

should use this document as a guide for formulating and implementing their HOPE VI Relocation Plans.

(B) *Standard Relocation*

Requirements. You must carry out relocation activities in compliance with a relocation plan that conforms to the following statutory and regulatory requirements, as applicable:

(1) Relocation as a result of demolition approved by a section 18 demolition application is subject to the URA and section 18 of the 1937 Act.

(2) Relocation as a result of demolition approved as part of a Section 202 Mandatory Conversion Plan is subject to the URA.

(3) Relocation as a result of demolition approved as part of a HOPE VI Revitalization Plan is subject to the URA.

(C) *Relocation Guidelines.*

(1) Each applicant requesting funds for relocation must complete, as a condition for receipt of HOPE VI Demolition Grant funds, a HOPE VI Relocation Plan. In your application, you must provide a certification that you have completed a HOPE VI Relocation Plan, and that it conforms to the URA requirements described above.

(2) You are encouraged to involve HUD-approved housing counseling agencies, including faith-based, non-profit and/or other organizations and/or individuals in the community to which relocatees choose to move, in order to ease the transition and minimize the impact on the neighborhood.

(3) If applicable, you are encouraged to work with surrounding jurisdictions to assure a smooth transition if residents choose to move from your jurisdiction to the surrounding area.

(4) No relocation costs incurred before the award of the HOPE VI Grant may be reimbursed.

X. Fair Housing and Equal Opportunity

(A) *Compliance with Fair Housing and Civil Rights Laws.*

(1) All applicants and their subrecipients must comply with all Fair Housing and Civil Rights laws, statutes, regulations, and Executive Orders as enumerated in 24 CFR 5.105(a) enumerated at 24 CFR 1003.601, as applicable.

(2) If you, the applicant:

(i) Have been charged with a systemic violation of the Fair Housing Act alleging ongoing discrimination;

(ii) Are a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an on-going pattern or practice of discrimination; or,

(iii) Have received a letter of non-compliance findings, identifying on-going or systemic noncompliance, under

Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, or section 109 of the Housing and Community Development Act, and if the charge, lawsuit, or letter of findings has not been resolved to HUD's satisfaction before the application deadline stated in the NOFA, you may not apply for assistance under this NOFA. HUD will not rate and rank your application. HUD's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address allegations of on-going discrimination in the policies or practices involved in the charge, lawsuit, or letter of findings. Examples of actions that may be taken prior to the application deadline to resolve the charge, lawsuit, or letter of findings, include but are not limited to:

(a) a voluntary compliance agreement signed by all parties in response to the letter of findings;

(b) a HUD-approved conciliation agreement signed by all parties;

(c) a consent order or consent decree; or

(d) a judicial ruling or a HUD Administrative Law Judge's decision that exonerates the respondent of any allegations of discrimination.

(B) *Desegregation Orders.* You must be in full compliance with any desegregation or other court order and Voluntary Compliance Agreements related to Fair Housing (*e.g.*, Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and section 504 of the Rehabilitation Act of 1973) that affects your public housing program and that is in effect on the date of application submission.

(C) *Additional Nondiscrimination Requirements.* You and your subrecipients, must comply with:

(1) Title IX of the Education

Amendments Act of 1972.

(2) The American with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*)

(D) *Ensuring the Participation of Disadvantaged Firms.* The Department is committed to ensuring that small businesses, small disadvantaged businesses, minority firms, women's business enterprises, and labor surplus area firms participate fully in HUD's direct contracting and in contracting opportunities generated by HUD grant funds. Too often, these businesses still experience difficulty accessing information and successfully bidding on federal contracts. HUD regulations at 24 CFR 85.36(e) require recipients of assistance (grantees and subgrantees) to take all necessary affirmative steps in contracting for purchase of goods or services to assure that these

disadvantaged firms are used when possible. Affirmative steps include:

(1) Placing disadvantaged firms on solicitation lists;

(2) Assuring that disadvantaged firms are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by disadvantaged firms;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by disadvantaged firms;

(5) Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in Sections (1) through (5) above.

(E) HOPE VI grantees must comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Economic Opportunities for Low and Very Low-Income Persons in Connection with Assisted Projects) and its implementing regulations at 24 CFR part 135. Information about section 3 can be found at HUD's section 3 Web site <http://www.hud.gov/fhe/sec3over.html>.

XI. Hope VI Demolition Grant Application Selection Process

(A) *HOPE VI Demolition Grant Funding Categories.* HUD will select HOPE VI Demolition grant applications on a first-come, first-served basis, by an application's Priority Group and Ordinal. HOPE VI Demolition grant applications are not rated.

(1) *Eligible Units.* Severely distressed public housing units to be demolished with HOPE VI Demolition grant funds must meet one of the criteria in the description of priority groups below.

(2) *Priority Groups.* You must identify each HOPE VI Demolition grant application by its appropriate Priority Group, as described below. Each application must target units of a single Priority Group; *e.g.*, do not include Priority Group 1 units in the same application as Priority Group 2 units.

(a) *Priority Group 1.*

(i) Priority Group 1 applications target units included in an approved Section 202 Mandatory Conversion Plan. The Section 202 Conversion Plan must be approved by HUD on or before the HOPE VI Demolition grant application due date.

(ii) Units associated with a HOPE VI Revitalization grant are not eligible for this Priority Group. Every application