were received by the agency.

1 **VI. AWARD ADMINISTRATION INFORMATION**

2 **A. Award Notices**

3 **1. Notification.** HUD will send written notifications to both successful and  
4 unsuccessful applicants. A notification sent to a successful applicant is not an  
5 authorization to begin performance. Upon notification that an applicant has  
6 been selected for award, HUD will request additional information to be  
7 submitted or may work with the applicant to amend information that was  
8 already submitted as part of the application.

9 **2. Debriefing.** See FY2012 General Section.

10 **3. Budget.** HUD recognizes that a budget may require some flexibility  
11 given that the SC2 Network is set up to address a broad range of technical  
12 assistance needs for communities. Therefore, applicants are only required to  
13 submit as part of their application a general budget as described in Rating  
14 Factor 2, **XX Budget**. A cooperative agreement without a formal budget can  
15 be executed so long as HUD has other specific information (e.g., the grant  
16 amount and the activities that the applicant has the capacity to carry out).  
17 As specific operational plans are developed and finalized, HUD will require  
18 detailed budgets covering activities in specific communities.

19 Costs related to the applicant's budget may be denied or modified if HUD  
20 determines that they are not allowable, allocable, and/or reasonable. In  
21 cases where HUD cannot successfully conclude negotiations on a



1 cooperative agreement with a selected applicant or a selected applicant fails  
2 to provide HUD with requested information as part of the negotiation  
3 process, an award will not be made to that applicant. In this instance, HUD  
4 may offer an award and proceed to negotiate with the next highest-ranking  
5 applicant.

6 **Indirect costs:** Indirect costs, if applicable, are allowable based on an  
7 established approved indirect cost rate. Applicants should have on file, and  
8 submit to HUD as part of their application, a copy of their approved indirect  
9 cost rate agreement if they have one. Applicants that are selected for  
10 funding but do not have an approved indirect cost rate agreement  
11 established by the cognizant federal agency, and who want to charge  
12 indirect costs to the cooperative agreement, will be required to establish a  
13 rate. In such cases, HUD will issue an award with a provisional rate and  
14 assist applicants with the process of establishing a final rate.

## 15 **B. Reporting Requirements of Administrator**

16 HUD will require the selected Administrator to report to the Government  
17 Technical Representative (GTR) who will be responsible for managing the  
18 SC2 Network at HUD no less often than quarterly, unless otherwise specified  
19 in the cooperative agreement. As part of this report to HUD, the selected  
20 Administrator will update the GTR with a financial summary of funds drawn  
21 down from the cooperative agreement, information on actual outputs and  
22 data related to outcomes achieved, and a narrative explanation of any

1 disparity between projected and actual results. HUD will also require the  
2 selected Administrator to provide HUD with a final narrative report no more  
3 than four months from the end of the cooperative agreement period. Finally,  
4 the Administrator will report out to the SC2 Council regularly on its activities  
5 related to the SC2 Network as described in section **XX** *Policy*  
6 *Recommendation*.

7 **1. Federal Funding Accountability and Transparency Act of 2006.**

8 Applicants selected for funding will be required to report first sub-grant  
9 award and executive compensation information, where both their initial  
10 award is \$25,000 or greater, as required by the Federal Funding  
11 Accountability and Transparency Act of 2006 (Public Law 109-282), as  
12 amended. The prime awardees will have until the end of the month plus one  
13 additional month after an award or sub-grant is obligated to fulfill the  
14 reporting requirement. The Federal Funding Accountability and  
15 Transparency Act (FFATA) of 2006 calls for the establishment of a publicly  
16 available web site to disclose the use of Federal finance assistance.

17 The Act requires the reporting of the following data for first-tier sub-  
18 grants of \$25,000 or more:

- 19
- Name of entity receiving award
  - 20 • Amount of award
  - 21 • Funding agency
  - 22 • NAICS code for contracts / CFDA program number for grants

- 1 • Program source
- 2 • Award title descriptive of the purpose of the funding action
- 3 • Location of the entity (including congressional district)
- 4 • Place of performance (including congressional district)
- 5 • Unique identifier of the entity and its parent; and
- 6 • Total compensation and names of top five executives (same
- 7 thresholds as for primes)

8 The Transparency Act also requires the reporting of the Total  
9 Compensation and Names of the top five executives in either the prime  
10 awardee or a sub-awardee's organization if:

- 11 1. More than 80% of annual gross revenues are from the Federal  
12 government, and those revenues are greater than \$25M annually; and
- 13 2. Compensation information is not already available through reporting  
14 to the SEC.

15 The statute exempts from reporting any sub-awards less than \$25,000 made  
16 to individuals or to an entity whose annual expenditures are less than  
17 \$300,000. OMB has published Interim Final Guidance to agencies regarding  
18 the FFATA subrecipient reporting requirements in the Federal Register on  
19 September 14, 2010 (75FR55663.)

20 **C. Code of Conduct.**

1 After selection, but prior to award, an applicant selected for funding will  
2 be required to provide HUD with their written Code of Conduct if they have  
3 not previously done so and it is not recorded on the HUD website at:  
4 <http://www.hud.gov/offices/adm/grants/codeofconduct/cconduct.cfm>

5 **D. Administrative and National Policy Requirements.**

6 After selection for funding but prior to award, applicants must submit  
7 financial and administrative information to comply with applicable  
8 requirements. These requirements are found in 24 CFR part 84 for all  
9 organizations, except states and local governments whose requirements are  
10 found in 24 CFR part 85. Cost principles requirements are found at OMB  
11 Circular A-122 for nonprofit organizations, OMB Circular A-21 for institutions  
12 of higher education, OMB Circular A-87 for states and local governments, and  
13 at 48 CFR 31.2 for commercial organizations. Applicants must submit a  
14 certification from an Independent Public Accountant or the cognizant  
15 government auditor, stating that the applicant's financial management  
16 system meets prescribed standards for fund control and accountability.

**E. Equal Employment Opportunity**

All contracts under the SC2 Network shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR

part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

**G. Affirm Affirmatively Furthering Fair Housing (AFFH).**

Under section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing (see section III.C.4.b. of the General Section for more information). When a grantee's activities involve or address housing or housing related issues, actions taken should be designed to address impediments to fair housing choice that are identified in the Analysis of Impediments to Fair Housing Choice of the jurisdiction(s) in which the program activities occur. In these specific instances where communities propose SC2 activities involving housing or housing related issues, the Administrator to these communities participating in the network must ensure that the activities address at least one of the following objectives: 1) help overcome impediments to fair housing choice related to the assisted program or activity itself; 2) promote diverse, integrated living patterns; and 3) promote housing-related opportunities that overcome the effects of past discrimination based upon race, color, national origin, religion, sex, disability, and familial status. This requirement will be reflected in the cooperative agreement between HUD and the Administrator.

**H. Americans with Disabilities Act**

The means of contacting and providing assistance to participants in the SC2 Network must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6. Furthermore, in accordance with HUD's rule at 24 CFR § 8.21, facilities at

which consultation or assistance activities are conducted must be accessible to and usable by persons with disabilities. Where physical accessibility is not achievable, recipients and sub-recipients must give priority to alternative methods of product delivery that offer programs and activities to persons with disabilities in the most integrated setting appropriate, in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and its implementing regulations at 24 CFR parts 8, and Title III of the Americans with Disabilities Act.

### **I. Additional Information**

This issuance does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new construction, or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this issuance is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 USC 4321).”

In addition, activities conducted by the grantee that fall within the purview of HUD’s programs and policies must comport to the appropriate HUD statute and regulation.

### **VIII. AGENCY CONTACT**

Questions regarding the NOFA may be addressed to the following staff:

Kheng Mei Tan  
U.S. Department of Housing and Urban Development  
451 7<sup>th</sup> St. SW  
Washington, DC 20410  
202-402-4986  
[khengmei.tan@hud.gov](mailto:khengmei.tan@hud.gov).

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2 Dated: \_\_\_\_\_

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Erika Poethig, Acting Assistant Secretary

6 for

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Policy Development and Research

8 [FR5600-N-39]