

proposal, and explain why your plan is more appropriate.

#### V. Relocation

(A) *General.* You must provide suitable, accessible, decent, safe, and sanitary housing for each family required to relocate as a result of demolition activities. CPD Notice 02-08, entitled "Guidance on the Application of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (URA), as Amended, in HOPE VI Projects," outlines the URA requirements and describes the framework for operating its relocation assistance activities connected with HOPE VI revitalization and demolition activities. Applicants 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 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.

(C) *Relocation Guidelines.* (1) Each applicant requesting funds for relocation must first complete, as a condition for receipt of HOPE VI Demolition Grant funds, a HOPE VI Relocation Plan. 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. 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.

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

#### VI. 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. Units identified for demolition in a previously awarded HOPE VI Revitalization grant are not eligible to apply for HOPE VI Demolition funding under this NOFA.

(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.* 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.

(b) *Priority Group 2.*

(i) Priority Group 2 applications:

a. Target units included in a Section 202 Mandatory Conversion Plan that you have submitted to HUD on or before the HOPE VI Demolition grant application deadline date, or

b. Target units that, in HUD's sole determination under section 537(c) of QHWR, are subject to the removal requirements of 24 CFR part 971 and can be expected to be demolished in accordance with the time schedule required by Section VII(B) of this NOFA.

(ii) If you submit a HOPE VI Demolition grant application for units that are targeted in a Section 202 Mandatory Conversion Plan that was submitted under 24 CFR part 971 but not yet approved (Priority Group 2), and HUD subsequently approves the Conversion Plan before the HOPE VI Demolition grant application deadline date, you may revise your application and it will be reclassified as Priority Group 1. HUD will change the original Ordinal to the Ordinal corresponding to the date that the revision was received.

(iii) If you submit a Section 202 Mandatory Conversion Plan but HUD determines that the targeted project does not qualify for conversion under 24 CFR part 971, your HOPE VI Demolition grant application will not be eligible for funding. If you intend to submit a Priority 1 or 2 application, discuss the project with your Field Office to ensure that it qualifies under the standards of 24 CFR part 971.

(c) *Priority Group 3.* Priority Group 3 applications target units that are included in a HUD-approved application for demolition that was developed in accordance with section

18 of the 1937 Act, as amended ("section 18 demolition application").

(i) HUD must approve your section 18 demolition application on or before the HOPE VI Demolition grant application deadline. You are advised that in order to allow for sufficient time for a new section 18 demolition application to be processed, you should submit your section 18 demolition application to HUD's Special Applications Center (SAC) no later than November 10, 2003. If your section 18 demolition application does not meet the statutory requirements of section 18, including the requirement for HUD Field Office approval of the Interim or PHA Plan as required by 24 CFR part 903, HUD will not approve the section 18 demolition application and your HOPE VI Demolition grant application will not be eligible for funding.

(ii) If you have submitted a section 18 demolition application to the HUD Special Applications Center but it has not yet been approved by HUD when you submit your HOPE VI Demolition grant application, your HOPE VI application will not be considered complete and you will not receive a final Ordinal unless and until your section 18 demolition application is *approved* on or before the HOPE VI Demolition Grant Application deadline.

(iii) If your section 18 demolition application is approved by HUD on February 17, 2004, or February 18, 2004, only, you are not required to submit your approval letter to HUD, and HUD will deem the approval letter to have been submitted in the application. In such a case, if your application is otherwise complete, your Ordinal will be the date that HUD approves your section 18 demolition application.

(iv) If HUD has previously approved your section 18 demolition application but HUD later rescinded the approval, your section 18 demolition application will not be considered approved by HUD, and your HOPE VI Demolition grant application will not be eligible for funding.

(B) *Ordinals.* Upon receipt, HUD will assign each HOPE VI Demolition grant application an Ordinal (i.e., ranking number) that reflects the date HUD Headquarters received the application. Ordinals correspond to business days, starting with the date HUD receives the first Demolition grant application and ending on the HOPE VI Demolition grant application deadline date. HUD will consider all applications received on the same date as received at the same time on that date, and those applications will all be assigned the same Ordinal.