

organizations), and other entities, if any, that have a role in implementing the proposed BEDI/108 program. Applicants are encouraged to identify specific economic development or other projects undertaken by each entity, which reflect the capacity of each entity to fulfill its responsibilities under the proposed brownfields economic development project, including the location, scale, and timeframe for completion of other relevant projects. If there are no third parties participating with the applicant in the proposed project, points under this subfactor (2) will be allocated under subfactor (1) and added to the maximum points possible under subfactor (1).

Experience will be judged in terms of recent (*i.e.*, within the past 5 years) and successful performance of activities relevant to those proposed in the BEDI application. The more recent and extensive the experience is, the greater the number of points that will be awarded for this Factor.

In addition to the application, HUD also may rely on information at hand or available from public sources such as newspapers, from performance and/or monitoring reports, Inspector General or Government Accounting Office reports or findings, hotline complaints that have been proven to have merit, audit reports and other reliable public information in rating this Factor.

Rating Factor 2: Distress/Extent of the Problem (20 Points Maximum)

This Factor addresses the extent to which there is need for funding the proposed activities based on levels of distress in both the jurisdiction of the public entity that is the applicant and the geographic or target area that will benefit from the project. In responding to this Factor, applications will be evaluated on the extent to which the level of distress for the target area is documented and compared with national data and data for the jurisdiction.

(1) In applying this Factor, HUD will consider current levels of distress defined in standard geographic terms in the target area, as defined by the applicant. This may be Census Tract(s) or Block Groups immediately surrounding the project site up to a radius of one-half mile; or it may be the target area proposed to be served by the project. HUD will also consider the current levels of distress in the applicant public entity's jurisdiction. The applicant should describe the nature of the distress that the project is designed to address and the rationale for its definition of the area to be benefited. Examples of project beneficiaries may include: (a) those receiving or using

products or services produced by the project, and (b) those employed by the project.

To the extent that the applicant's Consolidated Plan, its Analysis of Impediments to Fair Housing choice (AI), and/or its Anti-Poverty Strategy found therein identify the level of distress in the jurisdiction and the neighborhood in which the project is to be carried out, references to such documents should be included in preparing the response to this Factor. Applications that fail to reference these sources will receive fewer points under this Factor.

Notwithstanding the above, an applicant proposing a project to be located outside the area for which benefit is claimed could still receive points under this Factor if a clear rationale is provided linking the proposed project location and the benefits to be derived by persons living in the target area.

(2) Applicants should provide data that address the following specific indicators of distress:

(a) Poverty Rate (Up to 5 points). Data should be provided in both absolute and percentage form (*i.e.*, whole numbers and percents) for both the target area and the applicant's jurisdiction as a whole; an application that compares the local poverty rate in the following manner to the national average at the time of submission will receive points under this section as follows:

(i) Less than the national average, but with a poverty rate in the target area that is greater than the applicant's jurisdiction: 2 points;

(ii) Equal to or greater than, but less than twice, the national average: 3 points;

(iii) Equal to or greater than twice the national average: 5 points.

(b) Unemployment Rate (Up to 5 points). An application that compares the local unemployment rate for the applicant's jurisdiction and the target area in the following manner to the national average at the time of submission will receive points under this Section as follows:

(i) Less than the national average, but with an unemployment rate in the target area that is greater than the applicant's jurisdiction: 2 points;

(ii) Equal to or greater than, but less than twice, the national average: 3 points;

(iii) Equal to or greater than twice the national average: 5 points.

(c) Consolidated Plan and Analysis of Impediments to Fair Housing Choice (Up to 5 points). Describe any unmet needs as identified in the jurisdiction's Consolidated Plan and, pursuant to

Section IV(I) of this program section of the SuperNOFA, any impediments to fair housing identified in the jurisdiction's Analysis of Impediments to Fair Housing Choice that will be directly addressed by the proposed project.

(d) Other Indicators of Social and/or Economic Decline (Up to 5 points). Applicants should provide other indicators of social or economic decline that best capture the applicant's local situation. Examples that could be provided under this section include information demonstrating the target area and the jurisdiction's stagnant or falling tax base, including recent (within the last three years) commercial or industrial closings, downturns or layoffs; housing conditions, such as the number and percentage of substandard and/or overcrowded units; rent burden (defined as average housing cost divided by average income) for both the target area and jurisdiction; local crime statistics. The response to this subfactor (d) should paint a portrait of the extent of need and distress in the target area and jurisdiction.

HUD requires use of sound and reliable data (*e.g.*, U.S. Census data, state statistical reports, university studies/reports that are verifiable) to support distress levels cited in each application. A source for all information along with the publication or origination date must also be provided. Updated Census data are available as follows for the listed indicators:

Unemployment rate—estimated monthly for counties, with a two-month lag;

Poverty rate—estimated every two years, with a three-year lag, with 2000 being the most recent available.

In rating applications under this Factor, HUD reserves the right to consider sources of available objective data other than, or in addition to, those provided by applicants, in order to compare such data to those provided by applicants.

Rating Factor 3: Soundness of Approach (35 Points Maximum)

This factor addresses the quality and cost-effectiveness of the proposed plan for the brownfields economic development project. Brownfields economic development projects that do not involve new investments by an identified private sector party and that do not result in near-term, measurable economic benefits, such as projects that involve only the preparation of a site for potential redevelopment by an unidentified party, or the capitalization of a loan pool for loans to unidentified borrowers, will receive fewer points