

PROMISE ZONES

Urban - 2014 Draft Second Round Application Guide

April 29, 2014



Presenter

- **Valerie Piper**, Deputy Assistant Secretary for Economic Development, HUD
- Objectives of today's webinar:
 - ✓ Provide an overview of the Promise Zone Initiative, including new draft Second Round Application Guide
 - ✓ Invite public comments (public comment period closes June 16, 2014)



Promise Zone Goals

- Job Creation
- Increased Economic Activity
- Improved Educational Opportunities
- Leverage Private Investment
- Reduce Violent Crime

Promise Zone Benefits

- Designees and their partners receive preferences in accessing federal resources:
 - ✓ List of contributing programs will be different from year to year, depending upon appropriations and policy changes over the course of the 10 year designation
 - ✓ Preference points and priority consideration for certain competitive grants
 - ✓ Priority access to opportunities for pilot programs and demonstrations
 - ✓ Targeting of other program resources, such as technical assistance
- Tax incentives for businesses to hire Promise Zone residents and make capital investments in Zones, if enacted by Congress
- Federal staff on the ground to help connect with resources
- VISTA volunteers to work with local partners

Promise Zone Opportunities in FY 2014

- ***Department of Housing and Urban Development:*** Choice Neighborhoods
- ***Small Business Administration:*** Micro Entrepreneurship Initiative; HUBZone Program; Women's Business Center counseling/training; Office of Native American Affairs technical assistance
- ***Department of Justice:*** Byrne Criminal Justice Innovation Program; COPS Hiring Program
- ***Department of Labor:*** Opportunity Youth Demonstration Project; YouthBuild; Reintegration of Ex-Offenders
- ***Department of Health and Human Services:*** Community Health Centers; Community Services Block Grant; Healthy Start; Assets for Independence
- ***Department of Agriculture:*** Community Facilities Grant Program; Self-Help Section 523 Technical Assistance Grants; Housing Preservation Grant; Rural Community Development Initiative
- ***Department of Commerce:*** Economic Development Assistance Program
- ***Department of Education:*** School Climate Transformation Grants; Project Prevent Grants; GEAR UP; Charter Schools Program Replication & Expansion Grant; Full Service Community Schools Grant
- ***Corporation for National and Community Service:*** AmeriCorps VISTA, Social Innovation Fund

Draft Second Round Promise Zone Application Materials Posted for Public Comment

- April 17, 2014 - Publication of Federal Register Notice
- Notice requests feedback on:
 - ✓ Proposed selection process for the second round of designations
 - ✓ Second Round Application Guide
- June 16, 2014 - Public comment period closes
- To provide written comments:

<http://www.gpo.gov/fdsys/pkg/FR-2014-04-17/pdf/2014-08772.pdf>

Draft Application Guides

FR-5775-N-01 Application Guide



Second Round Urban Promise Zone Application Guide

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The Promise Zones initiative will revitalize high-poverty communities across the country by creating jobs, increasing economic activity, improving educational opportunities, reducing serious and violent crime, leveraging private capital, and assisting local leaders in navigating federal programs and cutting through red tape. This is the application guide for urban Promise Zones. The rural and tribal application guide is located at <https://www.onecpd.info/promise-zones/>.

The Promise Zone designation commits the federal government to partner with local leaders who are addressing multiple community revitalization challenges in a collaborative way and have demonstrated a commitment to results. Specifically, federal staff will be stationed in each designated community to help navigate the array of federal assistance and programs available to Promise Zones, subject to availability of appropriations and agency rules and statutes. This level of engagement will help communities make the most of funding that is already available to them. In addition, organizations contributing to Promise Zone strategies will be provided preferred access to certain competitive federal programs, as permissible under the rules and statutes of the individual programs and participating federal agencies, and subject to appropriations. Organizations contributing to Promise Zone strategies will also receive technical assistance and other non-competitive support, again as permissible under individual program and agency rules and statutes. Businesses investing in Promise Zones or hiring residents of Promise Zones will also be eligible to receive tax incentives for these activities, if the tax incentives are enacted by Congress. Altogether, this package of assistance will help local leaders accelerate efforts to revitalize their communities.

The Promise Zone designation will be for a term of 10 years, and will be extended as necessary to capture the full term of availability of the Promise Zone tax incentives, if the tax incentives are enacted. During this term, the specific benefits made available to Promise Zones will vary from year to year, and sometimes more often than annually, due to changes in agency policies, and changes in appropriations and authorizations for relevant programs.

Applications must provide a clear description of how the Promise Zones designation would accelerate and strengthen efforts at comprehensive community revitalization. Applications must provide clearly labeled sections:



Proposed Lead Applicant Eligibility

Urban Promise Zones:

1. Local governments, including an office or department within local government;
2. Non-profits, housing authorities, or school districts applying in partnership with local government.

Proposed Qualifying Criteria - Urban Promise Zones

The following must be present in an application:

1. Must encompass one or more census tract or portions of census tracts across a contiguous geography;
2. Rate of overall poverty or Extremely Low income rate (whichever is greater) of residents within the Promise Zone must be over 33 percent;
3. Population of at least 10,000 but no more than 200,000 residents;
4. Local leadership, including mayors must demonstrate commitment to Promise Zone effort.



Projected Second Round Promise Zone Timeline

Spring 2014 Second Round Promise Zone Application
Materials Posted for Public Comment

June 16, 2014 Public Comment Period Closes

Fall 2014 Second Round Promise Zone Applications
Open

Spring 2015 Announcements

Second Round Promise Zone Initiative

- To learn more about Promise Zones, please go to: <https://www.onecpd.info/promise-zones/>
- If you have questions or need additional information, please email us at: promisезones@hud.gov