

US Department of Housing and Urban Development's  
Rural Housing & Economic Development Program

General Information

Purpose

The purpose of the Rural Housing & Economic Development (RHED) Program is to provide support for innovating housing and economic development activities in rural areas.

Available Funds

\$17 million in FY 2008

The maximum amount awarded to a successful applicant will be \$300,000 in FY 2008.

There is no match required under the RHED program. However, applicants that submit evidence of leveraging dollars under Rating Factor 4 will receive points according to the scale provided in the NOFA.

Submission Information

Applications for the RHED program must be received and validated by Grants.gov no later than 11:59:59 pm eastern time on May 30, 2008. Applicants are advised to submit their applications at least 48 to 72 hours in advance of the deadline as validation can take up to 72 hours.

Applicant Information

Only one application will be accepted from any organization.

Eligible applicants are:

- Local rural non-profits organizations,
- Community development corporations,
- Federally recognized Indian tribes,
- State housing finance agencies, and
- State community and/or economic development agencies.

Eligible applicants must also meet all of the eligibility requirements described in Section III.C of the General Section ([http://www.ruralhome.org/manager/uploads/2008SuperNOFA\\_General.pdf](http://www.ruralhome.org/manager/uploads/2008SuperNOFA_General.pdf)).

## Grant Period

Recipients will have 36 months from the date of the executed grant agreement to complete all project activities.

## Eligible Rural Areas

- A non-urban place having fewer than 2,500 inhabitants (within or outside of a metropolitan area),
- A county or parish with an urban population of 20,000 inhabitants or less,
- Territory, including its persons and housing units, in the rural portion of “extended cities” as identified by the US Census Bureau,
- Open country that is not a part of or associated with an urban area, and/or
- Any place with a population not in excess of 20,000 inhabitants and not located in a Metropolitan Statistical Area.

## Eligible Activities

The RHED program was developed to supplement other funding sources (federal, state, regional, private and other) and to focus specifically on promoting innovative approaches to housing and economic development in rural areas.

Permissible activities may include, but are not limited to, the following:

- Cost of using new or innovative construction, energy efficiency, or other techniques that will result in the design or construction of innovative housing and economic development projects,
- Preparation of plans or of architectural or engineering drawings,
- Acquisition of land and buildings,
- Demolition of land and building to permit construction activities,
- Purchase of construction materials,
- Homeownership counseling,
- Conducting conferences or meeting with other federal, state, tribal, or regional housing organizations,
- Establishing Community Development Financial Institutions, lines of credit, revolving loan funds, microenterprises, and small business incubators, and
- Provision of direct financial assistance to homeowners/businesses/developers, etc.

Administrative costs for assistance may not exceed 15 percent of the total grant award.

## Ineligible Activities

RHED funds cannot be used for the following activities:

- Income payments to subsidize individuals or families,
- Political activities,
- General governmental expenses other than expenses related to the administrative costs of the grant, or
- Projects or activities intended for personal gain or private use.

## Rating Factors

Five rating factors will be used to evaluate and rate applications. They are:

- ❖ Capacity of the Applicant and Relevant Organization Experience
  - Team members, composition, and experience
  - Organization structure and management capacity
  - Experience with performance based funding requirements
  - Past Rural Housing and Economic Development (RHED) experience, if applicable
- ❖ Need and Extent of the Problem
  - Poverty rate, as compared to the national average
  - Unemployment for the targeted area, as compared to the national average
  - Other indicators or social of economic decline that best capture the applicant's local situation
  - Demographics of distress – special factors
- ❖ Soundness of Approach
  - Management plan
  - Policy priorities
- ❖ Leveraging Resources
- ❖ Achieving Results and Program Evaluation

HUD will award two bonus points to all applicants that include documentation stating that the proposed activities will be located in and serve federally designated renewal communities.

NOTE: The RHED Program maintains a scoring threshold. Applications must receive a minimum rating score of 75 points to be considered for funding.

Previous Funding Rounds

<b>Fiscal Year (FY)</b>	<b>Amount Appropriated</b>	<b>Applications Received</b>	<b>Grants Awarded</b>
2007	\$16.83 million	N/A	58
2006	\$17 million	N/A	56
2005	\$23.677 million	306	103
2004	\$24.853 million	404	105
2003	\$24.838 million	305	87
2002	\$25 million	279	101
2001	\$24.945 million	331	111
2000	\$25 million	649	103
1999	\$27 million	700	91

Accessing the NOFA

<http://www.ruralhome.org/manager/uploads/2008RHEDNOFA.pdf>