

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**[Docket No. FR-4801-N-01]****Notice of Funding Availability for HOPE VI Demolition Grants Fiscal Year 2002****AGENCY:** Office of Assistant Secretary for Public and Indian Housing, HUD.**ACTION:** Notice of Funding Availability (NOFA).

SUMMARY: This NOFA announces the availability of approximately \$ 40 million in Fiscal Year (FY) 2002 funds for HOPE VI Demolition Grants.

I. Program Overview

(A) *Purpose of the Program.* The purpose of HOPE VI Demolition grants is to assist public housing agencies

(PHAs) to demolish severely distressed public housing and provide relocation and other supportive services for residents.

(B) *Available Funds.* Approximately \$40 million, in accordance with Section II of this NOFA, below.

(C) *Eligible Applicants.* PHAs that operate severely distressed public housing. PHAs that only administer the Housing Choice Voucher Program, Tribal Housing Authorities and Tribally Designated Housing Entities are ineligible to apply.

(D) *Application Deadline.* Demolition grant applications are due on June 3, 2003, as described in Section IV of this NOFA.

(E) *Authority.*

(1) The funding authority for HOPE VI Demolition grants under this HOPE VI NOFA is provided by the FY 2002

Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 2002 (Public Law 107-73, approved on November 26, 2001) (FY 2002 HUD Appropriations Act) under the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)." The FY 2002 HUD Appropriations Act provides that these HOPE VI funds "remain available until September 30, 2003."

(2) The program authority for the HOPE VI Program is section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) (the 1937 Act), as added by section 535 of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276, 112 Stat. 2461, approved October 21, 1998) (QHWRA).

II. Allocation of HOPE VI Funds

Type of assistance	Allocation of funds (approximate)	Funds available for award in this HOPE VI demolition NOFA (approximate)
Revitalization Grants	\$492,485,000
Demolition Grants	40,000,000	\$40,000,000
Neighborhood Networks	5,000,000
Technical Assistance	6,250,000
Housing Choice Voucher Assistance	30,000,000
Total	\$573,735,000	\$40,000,000

(A) *Revitalization Grants.* Approximately \$492.5 million of the FY 2002 HOPE VI appropriation has been allocated to fund HOPE VI Revitalization grants and will be awarded in accordance with a separate HOPE VI Revitalization Grants NOFA.

(B) *Demolition Grants.* Approximately \$40 million of the FY 2002 HOPE VI appropriation has been allocated to fund HOPE VI Demolition grants and will be awarded in accordance with this HOPE VI Demolition Grants NOFA.

(C) *Neighborhood Networks.* The FY 2002 appropriation for HOPE VI allocated \$5 million for a Neighborhood Networks initiative for activities authorized in section 24(d)(1)(G) of the 1937 Act, which provides for the establishment and operation of computer centers in public housing for the purpose of enhancing the self-sufficiency, employability, and economic self-reliance of public housing residents by providing them with onsite computer access and training resources. The availability of these funds will be announced in a separate NOFA, and, in accordance with the appropriation, they will be awarded to PHAs on a competitive basis.

(D) *Technical Assistance.* The FY 2002 appropriation for HOPE VI allocated \$6.25 million to provide technical assistance and contract expertise in the HOPE VI Program, to be provided directly by grants, contracts, or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of HUD and of PHAs and to residents. The Office of Public Housing Investments will administer technical assistance funds.

(E) *Housing Choice Voucher Program.* The cost of assistance under the Housing Choice Voucher Program that will be provided to FY 2002 HOPE VI Revitalization and Demolition grantees will come from the FY 2002 HOPE VI appropriation. Approximately \$30 million will be allocated for such assistance. If this amount is more than the amount necessary, the remaining funds will be made available for obligation before September 30, 2003.

(1) If you anticipate that you will need Housing Choice Voucher 8 assistance in order to carry out necessary relocation in conjunction with proposed demolition during FY 2003, your application must include the number of vouchers you will need, both in total

and in FY 2003, and a Housing Choice Voucher application.

(2) If you will need Housing Choice Voucher assistance in fiscal years beyond FY 2003 for demolition that is being carried out in phases, or if you have unused vouchers that are available to be used for HOPE VI-related relocation in FY 2003 but will need more for subsequent years, you must request additional vouchers only as needed during the appropriate fiscal years.

(3) Housing Choice Voucher assistance cannot be awarded or used to relocate residents from units that are to be demolished until HUD has approved those units for demolition.

(4) If you have previously received Housing Choice Voucher assistance to relocate residents from the targeted severely distressed units, you may still apply for a HOPE VI Demolition Grant to demolish the units without replacement.

(5) You may request Housing Choice Voucher assistance for all units covered under a HOPE VI Demolition application to relocate residents from units that will not be replaced with hard units.