

program section of the SuperNOFA, above, the amount of the capital advances may be increased to compensate for such costs. The increase may not exceed the limits established under this section (including any high cost area adjustment) by more than 50 percent.

(E) *Minimum Capital Investment.* Selected nonprofit organizations must provide a minimum capital investment of one-half of one percent of the HUD-approved capital advance amount, not to exceed \$10,000 in accordance with § 891.145, with the following exception. If you, as Sponsor or Co-Sponsor, have one or more Section 202 or one or more Section 811 project(s) under reservation, construction, or management in two or more different HUD geographical regions (Hubs), the minimum capital investment shall be one half of one percent of the HUD-approved capital advance amount, not to exceed \$25,000.

(F) *Accessibility.* Your project must meet accessibility requirements published at 24 CFR 891.120, 24 CFR 891.210, and Section 504 of the Rehabilitation Act of 1973, and, if new construction, the design and construction requirements of the Fair Housing Act and HUD's implementing regulations at 24 CFR part 100. In addition, 24 CFR 8.4(b)(5) prohibits the selection of a site or location which has the purpose or effect of excluding persons with disabilities from the Federally assisted program or activity. HUD will award higher points to applications that add accessible design features beyond those required under civil rights laws and regulations. (See section II of the General Section of this SuperNOFA.)

(G) *Conducting Business in Accordance with HUD Core Values and Ethical Standards.* Section 202 Sponsors are not subject to the requirements of 24 CFR parts 84 and 85 as outlined in the General Section of this SuperNOFA. However, Sponsors are still subject to the core values and ethical standards as they relate to the conflict of interest provisions in 24 CFR 891.130. To ensure compliance with the program's conflict of interest provisions, you are required to sign a Conflict of Interest Resolution and include it in your Section 202 application. Further, if awarded a section 202 fund reservation, the officers, directors, board members, trustees, stockholders and authorized agents of the section 202 Sponsor and Owner entities will be required to submit to HUD individual certifications regarding compliance with HUD's conflict of interest requirements.

(H) *Ensuring the Participation of Small Businesses, Small Disadvantaged*

Businesses, and Women-Owned Businesses. Although the section 202 program is not subject to the provisions of 24 CFR 85.36(e) as described in the corresponding paragraph in the General Section of the SuperNOFA, you are required to comply with Executive Order 12432, Minority Business Enterprise Development and Executive Order 11625, Prescribing Additional Arrangements for Developing and Coordinating a National Program for Minority Business Enterprise as they relate to the encouragement of HUD grantees to utilize minority business enterprises.

(I) *Fair Housing Requirements.* See Section V of the General Section of this SuperNOFA.

(J) *Economic Opportunities for Low and Very Low-Income Persons (Section 3).* See section V of the General Section of this SuperNOFA.

(K) *Design and Cost Standards.* You must comply with HUD's Section 202 design and cost standards (24 CFR 891.120 and 891.210), the Uniform Federal Accessibility Standards (24 CFR 40.7), Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, and for covered multifamily dwellings designed and constructed for first occupancy after March 13, 1991, the design and construction requirements of the Fair Housing Act and HUD's implementing regulations at 24 CFR part 100, and, where applicable, the Americans with Disabilities Act of 1990.

(L) *Acquisition and Relocation.* You must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (49 CFR part 24, and 24 CFR 891.155(e)) (URA) which covers the acquisition of sites, with or without, existing structures and with 24 CFR 8.4(b)(5) of the Section 504 regulations which prohibits discrimination based on disability in determining the site or location of a Federally-assisted facility. However, you are exempt from complying with the site acquisition requirements of the URA if you do not have the power of eminent domain and prior to entering into a contract of sale, option to purchase or any other method of obtaining site control, you inform the seller of the land (1) that you do not have the power of eminent domain and, therefore, you will not acquire the property if negotiations fail to result in an amicable agreement, and (2) of the estimate of the fair market value of the property. An appraisal is not required to meet this requirement, however, your files must include an explanation (with reasonable evidence) of the basis for the estimate.

(M) *Formation of Owner Corporation.* You must form an Owner (in accordance with 24 CFR 891.205) after issuance of the capital advance, must cause the Owner to file a request for determination of eligibility and a request for capital advance, and must provide sufficient resources to the Owner to ensure the development and long-term operation of the project, including capitalizing the Owner at firm commitment processing in an amount sufficient to meet its obligations in connection with the project.

(N) *Supportive Services.* You must not require residents to accept any supportive services as a condition of occupancy.

(O) *Davis-Bacon.* You must comply with the Davis-Bacon requirements and the Contract Work Hours and Safety Standards Act.

(P) *Flood Disaster Protection Act of 1973 and Coastal Barrier Resources Act.* You must comply with the requirements under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001–4128) and the Coastal Barrier Resources Act (16 U.S.C. 3601).

(Q) *National Environmental Policy Act.* You must comply with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and applicable related environmental authorities at 24 CFR 50.4, HUD's programmatic implementing regulations at 24 CFR part 50 and 24 CFR 891.155(b), especially but not limited to the provision of information to HUD at 24 CFR 50.31(b) and you must comply with any environmental "conditions and safeguards" at 24 CFR 50.3(c).

(R) *Sites. (1) Site Control.* You must provide evidence of site control as described in this program section of the SuperNOFA and Exhibit 4(d) of Appendix A of the section 811 program section of this SuperNOFA.

(2) *Phase I Environmental Site Assessment (ESA).* You must submit a Phase I ESA in accordance with the American Society for Testing and Material (ASTM) Standards E 1527–97, as amended, completed or updated no earlier than six months prior to the application deadline date. Therefore, it is important that you start the Phase I ESA process as soon after publication of this SuperNOFA as possible. Documents providing guidance in choosing an environmentally safe site, entitled "Choosing an Environmentally Safe Site" and the "Supplemental Guidance, Environmental Information", are available on HUD's Web site at <http://www.HUD.gov>.

(a) For a project that involves demolition and/or rehabilitation of structures built before 1978, the Phase I