

minimum ratio will be \$1.00 of Section 108 loan guarantee commitments for every \$1.00 of BEDI grant funds. However, if an applicant proposes a leverage ratio of exactly 1:1, that application, while still meeting the threshold requirement, will not receive any points under the Rating Factor 4, paragraph (1): "Leverage of Section 108 Funds."

To receive points under this Factor, applications will have to exceed the 1:1 minimum ratio, and the higher the ratio the more points will be awarded, to the extent consistent with the points available for Rating Factor 4, paragraph (1). Because the proposed ratio of BEDI funds to Section 108 funds represents an applicant's financial commitment, HUD will condition the BEDI grant award on the grantee's achievement of that specific ratio. Its failure to meet that condition by obtaining timely HUD approval of a commitment for, and issuance of, the required Section 108 guaranteed obligations ratio may result in the cancellation and recapture of all or a proportionate share of the BEDI grant award.

(2) HUD will cap BEDI awards at a maximum of \$2 million per project. An application in excess of \$2 million will be reduced to the extent HUD determines that such a reduction is appropriate.

(3) After selection, but prior to grant award, if HUD determines that an application can be funded at a lesser BEDI grant amount than requested and still be feasible and consistent with the proposed plan and the purposes of the Act, it reserves the right to reduce the amount of the BEDI award and/or increase the required Section 108 loan guarantee commitment.

(4) In the event a BEDI grant is awarded and has been reduced below the original request (e.g., the application contained some activities that were ineligible, exceeded the \$2 million cap, or there were insufficient funds to fund the last competitive application at the full amount requested), the applicant will be required to modify the project plans and application to conform to the terms of HUD approval before HUD will execute a grant agreement.

(5) HUD also may proportionately reduce or deobligate the BEDI award if a grantee does not submit an approvable Section 108 loan guarantee application, issue Section 108-guaranteed obligations and receive loan guarantee proceeds on a timely basis (including any extension authorized by HUD) in the amount required by the BEDI/108 leveraging ratio, which will be approved by HUD as a special condition of the BEDI grant award (see Section IV (F)

above of this program section of the SuperNOFA).

(6) Any modifications or amendments to an application approved pursuant to this SuperNOFA, whether requested by the applicant or by HUD, must be within the scope of the approved original BEDI application in all respects material to rating the application, unless HUD determines that the revised application remains within the competitive range and is otherwise approvable under this SuperNOFA competition.

(7) In the case of a requested increase in guarantee assistance for a project with a previously approved Section 108 loan guarantee commitment (as further discussed in Section IV (D)(1)(d), above), the BEDI assistance approved will be based on the increased amount of Section 108 loan guarantee assistance.

(H) *Timing of Grant Awards and Disbursements.* (1) To the extent a full and complete Section 108 application is submitted with the BEDI grant application, HUD will evaluate the Section 108 application immediately following the competition for BEDI grant funds. Note that the 108 application must be submitted to the appropriate HUD field office concurrently with submission to Headquarters.

(2) Notwithstanding any earlier obligation or award of BEDI funds to a grantee, or execution of a grant agreement, HUD will not permit the grantee to draw down BEDI funds before the issuance of the obligations evidencing the related Section 108 guaranteed loan.

(3) Pursuant to the FY 2003 HUD Appropriations Act (under the "Brownfields Redevelopment" heading) and 31 U.S.C. 1552(a), FY 2003 BEDI funds must be obligated (i.e., awarded) by HUD by September 30, 2004, and must be disbursed by HUD to the grantee by September 30, 2009. FY 2002 BEDI funds must be obligated by September 30, 2003 and must be disbursed by HUD to the grantee by September 30, 2008. FY 2001 BEDI funds are not subject to statutory obligation or disbursement deadlines. In all cases, however, HUD reserves the right to require earlier disbursement under a BEDI grant agreement.

(I) *Obligation to affirmatively further fair housing.* All BEDI grantees are obliged to affirmatively further fair housing, even when the proposed activities do not appear to be directly related to housing. Therefore, applicants that propose to use BEDI funds must include in their applications an explanation of how they propose to

further fair housing opportunities for persons on the basis of race, color, national origin, sex, religion, familial status, or disability. Applicants should respond to this requirement under Rating Factor 2, subfactor (2)(c). Affirmative activities include, but are not limited to: initial and periodic assessments of the extent to which affordable and accessible housing opportunities are provided or denied to persons by race, color, national origin, sex, religion, familial status, or disability; outreach to persons in underserved population groups or advocacy organizations representing such persons; affirmative fair marketing of job or housing opportunities; housing choice; addressing environmental justice concerns; or ensuring that employment, housing and other benefits of the BEDI grant are made available to those individuals and families living at or near the brownfields site prior to its redevelopment.

V. The Application Selection Process

(A) Rating and Ranking

(1) Each rating factor and the maximum number of points are provided below. The maximum number of points to be awarded is 104. To be eligible for funding, a BEDI application must obtain a total score of at least 75 points. All applications meeting BEDI program and threshold requirements will be rated under the selection criteria below. Applications must include citations to the specific regulatory subsections supporting eligibility of activities and compliance with National Objectives. (See Section III (C) of this program section of this SuperNOFA). The applicant must also provide narrative statements in response to each of the rating factors below.

(2) All applications meeting BEDI program and threshold requirements will be rated under the selection criteria below. Applications must include citations to the specific regulatory subsections supporting eligibility of activities and compliance with National Objectives. (See Section III (C) of this program section of the SuperNOFA). The applicant must also provide narrative statements in response to each of the rating factors below.

Applications will be selected for funding as follows:

(3) All BEDI grant applications that meet threshold requirements will be ranked separately in order of points assigned with the applications receiving more points ranked above those receiving fewer points.

(4) In the event two or more applications are given the same score,