

provided at the project for the benefit of the residents from any party administering each service, including the applicant. (0 to 10 points)

2. States will conduct preliminary eligibility review, score applications, and forward to the National Office.

3. The National Office will rank all requests nationwide and distribute funds to States in rank order, within funding and RA limits. If insufficient funds or RA remain for the next ranked proposal, the Agency will select the next ranked proposal that falls within the remaining levels. In the event there are multiple preapplications in either category, one preapplication from each State (the highest State-ranked) will compete by computer-based random lottery. If necessary, the process will be completed until all same-pointed preapplications are selected or funds are exhausted.

## II. Funding Limits

A. Individual requests may not exceed \$3 million (total loan and grant).

B. No State may receive more than 30 percent of the total available funds unless an exception is granted from the Administrator.

C. Rental Assistance and Operating Assistance will be held in the National office for use with section 514 loans and section 516 grants and will be awarded based on each project's financial structure and need.

## III. Application Process

All applications for sections 514 and 516 funds must be filed with the appropriate Rural Development State office and must meet the requirements of 7 CFR part 1944, subpart D, and section IV of this Notice. Incomplete applications will not be reviewed and will be returned to the applicant. No application will be accepted after 5 p.m., local time, on March 27, 2003 unless date and time is extended by another Notice published in the **Federal Register**.

## IV. Application Submission Requirements

A. Each application shall include all of the information, materials, forms and exhibits required by 7 CFR part 1944, subpart D, as well as comply with the provisions of this Notice. Applicants are encouraged, but not required, to include a check list and to have their applications indexed and tabbed to facilitate the review process. The Rural Development State Office will base its determination of completeness of the application and the eligibility of each applicant on the information provided in the application.

B. Applicants are advised to contact the Rural Development State Office serving the place in which they desire to submit an application for application information.

Dated: December 20, 2002.

**James E. Selmon, III,**

*Associate Administrator, Rural Housing Service.*

[FR Doc. 02-32760 Filed 12-26-02; 8:45 am]

**BILLING CODE 3410-XV-U**

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

#### Notice of Timeframe To Submit Applications for the Section 515 Rural Rental Housing Program for Fiscal Year 2003

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This Notice announces the timeframe for submitting applications for the section 515 Rural Rental Housing Program for Fiscal Year (FY) 2003. We are publishing this Notice prior to passage of a final appropriations act to give applicants the maximum amount of time possible to complete their applications, to provide the Agency sufficient time to process the selected applications within the current fiscal year, and in order to comply with 7 CFR 1944.231. Because the Agency's appropriations act has not been passed, applicants are cautioned that the Agency cannot make commitments based on the anticipated funding. Expenses incurred in developing applications will be at the applicant's risk.

#### Additional Application Information

Applications may be submitted for section 515 Rural Rental Housing (RRH) new construction loan funds and section 521 Rental Assistance (RA). Section 515 funds include the nonprofit set-aside for eligible nonprofit entities and the set-aside for the most Underserved Counties and Colonias (Cranston-Gonzalez National Affordable Housing Act). Section VI of this Notice gives additional information regarding the set-asides.

**DATES:** The closing deadline for receipt of all applications, including those for the set-asides, in response to this Notice is 5 p.m., local time for each Rural Development State Office on February 25, 2003. The application deadline is firm as to date and hour. RHS will not consider any application that is received after the closing deadline. Applicants intending to mail applications must

provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (Fax) and postage due applications will not be accepted.

**ADDRESSES:** Applicants wishing to apply for assistance must contact the Rural Development State Office serving the place in which they desire to submit an application for rural rental housing to receive further information and copies of the application package. Rural Development will date and time stamp incoming applications to evidence timely receipt, and, upon request, will provide the applicant with a written acknowledgment of receipt. A listing of Rural Development State offices, their addresses, telephone numbers, and person to contact follows:

**Note:** Telephone numbers listed are not toll-free.

Alabama State Office, Suite 601, Sterling Centre, 4121 Carmichael Road, Montgomery, AL 36106-3683, (334) 279-3455, TDD (334) 279-3495, James B. Harris.  
Alaska State Office, 800 West Evergreen, Suite 201, Palmer, AK 99645, (907) 761-7740, TDD (907) 761-8905, Deborah Davis.  
Arizona State Office, Phoenix Corporate Center, 3003 N. Central Ave., Suite 900, Phoenix, AZ 85012-2906, (602) 280-8765, TDD (602) 280-8706, Johnna Vargas.  
Arkansas State Office, 700 W. Capitol Ave., Room 3416, Little Rock, AR 72201-3225, (501) 301-3250, TDD (501) 301-3063, Cathy Jones.  
California State Office, 430 G Street, #4169, Davis, CA 95616-4169, (530) 792-5830, TDD (530) 792-5848, Jeff Deiss.  
Colorado State Office, 655 Parfet Street, Room E100, Lakewood, CO 80215, (720) 544-2922, TDD (720) 544-2976, "Sam" Mitchell.  
Connecticut Served by Massachusetts State Office  
Delaware and Maryland State Office, 4607 South Dupont Highway, P.O. Box 400, Camden, DE 19934-9998, (302) 697-4353, TDD (302) 697-4303, Pat Baker.  
Florida & Virgin Islands State Office, 4440 N.W. 25th Place, Gainesville, FL 32606-6563, (352) 338-3465, TDD (352) 338-3499, Joseph P. Fritz.  
Georgia State Office, Stephens Federal Building, 355 E. Hancock Avenue, Athens, GA 30601-2768, (706) 546-2164, TDD (706) 546-2034, Wayne Rogers.  
Guam: Served by Hawaii State Office  
Hawaii State Office, (Services all Hawaii, American Samoa and

- Western Pacific), Room 311, Federal Building, 154 Waiianuenue Avenue, Hilo, HI 96720, (808) 933-8309, TDD (808) 933-8321, Thao Khamoui.
- Idaho State Office, Suite A1, 9173 West Barnes Dr., Boise, ID 83709, (208) 378-5630, TDD (208) 378-5644, LaDonn McElligott.
- Illinois State Office, 2118 West Park Court, Suite A, Champaign, IL 61821-2986, (217) 403-6222, TDD (217) 403-6240, Barry L. Ramsey
- Indiana State Office, 5975 Lakeside Boulevard, Indianapolis, IN 46278, (317) 290-3100 (ext. 423), TDD (317) 290-3343, John Young
- Iowa State Office, 210 Walnut Street, Room 873, Des Moines, IA 50309, (515) 284-4666, TDD (515) 284-4858, Julie Sleeper
- Kansas State Office, 1303 SW First American Place, Suite 100, Topeka, KS 66604-4040, (785) 271-2721, TDD (785) 271-2767, Virginia M. Hammersmith
- Kentucky State Office, 771 Corporate Drive, Suite 200, Lexington, KY 40503, (859) 224-7325, TDD (859) 224-7422, Paul Higgins
- Louisiana State Office, 3727 Government Street, Alexandria, LA 71302, (318) 473-7962, TDD (318) 473-7655, Yvonne R. Emerson
- Maine State Office, 967 Illinois Ave., Suite 4, PO Box 405, Bangor, ME 04402-0405, (207) 990-9110, TDD (207) 942-7331, Dale D. Holmes
- Maryland: Served by Delaware State Office
- Massachusetts, Connecticut, & Rhode Island State Office, 451 West Street, Amherst, MA 01002, (413) 253-4333, TDD (413) 253-4590, Donald Colburn
- Michigan State Office, 3001 Coolidge Road, Suite 200, East Lansing, MI 48823, (517) 324-5192, TDD (517) 337-6795, Philip Wolak
- Minnesota State Office, 375 Jackson Street Building, Suite 410, St. Paul, MN 55101-1853, (651) 602-7804, TDD (651) 602-7830, Joyce Vondal
- Mississippi State Office, Federal Building, Suite 831, 100 W. Capitol Street, Jackson, MS 39269, (601) 965-4325, TDD (601) 965-5850, Darnella Smith-Murray
- Missouri State Office, 601 Business Loop 70 West, Parkade Center, Suite 235, Columbia, MO 65203, (573) 876-0990, TDD (573) 876-9480, Colleen James
- Montana State Office, Unit 1, Suite B, 900 Technology Blvd., Bozeman, MT 59715, (406) 585-2551, TDD (406) 585-2562, Deborah Chorlton
- Nebraska State Office, Federal Building, Room 152, 100 Centennial Mall N, Lincoln, NE 68508, (402) 437-5594, TDD (402) 437-5093, Phil Willnerd
- Nevada State Office, 1390 South Curry Street, Carson City, NV 89703-9910, (775) 887-1222 (ext. 25), TDD (775) 885-0633, Angilla Denton
- New Hampshire State Office, Concord Center, Suite 218, Box 317, 10 Ferry Street, Concord, NH 03301-5004, (603) 223-6046, TDD (603) 229-0536, Jim Fowler
- New Jersey State Office, 5th Floor North, Suite 500, 8000 Midlantic Dr., Mt. Laurel, NJ 08054, (856) 787-7740, TDD (856) 787-7784, George Hyatt, Jr.
- New Mexico State Office, 6200 Jefferson St., NE, Room 255, Albuquerque, NM 87109, (505) 761-4944, TDD (505) 761-4938, Carmen N. Lopez
- New York State Office, The Galleries of Syracuse, 441 S. Salina Street, Suite 357 5th Floor, Syracuse, NY 13202, (315) 477-6419, TDD (315) 477-6447, George N. Von Pless
- North Carolina State Office, 4405 Bland Road, Suite 260, Raleigh, NC 27609, (919) 873-2066, TDD (919) 873-2003, Terry Strole
- North Dakota State Office, Federal Building, Room 208, 220 East Rosser, PO Box 1737, Bismarck, ND 58502, (701) 530-2049, TDD (701) 530-2113, Kathy Lake
- Ohio State Office, Federal Building, Room 507, 200 North High Street, Columbus, OH 43215-2477, (614) 255-2418, TDD (614) 255-2554, Melodie Taylor-Ward
- Oklahoma State Office, 100 USDA, Suite 108, Stillwater, OK 74074-2654, (405) 742-1070, TDD (405) 742-1007, Phillip F. Reimers
- Oregon State Office, 101 SW Main, Suite 1410, Portland, OR 97204-3222, (503) 414-3325, TDD (503) 414-3387, Bill Daniel
- Pennsylvania State Office, One Credit Union Place, Suite 330, Harrisburg, PA 17110-2996, (717) 237-2281, TDD (717) 237-2261, Gary Rothrock
- Puerto Rico State Office, 654 Munoz Rivera Avenue, IBM Plaza, Suite 601, Hato Rey, PR 00918, (787) 766-5095 (ext. 249), TDD (787) 766-5332, Lourdes Colon
- Rhode Island: Served by Massachusetts State Office
- South Carolina State Office, Strom Thurmond Federal Building, 1835 Assembly Street, Room 1007, Columbia, SC 29201, (803) 253-3432, TDD (803) 765-5697, Larry D. Floyd
- South Dakota State Office, Federal Building, Room 210, 200 Fourth Street, SW, Huron, SD 57350, (605) 352-1135, TDD (605) 352-1147, Roger Hazuka
- Tennessee State Office, Suite 300, 3322 West End Avenue, Nashville, TN 37203-1084, (615) 783-1375, TDD (615) 783-1397, G. Benson Lasater
- Texas State Office, Federal Building, Suite 102, 101 South Main, Temple, TX 76501, (254) 742-9755, TDD (254) 742-9712, Eugene G. Pavlat
- Utah State Office, Wallace F. Bennett Federal Building, 125 S. State Street, Room 4311, Salt Lake City, UT 84147-0350, (801) 524-4324, TDD (801) 524-3309, Robert L. Milianta
- Vermont State Office, City Center, 3rd Floor, 89 Main Street, Montpelier, VT 05602, (802) 828-6028, TDD (802) 223-6365, Sandra Mercier
- Virgin Islands: Served by Florida State Office
- Virginia State Office, Culpeper Building, Suite 238, 1606 Santa Rosa Road, Richmond, VA 23229, (804) 287-1596, TDD (804) 287-1753, CJ Michels
- Washington State Office, Puyallup Executive Park, 1011 E. Main, Suite 306, Puyallup, WA 98372-6771, (253) 845-9272 (ext. 5), TDD (253) 845-0553, Robert Lund
- Western Pacific Territories: Served by Hawaii State Office
- West Virginia State Office, Federal Building, 75 High Street, Room 320, Morgantown, WV 26505-7500, (304) 284-4889, TDD (304) 284-4836, Craig St. Clair
- Wisconsin State Office, 4949 Kirschling Court, Stevens Point, WI 54481, (715) 345-7615 (ext. 151), TDD (715) 345-7614, Sherry Engel
- Wyoming State Office, 100 East B, Federal Building, Room 1005, PO Box 820, Casper, WY 82602, (307) 261-6315, TDD (307) 261-6333, Jack Hyde

**FOR FURTHER INFORMATION CONTACT:** For general information, applicants may contact Linda Armour, Senior Loan Officer, Multi-Family Housing Processing Division, Rural Housing Service, United States Department of Agriculture, Stop 0781, 1400 Independence Avenue, SW., Washington, DC, 20250-0781, telephone (202) 720-1753 (voice) (this is not a toll free number) or (800) 877-8339 (TDD-Federal Information Relay Service).

#### **SUPPLEMENTARY INFORMATION:**

##### **Programs Affected**

The Rural Rental Housing program is listed in the Catalog of Federal Domestic Assistance under Number 10.415, Rural Rental Housing Loans. Rental Assistance is listed in the Catalog under Number 10.427, Rural Rental Assistance Payments.

## Discussion of Notice

### I. Authority and Distribution Methodology

#### A. Authority

Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) provides RHS with the authority to make loans to any individual, corporation, association, trust, Indian tribe, public or private nonprofit organization, consumer cooperative, or partnership to provide rental or cooperative housing and related facilities in rural areas for very-low, low, or moderate income persons or families, including elderly persons and persons with disabilities. Rental assistance (RA) is a tenant subsidy for very-low and low-income families residing in rural rental housing facilities with RHS financing and may be requested with applications for such facilities.

#### B. Distribution Methodology

Nine percent of any appropriation will be set aside for eligible nonprofit entities and five percent will be set aside for the most Underserved Counties and Colonias (Cranston-Gonzalez National Affordable Housing Act). Additional information regarding distribution of funds will be provided when the appropriations act is passed.

#### C. Section 515 New Construction Funds

For fiscal year 2003, the Administrator has determined that it would not be practical to allocate funds to States because of funding limitations; therefore, section 515 new construction funds will be distributed to States based on a National competition, as follows:

1. States will accept, review, score, and rank requests in accordance with 7 CFR part 1944, subpart E. The scoring factors are:

(a) The presence and extent of leveraged assistance for the units that will serve RHS income-eligible tenants at basic rents comparable to those if RHS provided full financing, computed as a percentage of the RHS total development cost (TDC). RHS TDC excludes non-RHS eligible costs such as a developer's fee. The required applicant contribution is not considered leveraged assistance. Leveraged assistance includes loans and grants from other sources, contributions from the applicant above the required contribution indicated by the Sources and Uses Comprehensive Evaluation (available from the Rural Development State Office) and tax abatements or other savings in operating costs provided that, at the end of the abatement period when the benefit is no longer available, the

basic rents are comparable to or lower than the basic rents if RHS provided full financing. Loan proposals that include secondary funds from other sources that have been requested but have not yet been committed will be processed as follows: The proposal will be scored based on the requested funds, provided (1) the applicant includes evidence of a filed application for the funds; and (2) the funding date of the requested funds will permit processing of the loan request in the current funding cycle, or, if the applicant does not receive the requested funds, will permit processing of the next highest ranked proposal in the current year. Points will be awarded in accordance with the following table. (0 to 20 points)

Percentage of leveraging	Points
75 or more .....	20
70-74 .....	19
65-69 .....	18
60-64 .....	17
55-59 .....	16
50-54 .....	15
45-49 .....	14
40-44 .....	13
35-39 .....	12
30-34 .....	11
25-29 .....	10
20-24 .....	9
15-19 .....	8
10-14 .....	7
5-9 .....	6
0-4 .....	0

(b) The units to be developed are in a colonia, tribal land, EZ, EC, or Rural Economic Area Partnership (REAP) community, or in a place identified in the State Consolidated Plan or State Needs Assessment as a high need community for multifamily housing. (20 points)

(c) In states where RHS has an ongoing formal working relationship, agreement, or Memorandum of Understanding (MOU) with the State to provide State resources (State funds, State RA, HOME funds, CDBG funds, or Low-Income Housing Tax Credits) for RHS proposals; or where the State provides preference or points to RHS proposals in awarding such State resources, 20 points will be provided to loan requests that include such State resources in an amount equal to at least 5 percent of the total development cost. Native American Housing and Self Determination Act (NAHASDA) funds may be considered a State Resource if the Tribal Plan for NAHASDA funds contains provisions for partnering with RHS for multifamily housing. (National office initiative)

(d) The loan request includes donated land meeting the provisions of 7 CFR 1944.215(r)(4). (5 points)

2. The National office will rank all requests nationwide and distribute funds from any FY 2003 appropriations to States in rank order, within funding and RA limits. If insufficient funds or RA remain for the next ranked proposal, the Agency will select the next ranked proposal that falls within the remaining levels. Point score ties will be handled as follows: The highest ranked same-pointed proposal from each State will be selected, followed by the second highest ranked proposal, and so on, until funds are exhausted.

#### D. Applications That Do Not Require New Construction Rental Assistance (RA)

The Agency is inviting applications to develop units in markets that do not require RA. The market study for non-RA proposals must clearly demonstrate a need and demand for the units by prospective tenants at income levels that can support the proposed rents without tenant subsidies. The proposed units must offer amenities that are typical for the market area at rents that are comparable to conventional rents in the market for similar units.

#### E. Set-asides

Loan requests will be accepted for the following set-asides:

1. Nonprofit set-aside. Nine percent of any appropriation act funding for the Section 515 program will be set aside for nonprofit applicants. All loan proposals must be in designated places in accordance with 7 CFR part 1944, subpart E. A State or jurisdiction may receive one proposal from this set-aside, which cannot exceed \$1 million. A State could get additional funds from this set-aside if any funds remain after funding one proposal from each participating State. If there are insufficient funds to fund one loan request from each participating State, selection will be made by point score. If there are any funds remaining, they will revert to the National office reserve. Funds from this set-aside will be available only to nonprofit entities, which may include a partnership that has as its general partner a nonprofit entity or the nonprofit entity's for-profit subsidiary which will be receiving low-income housing tax credits authorized under section 42 of the Internal Revenue Code of 1986. To be eligible for this set-aside, the nonprofit entity must be an organization that:

(a) Will own an interest in the project to be financed and will materially participate in the development and the operations of the project;

(b) Is a private organization that has nonprofit, tax exempt status under

section 501(c)(3) or section 501(c)(4) of the Internal Revenue Code of 1986;

(c) Has among its purposes the planning, development, or management of low-income housing or community development projects; and

(d) Is not affiliated with or controlled by a for-profit organization. [As a point of clarification, the partnership may have only one general partner, which must meet the above requirements. A partnership with more than one general partner is not eligible for this set-aside.]

2. Underserved counties and colonias set-aside. Five percent of any appropriation act funding for the Section 515 program will be set aside for the 100 most needy underserved counties or colonias as defined in section 509(f) of the Housing Act of 1949.

## II. Funding Limits

A. Individual loan requests may not exceed \$1 million. This applies to regular section 515 funds and set-aside funds. The Administrator may make an exception to this limit in cases where a State's average total development costs exceed the National average by 50 percent or more.

B. States may receive a maximum combined total of \$2.5 million from regular Section 515 funds and set-aside funds.

## III. Rental Assistance (RA)

RA will be held in the National office for use with section 515 Rural Rental Housing loans. RA may be requested by applicants, except for non-RA requests in accordance with section I.D. above.

## IV. Application Process

All applications for section 515 new construction funds must be filed with the appropriate Rural Development State Office and must meet the requirements of 7 CFR part 1944, subpart E and section V of this Notice. Incomplete applications will not be reviewed and will be returned to the applicant. No application will be accepted after 5 p.m., local time, on the application deadline previously mentioned unless that date and time is extended by a Notice published in the **Federal Register**.

## V. Application Submission Requirements

A. Each application shall include all of the information, materials, forms and exhibits required by 7 CFR part 1944, subpart E as well as comply with the provisions of this Notice. Applicants are encouraged, but not required, to include a checklist and to have their applications indexed and tabbed to

facilitate the review process. The Rural Development State Office will base its determination of completeness of the application and the eligibility of each applicant on the information provided in the application.

B. Applicants are advised to contact the Rural Development State office serving the place in which they desire to submit an application for the following:

1. Application information; and
2. List of designated places for which applications for new section 515 facilities may be submitted.

## VI. Areas of Special Emphasis or Consideration

The selection criteria contained in 7 CFR part 1944, subpart E include two optional criteria, one set by the National Office and one by the State Office. This fiscal year, the National Office initiative will be used in the selection criteria as follows: In states where RHS has an ongoing formal working relationship, agreement, or Memorandum of Understanding (MOU) with the State to provide State resources (State funds, State RA, HOME funds, CDBG funds, or Low Income Housing Tax Credits (LIHTC)) for RHS proposals; or where the State provides preference or points to RHS proposals in awarding these State Resources, 20 points will be provided to loan requests that include such State resources in an amount equal to at least 5 percent of the total development cost. Native American Housing and Self Determination Act (NAHASDA) funds may be considered a State Resource if the Tribal Plan for NAHASDA funds contains provisions for partnering with RHS for multifamily housing. No State selection criteria will be used this fiscal year.

Dated: December 20, 2002.

**James E. Selmon,**

*Associate Administrator, Rural Housing Service.*

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**BILLING CODE 3410-XV-P**

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

#### Notice of Timeframe for Section 533 Housing Preservation Grants for Fiscal Year 2003

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Notice.

**SUMMARY:** The Rural Housing Service (RHS) announces that it is soliciting competitive applications under its Housing Preservation Grant (HPG)

program. We are publishing this Notice prior to passage of a final appropriations act to give applicants the maximum amount of time possible to complete their applications, and to provide the Agency sufficient time to select and process the selected applications within the current fiscal year. Although a Notice of Funding Availability (NOFA) outlining the level of funding for the program will be published after enactment of a final appropriation act, no additional time for submitting applications will be included in this notice. Applications must be submitted within the timeframe set forth below. Because the Agency's appropriations act has not been passed, applicants are cautioned that the Agency cannot make commitments based on the anticipated funding. Expenses incurred in developing applications will be at the applicant's risk.

The HPG program is a grant program which provides qualified public agencies, private nonprofit organizations, and other eligible entities grant funds to assist very low- and low-income homeowners repair and rehabilitate their homes in rural areas, and to assist rental property owners and cooperative housing complexes to repair and rehabilitate their units if they agree to make such units available to low- and very low-income persons. This action is taken to comply with Agency regulations found in 7 CFR part 1944, subpart N, which require the Agency to announce the opening and closing dates for receipt of preapplications for HPG funds from eligible applicants. The intended effect of this Notice is to provide eligible organizations notice of these dates.

#### Discussion of Anticipated Funding for Fiscal Year (FY) 2003

The FY 2002 funding level for the section 533 program was \$7,982,000. To the extent an appropriation act provides funding for HPG grants in FY 2003, the actual funds available for FY 2003 will be published at a later date in a subsequent Notice.

**DATES:** The closing deadline for receipt of all applications in response to this Notice is 5 p.m., local time for each Rural Development State Office on March 27, 2003. The application closing deadline is firm as to date and hour. RHS will not consider any application that is received after the closing deadline. Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not