

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**RURAL HOUSING AND ECONOMIC
DEVELOPMENT PROGRAM**

FUNDING AVAILABILITY FOR THE RURAL HOUSING AND ECONOMIC DEVELOPMENT PROGRAM

Program Overview

Purpose of Program: The purpose of the Rural Housing and Economic Development (RHED) program is to build capacity at the State and local level for rural housing and economic development and to support innovative housing and economic development activities in rural areas. The funds made available under this program will be awarded competitively, through a selection process conducted by HUD in consultation with the United States Department of Agriculture (USDA).

Available Funds: Approximately \$24 million in Fiscal Year (FY) 2001 funding. Adjustments to Funding. HUD reserves the right to utilize this year's funding to fund previous year's errors prior to rating and ranking this year's applications. HUD reserves the right to reallocate funds between categories to achieve the maximum allocation of funds in both categories.

Eligible Applicants: Local rural non-profit organizations, community development corporations, Indian tribes, State housing finance agencies, and State economic development or community development agencies.

Application Deadline: April 6, 2001.

Match: None.

Additional Information

If you are interested in applying for funding under this program, please review carefully the General Section of this SuperNOFA and application submission requirements. You should note that the total narrative response to all rating factors described under Section V(C) should not exceed 15 pages, and must be submitted on 8.5" by 11" paper using a 12 point size, with lines double spaced and printed only on one side. Please note that although submitting pages in excess of the page limit will not disqualify your application, HUD will not consider the information on any excess pages, which may result in a lower score or failure to meet a threshold. In addition, please review the following information:

I. Application Due Date, Further Information and Technical Assistance

Application Due Date: Completed applications (one original and two copies) must be submitted on or before 12:00 midnight, Eastern time, on April 6, 2001, to the HUD Headquarters address shown below.

See the General Section of this SuperNOFA for specific procedures governing the form of application

submission (e.g. mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications: Completed applications (one original and two copies) must be submitted to: Processing and Control Unit, Room 7255, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410; ATTN: Office of Rural Housing and Economic Development. When submitting your application, please include your name, mailing address (including zip code), telephone number, and fax number (including area code).

For Application Kits. An application kit is not necessary for submitting an application in response to this announcement. This announcement contains all the information necessary for the submission of your application for the Rural Housing and Economic Development Program.

For Further Information and Technical Assistance. All information and materials required to submit an application for funding under the HUD Rural Housing and Economic Development program are included in the Appendix to this NOFA.

For information concerning the HUD Rural Housing and Economic Development program, contact Mr. Marty Horwath, Community Planning and Development Specialist, Office of Rural Housing and Economic Development (RHED), Office of Economic Development, Office of Community Planning and Development (CPD), Department of Housing and Urban Development, 451 7th Street, SW, Room 7136, Washington, DC 20410; telephone (202) 708-2035 (this is not a toll-free number). Persons with speech or hearing impairments may access this number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of an application. For more information about the date and time of this broadcast, you should consult the HUD web site at <http://www.hud.gov>.

Prior to the application deadline, HUD staff at the numbers above and local CPD field office Economic Development (ED) Specialists will be available to provide general guidance, but not guidance in actually preparing the application. Following selection, but prior to award, HUD staff will be available to assist in clarifying or confirming information that is a

prerequisite to the offer of an award by HUD.

II. Amount Allocated

(A) *Available Funds.* Approximately \$24 million in Fiscal Year (FY) 2001 funding is being made available through this program section of the SuperNOFA. The breakdown for this funding is discussed below.

(B) *The FY 2001 HUD Appropriations Act.* The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001 (Pub. L. 106-377 approved October 27, 2000) (the "FY 2001 HUD Appropriations Act") made \$25 million in FY 2001 funds available under the Rural Housing and Economic Development program.

(C) *Funding Categories/ Maximum Award Amounts.* HUD will award up to approximately \$24 million on a competitive basis in the following funding categories.

(1) *Capacity Building.* HUD will award up to approximately \$12 million to build capacity. This amount will go directly to local rural nonprofits, community development corporations (CDCs) and Indian tribes to support innovative housing and economic development activities to increase capacity. The maximum amount awarded to a successful applicant in this category will be \$150,000. If you received a RHED grant in either FY 1999 or FY 2000 for capacity building, the maximum amount you can receive in this category will be \$100,000.

(2) *Support for Innovative Housing and Economic Development Activities.* HUD will award up to approximately \$12 million to Indian tribes, State Housing Finance Agencies (HFA), state community and/or economic development agencies, local rural nonprofits and CDCs to support innovative housing and economic development activities in rural areas. The maximum amount awarded to a successful applicant in this category will be \$400,000.

III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* (1) *Background.* There is a great need for expanding the supply of housing in rural America, particularly affordable housing for low income families and individuals. There are a number of rural areas which have experienced rapid immigration as a result of a growth in employment opportunities, but which have a shortage of affordable housing. In addition, because of out-migration from rural areas, and other factors causing

economic dislocation, many rural areas suffer from severe economic distress. There has been a growing national recognition of the need to enhance the capacity of Indian tribes, local rural nonprofits, CDCs, and State community and economic development agencies to expand the supply of affordable housing and to engage in economic development activities in rural areas.

A number of resources are available from the Federal government to address these problems, including programs of the United States Department of Agriculture (USDA), the Economic Development Administration (EDA), the Appalachian Regional Commission (ARC), the Department of Interior (for Indian Tribes) and HUD. The Rural Housing and Economic Development program has been developed to supplement these resources and to focus specifically on capacity building and innovative approaches to housing and economic development in rural areas. In administering these funds, HUD will encourage coordination between all Federal agencies in support of the program objectives.

(2) *Definitions. Appalachia's Distressed Counties* means those counties in Appalachia that the Appalachian Regional Commission (ARC) has determined to have unemployment and poverty rates that are 150 percent of the respective U.S. rates and per capita income that is less than 67 percent of the U.S. per capita income, and counties with 200 percent of the U.S. poverty rate and one other indicator. Appendix B to this notice identifies the ARC's list of distressed counties.

Colonia means any identifiable community that:

(i) Is located in the State of Arizona, California, New Mexico, or Texas;

(ii) Is located in the U.S.-Mexico border region (that is, within 150 miles of the border between the U.S. and Mexico);

(iii) Meets objective criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, sanitary, and accessible housing

Farmworker means a farm employee of an owner, tenant, labor contractor, or other operator raising or harvesting agricultural or aquacultural commodities; or a worker in the employment of a farm operator, handling, planting, drying, packing, grading, storing, delivering to storage or market, or carrying to market agricultural or aquacultural commodities produced by the operator. Seasonal farmworkers are those farm employees who typically do not have a

constant year round salary. Migrant farmworkers are those farm employees whose work requires travel that prevents the employee from returning to his or her permanent place of residence within the same day.

A firm commitment means the agreement by which an applicant's partner agrees to perform an activity specified in the application and demonstrates the financial capacity to deliver the resources necessary to carry out the activity, and commits the resources to the activity either in cash or through in-kind contributions and is irrevocable, subject only to approval and receipt of a FY 2001 RHED grant. Each letter of commitment should include the organization's name, the applicant's name, the proposed program, the proposed total level of commitment and responsibilities as they relate to the proposed program. The commitment must also be signed by an official of the organization legally able to make commitments on behalf of the organization and dated not earlier than the date of publication of this NOFA. In documenting a firm commitment, the applicant's partner must:

(i) Specify the authority by which the commitment is made, the amount of the commitment and the use of funds. If the committed activity is to be self-financed, the applicant's partner must evidence its financial capability through a corporate or personal financial statement or other appropriate means. If any portion of it is to be financed through a lending institution, the participant must evidence the institution's commitment to fund the loan;

(ii) State the amount and use of the commitment, and the relationship of the commitment to the proposed investment; and

(iii) Affirm that the commitment is not contingent upon another program or other pending commitments, and state a willingness on the part of the signatory to sign a legally binding commitment (conditioned on HUD environmental review and approval of a property, where applicable) upon award of the grant.

Indian tribe means any entity eligible to apply for funding under the Indian Community Development Block Grant (ICDBG) program (see 24 CFR 1003.5(a)). The list of federally recognized Indian tribes can be found notice published by the Department of the Interior on March 13, 2000, at 65 FR 13299, and is also available from HUD.

Innovative housing activities means projects, techniques, methods, combinations of assistance, construction materials, and financing institutions or

sources new to the eligible area, or its population. The innovative activities can also build upon and enhance a model that already exists.

Local rural non-profit or community development corporation means either:

(i) Any private entity with tax exempt status recognized by the Internal Revenue Service (IRS) which serves the eligible rural area involved in the application (including local affiliates of national organizations that provide technical and capacity building assistance in rural areas); or

(ii) Any public non-profit such as a Council of Governments that will serve specific local non-profit organizations in the eligible area.

Lower Mississippi Delta Region means the seven state, 219 county/parish region defined by Congress in the Lower Mississippi Delta Development Act, Pub.L. 100-460. Appendix C to this notice identifies the counties referenced in the Act.

Rural area may be defined in one of five ways:

(i) A place having fewer than 2,500 inhabitants (within or outside of metropolitan areas).

(ii) A county with no urban population of 20,000 inhabitants or more.

(iii) Territory, persons, and housing units in the rural portions of "extended cities." The U.S. Census Bureau identifies the rural portions of extended cities in the United States.

(iv) Open country which is not part of or associated with an urban area. The United States Department of Agriculture (USDA) describes "open country" as a site separated by open space from any adjacent densely populated urban area. Open space includes undeveloped land, agricultural land, or sparsely settled areas, but does not include physical barriers (such as rivers and canals), public parks, commercial and industrial developments, small areas reserved for recreational purposes, and open space set aside for future development.

(v) Any place with a population not in excess of 20,000 and not located in a Metropolitan Statistical Area.

State economic development or community development agency means any state agency which has promotion of statewide or local community/economic development as its primary purpose.

State Housing Finance Agency means any state agency created to assist local communities and housing providers with financing assistance for development of housing in rural areas, particularly for low and moderate income people.

(3) *Eligible applicants.* Eligible applicants for each of the funding categories are as follows:

(a) *For capacity building funding.* If you are a local rural non-profit, CDC, or Indian tribe, you are eligible for capacity building funding to carry out innovative housing and economic development activities which may also enable an applicant to become self-sustaining in the future.

(b) *For support for innovative housing and economic development activities funding.* If you are a local rural non-profit, CDC, Indian tribe, State HFA, or State economic development or community development agency, you may apply for funding to support innovative housing and economic development activities in rural areas.

(4) *Eligible activities.* The following are examples of eligible activities under the Rural Housing and Economic Development program. These examples are illustrative and are not meant to limit the activities that you may propose in your application. Any activity that meets the objective of the Rural Housing and Economic Development program will be considered eligible.

(a) *For capacity building funding.* Capacity building for innovative rural housing and economic development involves the enhancement of existing organizations to carry out new functions and/or perform more effectively existing functions. For organizations, this could also include "up front" money for acquiring space and support facilities, as well as other types of administrative expenses. This should also focus on activities which enable the applicant to become self-sustaining in the future.

Activities in connection with strengthening existing organizations include hiring qualified staff, supporting and training existing staff, providing software and other tools to provide networking and research capability, and obtaining expertise from outside sources. They also include training to improve management capability, including development of accounting systems, Management Information Systems (MIS) support, apprenticeship programs and related activities. Eligible activities also include arranging for technical assistance to conduct need assessments, conduct asset inventories, and develop strategic plans. These activities also include the promotion of fair housing by training specific local organizations and residents in fair housing issues, and by helping them to file fair housing complaints with HUD, when warranted.

(b) *For support of innovative housing and economic development activities.* (i) This category is intended to support, but

not be limited to, other costs for innovative housing and economic development activities. Eligible activities include preparation of plans, architectural and engineering drawings and reports, financial assistance for acquisition of land and buildings, demolition, provision of infrastructure, purchase of materials, construction costs, the use of local labor markets, and job training.

Additionally, eligible activities include homeownership counseling, application of innovative construction methods encouraging building design which reflects terrain, weather, and availability of indigenous materials. Besides meeting applicable civil rights requirements such as the Americans with Disabilities Act, section 504 of the Rehabilitation Act of 1973, and the Federal Fair Housing Act (42 U.S.C. 3601 *et seq.*), HUD also strongly recommends that all housing designs be made "accessible and visitable." In addition, HUD encourages the use of universal design in designing and constructing units so that the housing can meet the needs of the largest number of individuals.

(ii) Other eligible activities include establishing Community Development Financial Institutions (CDFIs), lines of credit, revolving loan funds, microenterprises, small business incubators, provision of direct financial assistance to homeowners/businesses/developers, etc. This can be in the form of establishing default reserves, pooling/securitization mechanisms, loans, grants, etc. Grantees should demonstrate that their activities will continue to serve the populations that are in need and that beneficiaries will have a choice of innovative housing and economic development opportunities as a result of these activities.

IV. Program Requirements

(A) *General.* To be eligible for funding under this program section of this SuperNOFA, you must meet the requirements and procedures applicable to all programs set forth in Section II of the General Section of the SuperNOFA, and particularly the civil rights threshold requirements set forth in Section II(B) of the General Section. In addition to these general requirements, you must meet the following program specific requirements.

(B) *Accounting System Requirements.* RHED requires that successful applicants have in place an accounting system that meets the policies, guidance, and requirements as described in the following applicable OMB Circulars and Code of Federal Regulations:

(1) OMB Circular No. A-87 (Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments);

(2) OMB Circular No. A-122 (Cost Principles for Nonprofit Organizations), OMB Circular No. A-133 (Audits of States, Local Governments, and Non-Profit Organizations);

(3) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations); and

(4) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally recognized Indian tribal governments).

These documents apply to the award, acceptance and use of assistance under the Rural Housing and Economic Development program NOFA, and to the remedies for noncompliance, except when inconsistent with the provisions of the FY 2001 HUD Appropriations Act, other Federal statutes or the provisions of this NOFA.

(C) *Environmental Review.* Selection for award does not constitute approval of any proposed sites. Following selection for award, HUD will perform an environmental review of activities proposed for assistance under this part, in accordance with 24 CFR part 50. The results of the environmental review may require that proposed activities be modified or that proposed sites be rejected. Applicants are particularly cautioned not to undertake or commit funds for acquisition or development of proposed properties (including establishing lines of credit that permit financing of such activities or making commitments for loans that would finance such activities from a revolving loan fund capitalized from funds under this NOFA) prior to HUD approval of specific properties or areas. Each application shall contain an assurance that you, the applicant, will assist HUD to comply with part 50; will supply HUD with all available, relevant information to perform an environmental review for each proposed property; will carry out mitigating measures required by HUD or select alternate property; and will not acquire, rehabilitate, convert, lease, repair or construct property, not commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received. In supplying HUD with environmental information, grantees are to use the same guidance as provided in the HUD Handbook entitled "Field Environmental Review Processing for HUD Colonias Initiative (HCI) grants" issued January 27, 1998.

(D) *Grant Period.* Recipients will have 36 months from the date of funding to complete all project activities except the final evaluation and reporting, fulfillment and audit requirements and final project close-out.

(E) *Lead-Based Paint Hazard Control.* All property assisted under the Rural Housing and Economic Development program is covered by the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846) and HUD's implementing regulations at 24 CFR part 35.

V. Application Selection Process

(A) *Rating and Ranking.* (1) *General.* To review and rate applications, HUD may establish panels including outside experts or consultants to obtain certain expertise and outside points of view, including views from other Federal agencies.

(2) *Rating.* All applicants for funding will be evaluated against the criteria below.

(3) *Ranking.* Applicants will be ranked separately within each of the two funding categories. Applicants will be selected for funding in accordance with their rank order in each category. If two or more applications are rated fundable and have the same score, but there are insufficient funds to fund all of them, the applications(s) with the highest score for Rating Factor 2 (Need and Extent of the Problem) shall be selected. If applications still have the same score, the highest score in the following factors will be selected sequentially until one highest score can be determined, Rating Factor 3 (Soundness of Approach), Rating Factor 1 (Capacity and Experience), Rating Factor 5 (Comprehensiveness and Coordination) and Rating Factor 4 (Leveraging of Resources). To be eligible for funding in the Innovative category, an application must have a minimum score of 25 points for the total combined number of points for Rating Factors 1 and 3. To be eligible for funding in the Capacity Building category, an application must have a minimum score of 20 points for Rating Factor 3.

(B) *Initial screening.* During the period immediately following the application deadline, HUD will screen each application to determine eligibility. Applications will be rejected if they:

(1) Are submitted by ineligible applicants (including applicants and subrecipients that do not meet the fair housing and civil rights threshold requirement described in Section II(B) of the General Section of the SuperNOFA);

(2) Do not serve an eligible rural area; or

(3) Propose a program for which significant activities are ineligible. Such activities may include, but are not limited to, use of RHED grant funds for income payments to subsidize individuals or families, political activities, or general governmental expenses other than expenses related to the administrative cost of the grant.

(C) *Rating Factors for Award Used to Evaluate and Rate Applications.* The factors for rating and ranking applicants, and maximum points for each factor, are provided below. The maximum number of points for this program is 102. This includes two EZ/EC bonus points, as described in the General Section of the SuperNOFA.

(D) *Notification of Approval and Disapproval.* HUD will notify you whether or not you have been selected for an award. If you are selected, HUD's notice to you of the amount of the grant award based on the approved application will constitute HUD's preliminary approval, subject to negotiation and execution of the grant agreement by HUD.

Rating Factor 1—Capacity of the Applicant and Relevant Organizational Experience (15 points)

This rating factor addresses the extent to which you have the organizational resources necessary to successfully implement your proposed work plan as further described in Rating Factor 3 in a timely manner within the 36 month award period.

Rating standards applicable to individual funding categories. The two funding categories have different objectives. Accordingly, in addition to the generally applicable rating standard discussed above, different standards will be used to judge the experience and qualifications of the applicants and any partners for each of the two funding categories. HUD fully supports emerging organizations who desire to develop internal capacity. Therefore, the following categories will be evaluated:

(1) For *Capacity Building.* (15 points) *Team members, composition, experience, organizational structure and management capacity.* HUD will evaluate the experience of your project director, core staff, any outside consultants, contractors, subrecipients, and members of coalitions to implement all of the work activities in your workplan as they relate to innovative housing and economic development activities. In evaluating your capacity to do the work, HUD will assess the recent and relevancy of the prior work experience of each of the parties listed

above to execute the prescribed activities; the services the consultants or other parties will provide which fill gaps in your staffing structure to enable you to carry out the proposed workplan; the experience of your project director in managing projects of similar size, scope, and dollar amount; the lines of authority and procedures that you have in place for ensuring that consultants and workplan goals and objectives are being met and that beneficiaries are being adequately served. In judging your response to this factor, HUD will only consider work experience gained within the last 3 years. When responding, please be sure to provide the dates, job titles and relevancy of the past experience to work undertaken by the employee or contractor under your proposed RHED application. The more recent, relevant, and successful the experience is of your team members in relationship to the workplan activities, the greater the number of points that you will receive.

(2) For *Support for Innovative Rural Housing and Economic Development Activities.* (15 points)

(a) (5 points) *Team members, composition, and experience.* HUD will evaluate the experience of your project director, core staff, any outside consultants, contractors, subrecipients, and members of coalitions to implement all of the work activities in your workplan. In evaluating your capacity to do the work, HUD will assess the recent and relevancy of the prior work experience of each of the parties listed above, to execute the prescribed activities; the services the consultants or other parties will provide which fill gaps in your staffing structure to enable you to carry out the proposed workplan; the experience of your project director in managing projects of similar size, scope, and dollar amount; the lines of authority and procedures that you have in place for ensuring that consultants and workplan goals and objectives are being met and that beneficiaries are being adequately served. In judging your response to this factor, HUD will only consider work experience gained within the last 7 years. When responding, please be sure to provide the dates, job titles and relevancy of the past experience to work undertaken by the employee or contractor under your proposed RHED application. The more recent, relevant, and successful the experience is of your team members in relationship to the workplan activities, the greater the number of points that you will receive.

(b) (5 points) *Organizational structure and management capacity.* HUD will evaluate the extent to which you can

demonstrate your ability to manage a workforce composed of full time and/or part-time staff as well as consultant staff and your ability to work with community-based groups or organizations in resolving issues related to affordable housing and economic development. In evaluating this sub-factor, HUD will take into account your experience in working with community-based organizations to design and implement programs which address the above housing and economic development issues. The more recent, relevant, and successful the experience is of your organization and any participating entities, the greater the number of points that you will receive.

(c) (5 points) *Experience with performance based funding requirements.* HUD will evaluate your experience in producing timely products and reports in any previous grant programs undertaken with HUD funds or other Federal, state, local or non-profit or for-profit organization funds. In assessing points for this sub-factor, HUD reserves the right to take into account your past performance in meeting performance and reporting goals on any previous HUD awards. Specific outcomes will be measured in terms of the number of living wage jobs created or retained, housing units rehabilitated or constructed and made available for low and moderate income persons, or other relevant objective performance measures related to your previous job experience and/or grant programs. Applicants that can demonstrate a closer and greater linkage between the expected outcomes and the previously generated outcomes will receive higher points for this sub-factor.

Rating Factor 2—Need and Extent of the Problem (40 points)

The Rural Housing and Economic Development program has been designed to address the problems of rural poverty, inadequate housing and lack of economic opportunity. This Factor addresses the extent to which there is need for funding the proposed activities based on levels of distress, and an indication of the urgency of meeting the need/distress in the applicant's target area. In responding to this Factor, applications will be evaluated on the extent to which the level of need for the proposed activity and the urgency in meeting the need are documented and compared, vis-à-vis, the target area, the county(ies) and national data.

(1) In applying this Factor, HUD will compare current levels of need for the following areas affected by the project: first, in the area (i.e. Census Tract(s) or Block Groups), immediately

surrounding the project site or the target area to be served by the proposed project; second, in the county in which the project is to be located, and third, in the nation. This means that an application that provides data that show levels of need in the project area and the county, expressed as a percent greater than the national average, will be rated higher under this Factor.

Notwithstanding the above, an applicant proposing a project to be located outside the target area could still receive points under the Need Factor if a clear rationale and linkage is provided linking the proposed project location and the benefits to be derived by persons living in more distressed area(s) of the applicant's target area.

(2) Applicants should provide data that address indicators of need as follows:

(a) *Poverty Rate* (15 points)—data should be provided in both absolute and percentage form (i.e., whole numbers and percents) for both the target area(s) and the county; an application that compares the local poverty rate in the following manner to the national average at the time of submission will receive points under this section as follows:

(i) Equal to but less than twice the national average = 5 points;
 (ii) Twice but less than three times the national average = 10 points;
 (iii) Three or more times the national average = 15 points.

(b) *Unemployment* (10 points)—for both the target area and county:

(i) Equal to but less than twice the national average = 2 points;
 (ii) Twice but less than three times the national average = 4 points;
 (iii) Three but less than four times the national average = 6 points;
 (iv) Four but less than five times the national average = 8 points;
 (v) Five or more times the national average = 10 points.

(c) *Other indicators of social and/or economic decline that best capture the applicant's local situation* (5 points)—examples that could be provided under this section are information on the community's stagnant or falling tax base, including recent commercial or industrial closings, housing conditions, such as the number and percentage of substandard and/or overcrowded units, rent burden (defined as average housing cost divided by average income) for both the target area and county, local crime statistics, etc. To the extent that the applicant's Consolidated Plan, its Analysis of Impediments to Fair Housing choice (AI), and/or its Anti-Poverty Strategy identify the level of distress in the community and the

neighborhood in which the project is to be carried out, references to such documents should be included in preparing the response to this Factor.

(3) In rating applications under this Factor, HUD reserves the right to consider sources of available objective data other than, or in addition to, those provided by applicants, and to compare such data to those provided by applicants and local crime statistics for both the project site and the county, etc.

(a) HUD requires use of sound and reliable data (e.g., U.S. Census data, State statistical reports, university studies/reports that are verifiable) to support distress levels cited in each application. A source for all information along with the publication or origination date must also be provided.

(b) Updated Census data are available as follows for the listed indicators:

(i) Unemployment rate—estimated monthly for counties, with a two-month lag;

(ii) Population—estimated for incorporated places and counties, through 1999;

(c) Poverty rate—estimated every two years, with a three-year lag, with 1997 data being the most recent available.

(d) *Demographics of Distress—Special Factors (10 points).* Because of the concern of HUD with meeting the needs of certain underserved areas, you will be awarded a total of ten points if you are located in or propose to serve one or more of the following populations, your application demonstrates that 100 percent of the beneficiaries as supported by RHED funds are one or more of the following populations, and you specifically identify how they will be served, provided that the proposed service area meets the definition of "eligible rural area" as described in Section III(A)(2) of this NOFA:

(i) Areas with very small populations in non-urban areas (2,500 population or less);

(ii) Migrant and seasonal farmworkers;

(iii) Indian Tribes;

(iv) Colonias;

(v) Appalachia's Distressed Counties;

or

(vi) the Lower Mississippi Delta Region (7 States and 219 counties/parishes). For these underserved areas, you should ensure that the populations that you serve and the documentation that you provide is consistent with the information described in the above paragraphs under this rating factor.

Rating Factor 3—Soundness of Approach (30 points)

This factor addresses the overall quality of your proposed workplan,

taking into account the project and the activities proposed to be undertaken; the cost-effectiveness of your proposed program; and the linkages between identified needs, the purposes of this program and your proposed activities and tasks. In addition, this factor addresses your ability to ensure that a clear linkage exists between innovative rural housing and economic development. In assessing cost-effectiveness, HUD will take into account staffing levels, beneficiaries to be served, a timetable for delivery of products and reports and anticipated products. HUD is also interested in applicants becoming self-sustaining so that activities can continue in the future without relying on further assistance from the Department. You will receive a greater number of points if your workplan is consistent with the purpose of the RHED program, your program goals and the resources provided.

(a) (10 points) *Management Plan*. A clearly defined management plan which identifies each of the projects and activities you will carry out to further the objectives of this program; describes the linkage between rural housing and economic development activities; and addresses the needs identified in Factor 2, including needs that had been previously identified in a statewide or local Analysis of Impediments to Fair Housing Choice (AI) or Consolidated Plan. The populations which were described in demographics that documented need should be the same populations which will receive the primary benefit of the activities, both immediately and in the long run. You should address the timetable with measurable goals and objectives for carrying out these activities; the method you will use for evaluating and monitoring program progress on the activities and ensuring that the activities will be completed on time and within your proposed budget estimates. Applicants that have a clearly defined management plan and which can produce results in less than 36 months will receive higher rating points for this sub-factor. Your management plan should include the budget breakout for each line item. You are required to provide documented projected cost estimates from outside sources. Applicants should submit their workplan on a spreadsheet showing each project, activities under the project, and tasks (to the extent necessary or appropriate) in your workplan with your associated budget estimate per activity/task. Your workplan should provide the rationale for your proposed activities and any

assumptions used in determining your project timeline and budget estimates. Failure to provide your rationale may result in an application receiving zero points for lack of clarity in the proposed management plan. Applicants that propose as part of their workplan activities that address and support HUD's policy priority areas for using technology advances in the construction or design of homes produced with these funds, incorporates accessibility, visitability and universal design principles in the design, construction, or rehabilitation of home produced with these funds; or creates and uses apprenticeship programs to create long term career path opportunities for community residents, will receive higher rating points under this sub-factor.

(b) (10 points) *Expected Outcomes*. HUD will be assessing outcomes resulting from your proposed workplan for the likelihood it will result in measurable and achievable outcomes that will alleviate or address the needs described in Rating Factor 2. You must include in this sub-factor a qualitative or quantitative description of estimated outcomes in order to receive points for this sub-factor. Outcomes may be described in terms of the estimated number of new units constructed or units rehabilitated; jobs retained or created with accompanying living wages; loans financed; individuals trained, counseled or assisted; and/or number of persons on welfare or under-employed trained in a career path or apprenticeship program. The exact nature of the expected outcomes will vary according to your proposed workplan. Applicants that can demonstrate clearly identified outcomes and the means for ensuring that outcomes will be tracked and are likely to be achieved will receive a greater number of points. Applicants that propose activities to increase their capacity to carry out innovative rural housing and economic development activities should include among their projected outcomes performance measures for maintaining the financial health and integrity of the organization. Your proposed workplan and budget should demonstrate a decreasing amount of RHED program funds over the life of your program as a percentage of the total operating budget and should include alternate sources of funding for producing desired outcomes. Applicants that demonstrate a reduced dependence on RHED funding over the life of their award will receive a greater number of rating points for this sub-factor.

(c) (10 points) *Self-monitoring and Program Evaluation*. Your workplan

will be evaluated to ensure that you have a mechanism for monitoring and self-assessing your progress in meeting program goals and objectives, ensuring that the integrity of the use of funds is in accordance with OMB Cost Principles and record-keeping requirements and the approved program budget. Therefore, your workplan should describe and identify the specific steps that you will take to carry out a self-monitoring function that meets these requirements. Applicants that clearly define roles and responsibilities and steps to be taken to meet this requirement will receive a greater number of rating points in the evaluation.

Rating Factor 4—Leveraging Resources (10 points)

This factor addresses the extent to which applicants for any of the two funding categories have obtained firm commitments of financial or in-kind resources from other Federal, State, local, and private sources in an amount of at least fifty percent (50%) of the total project budget. For every RHED dollar anticipated, you should provide the specific amount of dollars leveraged. In assigning points for this criterion, HUD will consider the level of outside resources obtained for cash or in-kind services that support activities proposed in your application. Fewer points will be awarded depending on the extent of the percentage of leveraging in comparison with the total project budget. This criterion is applicable to both funding categories under this NOFA. The level of outside resources for which commitments are obtained will be evaluated based on their importance to the total program. You must provide evidence of leveraging by including in the application letters of firm commitment to participate from any entity, including your own organization, that will be providing matching funds to the project. Each commitment described in the narrative of this factor must be in accordance with the definition of "firm commitment" as defined in Section III(A)(2) of this NOFA.

Rating Factor 5—Comprehensiveness and Coordination (5 points)

This factor addresses the extent to which your proposed program is coordinated with other ongoing and related activities in the area you propose to serve as well as your future strategy for continuing this activity. The purpose of this factor is to ensure that whenever possible, activities are not operated in isolation, but rather are linked with related activities and organizations to

improve the overall effectiveness of all efforts being undertaken as part of your total effort. In evaluating this factor, HUD will consider the extent to which you have coordinated your activities with other known organizations, have participated or promoted participation in the state or relevant jurisdiction's Consolidated Planning process and/or a statewide or local Analysis of Impediments to Fair Housing Choice, and have addressed your described need in a holistic and comprehensive manner through linkages with other activities in the area or approved plans and programs funded by other local organizations, state or local governments, national non-profits or foundations. The more comprehensive and relevant your activities are coordinated with other ongoing and related innovative rural housing and economic development activities in your service area, the more points you will receive.

(a) (3 points) Describe the coordination of your proposed plan of activities or future strategies for this proposed project with other groups or organizations in order to best complement and mutually support others' ongoing efforts or programs.

(b) (2 points) Identify specific actions that have been taken or will be taken to coordinate comprehensive solutions through meetings, outreach efforts, information networks, planning processes and other mechanisms with:

(i) Other HUD funded projects/activities; and

(ii) Other Federal, State or locally funded activities, including those proposed or ongoing in the area.

EZ/EC Bonus Points (2 points)

HUD will award two bonus points to all applications that include documentation stating that the proposed eligible activities/projects will be located in and serve Federally designated Rural Empowerment Zones or Enterprise Communities (Rural EZs/ECs). A listing of Federally designated Rural EZs and ECs is available on the Internet at <http://www.ezec.gov>.

VI. Application Submission Requirements

(A) *Form of Application.* You must submit a separate and distinct application for each funding category for which you are applying under this NOFA. All pages of the application shall be numbered sequentially. Your application must include an original and two copies of the items listed below.

(B) *Application Items.* Your application must contain the items

listed in this section. These items include the standard forms, certifications, and assurances listed in Section II(G) of the General Section of the SuperNOFA that are applicable to this funding (collectively, referred to as the "standard forms"). The remaining application items are forms (i.e., excluding such items as narratives), referred to as the "nonstandard" forms, that can be found in the Appendices to this program section of the SuperNOFA. The items are as follows:

(1) A transmittal letter;

(2) A table of contents;

(3) A signed SF-424 (application form);

(4) A budget for all funds (Federal and Non-Federal) and a breakdown of all Federal funds requested, in the format provided in the Appendix to this NOFA;

(5) Documentation of funds pledged in support of Rating Factor 4—"Leveraging Resources" (which will not be counted in the 15 page limitation);

(6) The required certifications (signed, as appropriate, and attached as an Appendix);

(7) Acknowledgment of the Application Receipt form (submitted with application and returned to you as verification of timely receipt).

(8) If you are a private nonprofit organization, a copy of your organization's IRS ruling providing tax-exempt status under section 501 of the IRS Code of 1986, as amended.

(9) The attached forms specifying:

(a) Which category of funds, as described in Section II(C), you are applying for. You must submit a separate and distinct application in each category for which you applied;

(b) Which of the five definitions of the term "rural area" set forth in Section III(A)(2) of this NOFA applies to the proposed service area and accompanying documentation as indicated on the form; and

(c) Which special populations, as set forth in Rating Factor 2(d), you intend to serve.

(10) The Environmental Review Assurance.

(11) Narrative Response to Factors for Award.

(a) You must describe your organization and the assignment of responsibilities for the work to be carried out under the grant (Rating Factor 1).

(b) You must describe the need and extent of the problem (Rating Factor 2).

(i) If you propose to create a new organization or institution under the capacity building funding category, you must provide evidence documenting that no existing organization or institution exists which serves the need identified in the area.

(c) You must submit a workplan which describes your soundness of approach and the clear linkage between rural housing and economic development (Rating Factor 3). In addressing this submission requirement, you must:

(i) Describe the activities you propose to undertake to address the needs which have been identified, the linkage between rural housing and economic development, and describe the specific outcomes you expect to achieve.

(ii) Include a management plan which identifies the specific actions you will take to complete the proposed activities on time and a budget in the format provided which explains the uses of both Federal and non-Federal funds and the period of performance under the grant and your ability to be self-sustaining, should you not be funded by HUD in future RHED competitions.

(iii) Include a discussion of the process by which the work accomplished with the grant will be evaluated to determine if the objectives of the grant were met. Be specific regarding the qualifications of the evaluator and the process to be used.

(d) You must identify the resources which will be leveraged by the amount of this grant's funding that you are requesting and explain their importance to the program (Rating Factor 4). To receive the maximum number of points under Rating Factor 4 you must provide evidence of firm commitments. The commitment can be contingent upon HUD site approval following environmental review.

(e) You must describe the extent to which your program reflects a coordinated, community based process of identifying needs and building a system to address these needs (Rating Factor 5).

The total narrative response to all factors should not exceed 15 pages and must be submitted on 8.5" by 11" paper, using a 12 point size, with lines double spaced and printed only on one side. Please note that although submitting pages in excess of the page limit will not disqualify your application, HUD will not consider or review the information on any excess pages, which may result in a lower score or failure to meet a threshold.

VII. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

VIII. Environmental Requirements

Applications under this program NOFA are subject to the National

Environmental Policy Act of 1969 and applicable related Federal environmental authorities. (See 24 CFR part 50, as applicable). An environmental review will be completed by HUD before the award of any grant under this program.

IX. Authority

The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001 Pub. L. 106-377, approved October 27, 2000).

Appendix A

The non-standard forms, which follow are required for your RHED application.

BILLING CODE 4210-32-P

APPENDIX A

Appendix**Checklist of Forms and Certifications****Page Number**

- | | |
|--------------------------|---|
| <input type="checkbox"/> | Transmittal Letter |
| <input type="checkbox"/> | Checklist and Submission Table of Contents |
| <input type="checkbox"/> | Standard Form for Application for Federal Assistance (SF-424) |
| <input type="checkbox"/> | Statement of Work, including summary and responses to factors for award |
| <input type="checkbox"/> | Budget in support of Rating Factor 3 |
| <input type="checkbox"/> | Documentation of Funds/In-Kind Services pledged in support of Rating Factor 4 |
| <input type="checkbox"/> | Required Certifications (signed) |
| <input type="checkbox"/> | Certification for a Drug-Free Workplace (HUD-50070) |
| <input type="checkbox"/> | Certification of Payments to Influence Federal Transactions (HUD-50071)(see 24 CFR part 87, Appendix A) |
| <input type="checkbox"/> | Disclosure of Lobbying Activities (SF-LLL) (If required, see 24 CFR part 87, Appendix B) |
| <input type="checkbox"/> | Applicant/Recipient Disclosure/Update Report (HUD-2880) |
| <input type="checkbox"/> | Applicant Nondiscrimination Certifications |
| <input type="checkbox"/> | Certification Regarding Debarment and Suspension (HUD-2992) |
| <input type="checkbox"/> | Acknowledgment of Application Receipt (HUD-2993) (to be returned to applicant) |
| <input type="checkbox"/> | For nonprofit organizations, a copy of the IRS ruling providing tax-exempt status under section 501 of the IRS Code of 1996, as amended |

Documentation that area served is rural area, as defined in this NOFA

The Environmental Review Assurance

APPENDIX B

**Housing Affordability and Quality Indicators for
Appalachian Regional Commission -Designated Distressed Counties**

State/County	Estimated % of Renters Unable to Afford 2BR FMR ¹	Estimated % of Substandard Housing Units ²
Alabama		
Hale	63%	14.3%
Macon	49%	8.8%
Pickens	58%	10.0%
Georgia		
Elbert	50%	6.5%
Kentucky		
Adair	43%	6.9%
Bath	51%	10.5%
Bell	52%	8.8%
Breathitt	58%	19.8%
Carter	45%	9.0%
Casey	44%	13.2%
Clay	65%	15.6%
Clinton	55%	11.2%
Cumberland	49%	8.6%
Elliott	66%	15.5%
Estill	45%	12.3%
Floyd	44%	6.1%
Green	49%	5.0%
Harlan	66%	9.0%
Jackson	65%	14.8%
Johnson	41%	7.0%
Knott	59%	10.8%
Knox	66%	10.2%
Lawrence	52%	11.0%
Lee	63%	15.3%
Leslie	50%	14.0%
Letcher	58%	8.9%
Lewis	45%	13.7%
Lincoln	45%	9.9%
McCreary	59%	13.4%
Magoffin	69%	11.0%
Martin	63%	7.1%
Meniffee	51%	8.4%
Monroe	45%	8.3%
Morgan	51%	9.8%
Owsley	80%	17.7%
Perry	52%	10.7%
Pike	41%	4.6%
Powell	50%	10.9%
Rockcastle	49%	11.5%

**Housing Affordability and Quality Indicators for
Appalachian Regional Commission -Designated Distressed Counties**

State/County	Estimated % of Renters Unable to Afford 2BR FMR ¹	Estimated % of Substandard Housing Units ²
Rowan	44%	6.2%
Russell	45%	5.0%
Wayne	50%	12.8%
Whitley	49%	9.7%
Wolfe	79%	15.6%
Mississippi		
Alcorn	45%	3.2%
Benton	40%	10.8%
Chickasaw	43%	7.4%
Choctaw	43%	7.3%
Clay	44%	10.1%
Kemper	51%	13.0%
Marshall	43%	11.8%
Monroe	41%	5.3%
Noxubee	59%	18.6%
Oktibbeha	45%	7.2%
Tishomingo	39%	2.8%
Winston	45%	8.1%
Yalobusha	51%	8.5%
North Carolina		
Graham	53%	4.5%
Swain	45%	5.1%
Ohio		
Adams	62%	8.3%
Athens	48%	4.4%
Gallia	49%	4.5%
Meigs	69%	5.4%
Monroe	52%	6.5%
Morgan	58%	6.5%
Pike	55%	7.7%
Scioto	53%	4.1%
Vinton	53%	9.7%
Pennsylvania		
Fayette	49%	2.7%
Greene	59%	3.8%
Tennessee		
Campbell	43%	6.8%
Clay	43%	8.9%
Cooke	48%	8.6%
Fentress	41%	7.9%
Grundy	55%	7.1%
Hancock	73%	19.3%

**Housing Affordability and Quality Indicators for
Appalachian Regional Commission -Designated Distressed Counties**

State/County	Estimated % of Renters Unable to Afford 2BR FMR ¹	Estimated % of Substandard Housing Units ²
Johnson	48%	7.3%
Meigs	48%	8.0%
Pickett	55%	7.4%
Scott	47%	8.7%
Virginia		
Buchanan	49%	6.7%
Dickenson	62%	8.0%
Lee	53%	10.4%
Russell	50%	6.3%
Wise	53%	5.7%
West Virginia		
Barbour	55%	6.1%
Boone	53%	4.1%
Braxton	48%	8.1%
Calhoun	66%	12.0%
Clay	52%	10.2%
Fayette	44%	5.1%
Gilmer	55%	9.8%
Lewis	49%	4.8%
Lincoln	63%	9.8%
Logan	45%	5.0%
McDowell	68%	8.5%
Mason	43%	5.8%
Mingo	58%	6.6%
Nicholas	55%	5.3%
Pocahontas	45%	7.5%
Raleigh	49%	3.3%
Randolph	45%	5.0%
Ritchie	48%	6.3%
Roane	48%	8.6%
Summers	55%	7.9%
Taylor	49%	4.0%
Upshur	49%	5.6%
Webster	59%	10.2%
Wetzel	43%	5.5%
Wirt	64%	13.5%
Wyoming	58%	5.8%
Mean County-level Indicators	52%	8.7%

APPENDIX C

**Lower Mississippi Delta States,
Counties and Parishes**

Arkansas (42 Counties): Arkansas, Ashley, Baxter, Bradley, Calhoun, Chicot, Clay, Cleveland, Craighead, Crittenden, Cross, Dallas, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Marion, Mississippi, Monroe, Ouachita, Phillips, Poinsett, Prairie, Pulaski, Randolph, St. Francis, Searcy, Sharp, Stone, Union, Van Buren, White, Woodruff

Illinois (16 Counties): Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Randolph, Saline, Union, White, Williamson

Kentucky (21 Counties): Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Henderson, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, McLean, Muhlenberg, Todd, Trigg, Union, Webster

Louisiana (45 Parishes): Acadia, Allen, Ascension, Assumption, Avoyelles, Caldwell, Catahoula, Concordia, E. Baton Rouge, E. Carroll, E. Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Lafourche, La Salle, Lincoln, Livingston, Madison, Morehouse, Orleans,

Ouachita, Pointe Coupee, Plaquemines, Rapides, Richland, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, Tangipahoa, Tensas, Union, Washington, W. Baton Rouge, W. Carroll, W. Feliciana, Winn

Mississippi (45 Counties): Adams, Amite, Attala, Benton, Bolivar, Carroll, Claiborne, Coahoma, Copiah, Covington, DeSoto, Franklin, Grenada, Hinds, Holmes, Humphreys, Issaquena, Jefferson, Jefferson Davis, Lafayette, Lawrence, Leflore, Lincoln, Madison, Marion, Marshall, Montgomery, Panola, Pike, Quitman, Rankin, Sharkey, Simpson, Sunflower, Tallahatchie, Tate, Tippah, Tunica, Union, Walthall, Warren, Washington, Wilkinson, Yalobusha, Yazoo

Missouri (29 Counties): Bollinger, Butler, Cape Girardeau, Carter, Crawford, Dent, Douglas, Dunklin, Howell, Iron, Madison, Mississippi, New Madrid, Oregon, Ozark, Pemiscott, Perry, Phelps, Reynolds, Ripley, St. Genevieve, St. Francois, Scott, Shannon, Stoddard, Texas, Washington, Wayne, Wright

Tennessee (21 Counties): Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, McNairy, Madison, Obion, Shelby, Tipton, Weakley

(Place this document behind the SF-424)

Rural Housing and Economic Development Program
Project Summary Sheet

Name of Applicant _____

Amount Requested from HUD \$ _____

Total Amount Leveraged \$ _____

Please indicate the category under which you wish this application to be considered:
(Only check ONE)

- Capacity Building
- Support for Innovative Housing and Economic Development Activities

Please indicate which of the following definitions applies to the service area proposed in this application:

- A place having fewer than 2,500 inhabitants (within or outside of metropolitan areas)
- A county with no urban population of 20,000 inhabitants or more.
- Territory, persons, and housing units in the rural portions of "extended cities." The U.S. Census Bureau identifies the rural portions of extended cities in the United States
- Open country which is not part of or associated with an urban area. The United States Department of Agriculture (USDA) describes "open country" as a site separated by open space from any adjacent densely populated urban area. Open space includes undeveloped land, agricultural land, or sparsely settled areas, but does not include physical barriers (such as rivers and canals), public parks, commercial and industrial developments, small areas reserved for recreational purposes, and open space set aside for future development.
- Any place with a population not in excess of 20,000 and not located in a Metropolitan Statistical Area.

Number of jobs created _____

Number of jobs retained _____

Number of people trained _____

Number of housing units constructed _____

Number of housing units rehabilitated _____

Is the project located in an EZ/EC? Yes No If yes, EZ EC

Please indicate which, if any, of the following underserved populations you are proposing to serve in this application:

- A place with a very small population (2,500 or less)
- Migrant or seasonal farmworkers
- Native American tribe
- Colonia
- Lower Mississippi Delta Region
- Appalachia's Distressed Counties

Program Summary

Applicant Nondiscrimination Certifications

As the duly authorized representative of the applicant, I certify that the applicant:

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: <ol style="list-style-type: none"> a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and regulations pursuant thereto (24 CFR Part 1), which prohibit discrimination on the basis of race, color, or national origin; b) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and implementing regulations at 24 CFR Part 8, which prohibit discrimination on the basis of handicap; c) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-07) and implementing regulations at 24 CFR 146, which prohibit discrimination on the basis of age; and, d) the requirements of any other nondiscrimination statute(s) which may apply to the application. | <ol style="list-style-type: none"> 2. Will comply with the requirements of the Fair Housing Act (42 U.S.C. 3601-19), as amended, and implementing regulations at 24 CFR Part 100, et seq., which prohibit discrimination in housing on the basis of race, color, religion, sex, handicap, familial status, or national origin, and administer its programs and activities relating to housing in a manner to affirmatively further fair housing. 3. Will comply with Section 109 of the Housing and Community Development Act of 1974, as amended, (42U.S.C. 5301-5322), which states that no person shall on the ground of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. |
|--|---|

Signature of Authorized Certifying Official	Applicant
X	
Title	Date

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**CONTINUUM OF CARE HOMELESS
ASSISTANCE PROGRAMS**

Supportive Housing Program (SHP)

Shelter Plus Care (S+C)

Section 8 Moderate Rehabilitation Single
Room Occupancy for Homeless Individuals
(SRO)

FUNDING AVAILABILITY FOR CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS—SUPPORTIVE HOUSING PROGRAM (SHP), SHELTER PLUS CARE (S+C), SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY PROGRAM FOR HOMELESS INDIVIDUALS (SRO)

Program Overview

Purpose of the Programs. The purpose of the Continuum of Care Homeless Assistance Programs is to fund projects that will fill gaps in locally developed Continuum of Care systems to assist homeless persons to move to self-sufficiency and permanent housing.

Available Funds. Approximately \$850 million.

Eligible Applicants. The chart in the Appendix A to this program section of this SuperNOFA identifies the eligible applicants for each of the three programs under the Continuum of Care.

Application Deadline. May 31, 2001.
Match. Yes.

Additional Information

If you are interested in applying for funding under any of the Continuum of Care Homeless Assistance programs, please review carefully the General Section of the SuperNOFA and the following additional information.

I. Application Due Date, Application Kits, Further Information, and Technical Assistance

Application Due Date. Your completed application (an original containing the signed documentation and two copies) is due on or before 12:00 midnight, Eastern time, on May 31, 2001 to the addresses shown below.

See the General Section of this SuperNOFA for specific procedures that you must follow for the form of application submissions (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Addresses for Submitting Applications. To HUD Headquarters. Submit your original completed application (the application with the original signed documentation) to: Room 7270, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, Attention: Continuum of Care Programs.

To the Appropriate CPD Field Office. Also submit two copies of your completed application to the Community Planning and Development Division of the appropriate HUD Field Office for your jurisdiction. The HUD Field Office must receive the two copies

of your application by the deadline date as well. The determination, however, that your application was received on time will be made *solely on receipt of the application at HUD Headquarters in Washington*. Reviews will be based upon the contents of the application submitted to HUD Headquarters.

For Application Kits. For an application kit, please call the SuperNOFA Information Center at 1-800-HUD-8929 (voice) or 1-800-HUD-2209 (TTY), or you may download an application by Internet at <http://www.HUD.gov>.

For Further Information. You may contact the HUD Field Office serving your area, at the telephone number shown in Appendix A to the General Section of the SuperNOFA, or you may contact the Community Connections Information Center at 1-800-998-9999 (voice) or 1-800-HUD-2209 (TTY) or by Internet at: <http://www.comcon.org/ccprog.html>.

For Technical Assistance. Before the application deadline, HUD staff will be available to provide you with general guidance. HUD staff, however, cannot provide you with guidance in actually preparing your application. HUD Field Office staff also will be available to help you identify organizations in your community that are involved in developing the Continuum of Care system. Following conditional selection of applications, HUD staff will be available to assist selected applicants in clarifying or confirming information that is a prerequisite to the offer of a grant agreement or Annual Contributions Contract by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of your application pertinent to HUD's funding decision.

Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

II. Amount Allocated

Approximately \$850 million is available for this competition in FY 2001. Any unobligated funds from previous competitions or additional funds that may become available as a result of deobligations or recaptures from previous awards or budget transfers may be used in addition to 2001 appropriations to fund applications submitted in response to this program section of this

SuperNOFA. The funds available for the Continuum of Care program can be used under any of three programs that can assist in creating community systems for combating homelessness. The three programs are:

- (1) Supportive Housing;
- (2) Shelter Plus Care; and
- (3) Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings for Homeless Individuals.

The chart in the Appendix A to this program section of this SuperNOFA summarizes key aspects of the programs, and also provides the citations for the statutes and regulations that authorize these programs. The regulations listed in the chart provide more detailed descriptions of each of the programs.

As in previous funding availability announcements for the Continuum of Care Homeless Assistance Programs, HUD will not specify amounts for each of the three programs this year. Instead, the distribution of funds among the three programs will depend largely on locally determined priorities and overall demand. Local priorities notwithstanding, due to Congressional action, not less than 30 percent of this year's total Homeless Assistance Grants appropriation of \$1.025 billion must be used for permanent housing projects. (See Sections V(A)(4)(b) and V(A)(7) of this program section of the SuperNOFA for additional information.) Since this permanent housing set-aside requirement is expected to continue to be part of future competitions and may affect project funding selections as described below, you are strongly encouraged to begin planning as soon as possible for new permanent housing projects to be included as part of your submission in this and future competitions.

In addition, Congress has established a fund separate from the 2001 Homeless Assistance Grants appropriation for the purpose of renewing for one year eligible Shelter Plus Care Program grants whose five-year terms are expiring in FY2002 and Shelter Plus Care Program grants that have been extended beyond their original five-year terms but which are projected to run out of funds in FY 2002. For Shelter Plus Care Program renewal grants expiring or, if having had its grant term extended, running out of funds, during the period October 1 through December 31, 2002 (the first quarter of FY 2003), it is anticipated that the FY 2002 HUD appropriation will again establish a separate fund to renew them non-competitively. However, if such a separate fund is not established or is insufficient, then some or all of these

renewal grant requests will be included in and subject to all rules pertaining to this competition. In order to meet the expressed Congressional intent not to divorce these Shelter Plus Care renewals from the accountability requirements that are needed to preserve the financial integrity of the projects, and to ensure that these projects continue to meet the needs of the homeless, all Shelter Plus Care renewals must be submitted as part of a community's Continuum of Care submission. However, these S+C renewal projects will not count against your continuum's pro rata need amount. On the other hand, no S+C renewal adjustment will be made to a Continuum of Care's pro rata need amount since these projects are being funded outside of the competition. Please be advised that Shelter Plus Care renewal applications which are not submitted as part of either a "consolidated" or "associated" Continuum of Care application will not be considered as eligible for funding. (See Section VI for a description of the three options for submitting applications.)

Should Congress pass and the President sign legislation prior to this year's grant announcement permitting eligible SHP permanent housing component renewals selected for funding in the 2001 competition to be funded non-competitively, HUD reserves the right to exercise this authority. Should this authority be exercised, HUD will skip over the SHP permanent housing renewals in choosing projects from Continuum of Care priority lists for funding in this year's competition. These non-competitively funded SHP permanent housing renewals will not count against your continuum's pro rata need amount, thus increasing the funds available for other projects. You should plan for this eventuality when developing your Continuum of Care priority list. SHP permanent housing renewal applications which are not submitted as part of either a "consolidated" or "associated" Continuum of Care application will not be considered as eligible for non-competitive funding under this authority, should it be exercised.

III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* (1) *Developing Continuum of Care Systems.* The purpose of the Continuum of Care Homeless Assistance Programs is to fund projects that will fill gaps in locally developed Continuum of Care systems to assist homeless persons to move to self-sufficiency and permanent

housing. The process of developing a Continuum of Care system to assist homeless persons is part of the community's larger effort of developing a Consolidated Plan. For a community to successfully address its often complex and interrelated problems, including homelessness, the community must marshal its varied resources—community and economic development resources, social service resources, housing and homeless assistance resources—and use them in a coordinated and effective manner. The Consolidated Plan, including the Analysis of Impediments to Fair Housing Choice, serves as the vehicle for a community to comprehensively identify each of its needs and to coordinate a plan of action for addressing them.

A Continuum of Care system consists of four basic components:

- (a) A system of outreach and assessment for determining the needs and conditions of an individual or family who is homeless;
- (b) Emergency shelters with appropriate supportive services to help ensure that homeless individuals and families receive adequate emergency shelter and referral to necessary service providers or housing finders;
- (c) Transitional housing with appropriate supportive services to help those homeless individuals and families who are not prepared to make the transition to permanent housing and independent living; and
- (d) Permanent housing, or permanent supportive housing, to help meet the long-term needs of homeless individuals and families.

A Continuum of Care system is developed through a community-wide or region-wide process involving nonprofit organizations (including those representing persons with disabilities), government agencies, other homeless providers, housing developers and service providers, private businesses and foundations, and homeless or formerly homeless persons. A Continuum of Care system should address the specific needs of each homeless subpopulation: The jobless, veterans, persons with serious mental illnesses, persons with substance abuse issues, persons with HIV/AIDS, persons with multiple diagnoses, victims of domestic violence, youth, and any others. The term "multiple diagnoses" may include diagnoses of multiple physical disabilities or multiple mental disabilities or a combination of these two types.

As an applicant, the community process you use in developing a Continuum of Care system should

include interested veteran service organizations. To ensure that the Continuum of Care system addresses the needs of homeless veterans, it is particularly important that you involve veteran service organizations with specific experience in serving homeless veterans. In addition, given the large number of youths aging out of the Foster Care system each year who will be homeless, you should seek to include persons knowledgeable on this issue in the planning process.

Your application is more likely to be given a high score under the Continuum of Care scoring factors if the application demonstrates the achievement of three basic goals:

- That you have provided maximum participation by non-profit providers of housing and services; homeless and formerly homeless persons; state and local governments and agencies; veteran service organizations; organizations representing persons with disabilities; the private sector; housing developers; foundations and other community organizations.

- That you have created, maintained and built upon a community-wide inventory of housing and services for homeless families and individuals; identified the full spectrum of needs of homeless families and individuals; and coordinated efforts to fill gaps between the current inventory and existing needs. This coordinated effort must appropriately address all aspects of the continuum, especially permanent housing.

- That you have instituted a Continuum of Care-wide strategy to coordinate homeless assistance with mainstream health, social services and employment programs for which homeless individuals and families may be eligible. These mainstream programs include Medicaid, Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health Block Grant and Substance Abuse Block Grant, Workforce Investment Act and the Welfare-to-Work grant program.

Should HUD determine, in its sole discretion, that sufficient evidence exists to confirm that the entity responsible for convening and managing the Continuum of Care process in a community has failed to follow locally established or accepted procedures governing the conduct of that process or has failed to provide for a fair process, including a project priority selection process that gives equal consideration to projects proposed by non profit organizations, HUD reserves the authority to impose sanctions up to and

including a prohibition on that entity and the individuals comprising that entity from participating in that capacity in the future. In making this determination, HUD will consider as evidence court proceedings and decisions, or the determinations of other independent and impartial review bodies. This authority cannot be exercised until after a description of procedural safeguards, including an opportunity for comment and appeal, and the specific process and procedures for imposing a prohibition or debarment, have been published in the **Federal Register**.

In deciding the geographic area you will cover in your Continuum of Care strategy, you should be aware that the single most important factor in being awarded funding under this competition will be the strength of your Continuum of Care strategy when measured against the Continuum of Care rating factors described in this SuperNOFA. When you determine what jurisdictions to include in your Continuum of Care strategy area, include only those jurisdictions that are involved in the development and implementation of the Continuum of Care strategy.

The more jurisdictions you include in the Continuum of Care strategy area, the larger the pro rata need share that will be allocated to the strategy area (as described in Section V(A)(4) of this program section of the SuperNOFA). However, it would be a mistake to include jurisdictions that are not fully involved in the development and implementation of the Continuum of Care strategy since this would adversely affect the Continuum of Care score. If you are a rural county, you may wish to consider working with larger groups of contiguous counties to develop a region-wide or multi-county Continuum of Care strategy covering the combined service areas of these counties.

Since the basic concept of a Continuum of Care strategy is to create a single, coordinated, inclusive homeless assistance system for an area, the areas covered by Continuum of Care strategies should not overlap. If your Continuum of Care strategy geographically overlaps to the extent that it essentially competes with another, projects in the application/Continuum of Care that receives the highest score out of the possible 60 points for Continuum of Care will be eligible for up to 40 points under Need. Projects in the competing applications/Continuum of Care with the less effective Continuum of Care strategy will be eligible for only 10 points under Need. In no case will the same geographical area be used more than one

time in assigning Need points. The local HUD Field Office can help you determine if any of the areas proposed for inclusion by your Continuum of Care system is also likely to be claimed under another Continuum of Care system in this competition.

(2) *Prioritizing*. In HUD's view, project priority decisions are best made through a local process, which includes nonprofit organizations, and are key to the ultimate goal of reducing homelessness. Again this year, you must list all projects proposed for funding in priority order from the highest priority to the lowest. Generally, this priority order will mean, for example, that if HUD has funds available only to award 8 of 10 proposed projects, then it will award funding to the first eight eligible projects listed, except as may be necessary to achieve the 30 percent overall permanent housing requirement—in which case higher priority non-permanent housing projects may be skipped over to fund lower priority permanent housing projects. Please be advised that since you are now able to closely calculate your Continuum of Care's total pro rata need amount using information provided to you from HUD, and now that you no longer need to carry the large cost burden imposed by Shelter Plus Care five-year renewals, the tiering of projects (splitting into two or more projects by year or by units) on your priority list is no longer permitted.

To promote permanent housing, a special incentive is being provided to Continuum of Care systems that place an eligible, new permanent housing project in the number one priority slot on the priority list. See Section V(A)(4)(b) of this program section of the SuperNOFA for a description of this incentive.

HUD will use this priority list to award up to 40 points per project under the "Need" scoring factors. Higher priority projects will receive more points under Need than lower priority projects. A project priority chart is included in the application kit and you should complete and submit it. If you do not submit clear project priority designations for the continuum, or if HUD, at its sole discretion, cannot determine priority designations, then HUD will give all projects the lowest score for Need.

Project renewals. If your Supportive Housing or Shelter Plus Care grant will be expiring in calendar year 2002, or if your Shelter Plus Care Program grant has been extended beyond its original five-year term and is projected to run out of funds in FY 2002, you must apply under this Continuum of Care program

section of the SuperNOFA to get continued funding.

Your local needs analysis process must consider the need to continue funding for projects expiring in calendar year 2002, and you must assign a priority to those SHP projects requesting competitive renewal. HUD will not fund competitive renewals out of order on the priority list except as may be necessary to achieve the 30 percent overall permanent housing requirement. HUD reserves the authority to use FY 2002 funds, if available, to conditionally select for one year of funding lower-rated eligible SHP renewal projects that are assigned 40 need points in continuum of care systems that would not otherwise receive funding for these projects.

Regardless of the priority assigned to expiring projects, you should fully consider how persons currently being served by those projects will continue to be served, and address this issue in your gaps analysis. To the extent your community desires to have SHP projects renewed, you should give them the top priorities on the priority projects listing in the application. It is also important that they and Shelter Plus Care non-competitive renewals meet minimum project eligibility and capacity standards identified in this program section of the SuperNOFA or they will be rejected from consideration for either competitive or non-competitive funding.

For the renewal of a Supportive Housing Program project, you may request funding for one (1), two (2) or three (3) years. For the renewal of a Shelter Plus Care project, the grant term will be one (1) year as specified by Congress. For S+C renewals, you may request up to the amount determined by multiplying the number of units under lease at the time of your application for renewal funding by the applicable current Fair Market Rent(s) by 12 months, except that for Shelter Plus Care grants having been awarded one-year of renewal funding in 2000, the number of units requested for renewal this year may not exceed the number of units funded in 2000. While full funding of existing grants may be requested, there is no guarantee that the entire amount will be awarded. As is the case with SHP, HUD will recapture Shelter Plus Care grant funds remaining unspent at the end of the previous grant period when it renews a grant. The one-year term of non-competitively awarded Shelter Plus Care renewal projects may not be extended.

This program section of the SuperNOFA is not applicable to the renewal of funding under the SRO program. For further guidance on SRO

renewals, please contact your local HUD Field Office.

As a project applicant, you are eligible to apply for renewal of a grant only if you have executed a grant agreement for the project directly with HUD. If you are a project sponsor or subrecipient who has not signed such an agreement, you are not eligible to apply for renewal of these projects. HUD will reject applications for renewal submitted by ineligible applicants. If you have questions about your eligibility to apply for project renewal, contact the local HUD field office. To be considered an applicant when applying as part of a "consolidated" application, you must submit an originally signed HUD Form SF-424 and the necessary certifications and assurances. (See Section VI for a description of the three options for submitting an application.) Only public housing authorities and private nonprofits are eligible applicants for the Section 8 Moderate Rehabilitation for Single Room Occupancy program. If you are a unit of general local government acting as an applicant for a consolidated application and plan to include a request for Section 8 SRO funds, you must have a public housing authority or nonprofit listed as the Section 8 SRO applicant and they must submit a signed HUD Form SF-424, along with all necessary certifications and assurances applicable to the Section 8 SRO project.

(B) *Eligible Applicants.* See Appendix A.

(C) *Eligible Activities.* See Appendix A.

IV. Program Requirements

(A) *Statutory and Regulatory Requirements.* If your project is selected for funding as a result of the competition, you will be required to coordinate and integrate your homeless program with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health Block Grant and Substance Abuse Block Grant, Workforce Investment Act and the Welfare-to-Work grant program. In addition, as a condition for award, any governmental entity serving as an applicant must agree to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to

prevent such discharge from immediately resulting in homelessness for such persons. This condition for award is intended to emphasize that States and units of general local government are primarily responsible for the care of these individuals, and to forestall attempts to use scarce McKinney-Vento Act funds to assist such persons in lieu of State and local resources. Program specific requirements follow:

(1) *SRO Program.* As an applicant, you need know that the following limitations apply to the Section 8 SRO program:

- Under section 8(e)(2) of the United States Housing Act of 1937, no single project may contain more than 100 assisted units;

- Under 24 CFR 882.802, applicants that are private nonprofit organizations must subcontract with a Public Housing Authority to administer the SRO assistance;

- Under section 8(e)(2) of the United States Housing Act of 1937 and 24 CFR 882.802, rehabilitation must involve a minimum expenditure of \$3,000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade conditions to comply with the Housing Quality Standards.

- Under section 441(e) of the McKinney-Vento Act and 24 CFR 882.805(d)(1), HUD publishes the SRO per unit rehabilitation cost limit each year to take into account changes in construction costs. This cost limitation applies to rehabilitation that is compensated for in a Housing Assistance Payments Contract. For purposes of Fiscal Year 2001 funding, the cost limitation is raised from \$17,850 to \$18,200 per unit to take into account increases in construction costs during the past 12-month period.

- The SRO Program is subject to the Federal labor standards provisions at 24 CFR Part 882, subpart H.

- Individuals assisted through the SRO Program must meet the definition of homeless individual found at Section 103 of the McKinney-Vento Act.

(2) *Shelter Plus Care/SRO Component.* With regard to the SRO component of the Shelter Plus Care program, if you are a State or a unit of general local government, you must subcontract with a Public Housing Authority to administer the Shelter Plus Care assistance. Also with regard to this component, no single project may contain more than 100 units.

(3) *Supportive Housing Program.*

Please be advised that where an applicant for Supportive Housing Program funding is a State or unit of

general local government that utilizes one or more nonprofit organizations to administer the homeless assistance project(s), administrative funds provided as part of the SHP grant must be passed on to the nonprofit organization(s) in proportion to the administrative burden borne by them for the SHP project(s). HUD will consider States or units of general local government that pass on at least 50 percent of the administrative funds made available under the grant as having met this requirement which was contained in the congressional committees' report accompanying the FY 2001 HUD Appropriations Act. This requirement does not apply to either the SRO Program, since no administrative funds are provided as part of the grant, or to the S+C Program, since paying the costs associated with the administration of these grants is ineligible by regulation.

(B) *Match.* You must match Supportive Housing Program funds provided for acquisition, rehabilitation, and new construction with an equal amount of funds from other sources; for operating costs, since by law SHP can pay no more than 75% of the total operating budget for supportive housing, you must provide at least 25% of the annual operating costs. In addition, you must provide a 25% match of all SHP funding for supportive services. The cash source may be you, the Federal Government, State and local governments, or private resources. You must match rental assistance provided through the Shelter Plus Care Program in the aggregate with supportive services.

(C) *Linking Housing and Supportive Services.* Many of the clients who will be served by the HUD programs covered by this Continuum of Care NOFA may need services in addition to housing. It is important that potential grantees design programs which enhance access to those needed services. While HUD recognizes that there are many ways to ensure that clients receive the services they need, to the extent possible, the Department encourages providers to develop housing programs which do not require participation in services as a part of their occupancy requirements while ensuring that, in the case of Shelter Plus Care, the supportive service match requirement is met.

(D) *Timeliness Standards.* As an applicant, you are expected to initiate your approved projects promptly. HUD may take action if you fail to satisfy the following timeliness standards:

(1) *Supportive Housing Program*

- HUD will deobligate SHP funds if you have not demonstrated site control

within one (1) year after you were initially notified of the grant award, as provided in 24 CFR 583.320(a), subject to the exceptions noted in that regulation.

- Except where HUD finds that delay was due to factors beyond your control, HUD may deobligate SHP funds if you do not meet the following additional timeliness standards:

- You must begin construction activities within eighteen (18) months after initial notification of your grant award and complete them within thirty-six (36) months after that notification.

- For activities that cannot begin until construction activities are completed, such as supportive service or operating activities that will be conducted within the building being rehabilitated or newly constructed, you must begin these activities within three (3) months after you complete construction.

- You must begin all activities that may proceed independent of construction activities within twelve (12) months after initial notification of your grant award.

(2) *Shelter Plus Care Program Components Except SRO Component.* Except where HUD finds that delay was due to factors beyond your control, HUD will deobligate S+C funds if you do not meet the following timeliness standards:

- For Tenant-based Rental Assistance, for Sponsor-based Rental Assistance, and for Project-based Rental Assistance without rehabilitation, you must start the rental assistance within twelve (12) months of the initial announcement of the grant award.

- For Project-based Rental Assistance with rehabilitation, you must complete the rehabilitation within twelve (12) months of initial notification of your grant award.

(3) *SRO Program and SRO Component of the Shelter Plus Care Program.*

For projects carried out under the SRO program and the SRO component of the S+C program, the rehabilitation work must be completed and the Housing Assistance Payments contract executed within twelve (12) months of execution of the Annual Contributions Contract. HUD may reduce the number of units or the amount of the annual contribution commitment if, in HUD's determination, the Public Housing Authority fails to demonstrate a good faith effort to adhere to this schedule.

V. Application Selection Process

(A) *Review, Rating and Conditional Selection.* HUD will use the same

review, rating, and conditional selection process for all three programs (S+C, SRO, and SHP). The standard factors for award identified in the General Section of this SuperNOFA have been modified in this program section as described below. Only the factors described in this program section—Continuum of Care and Need—will be used to assign points. To review and rate applications, HUD may establish panels. In order to obtain certain expertise and outside points of view, including views from other Federal agencies, these panels may include persons not currently employed by HUD. Two types of reviews will be conducted. Paragraphs (1) and (2) below describe threshold reviews and paragraphs (3) and (4) describe factors—Continuum of Care and Need—that will be used to assign points. Up to 104 points (including bonus points and points for the court-ordered consideration described in Section III(C)(1) and (2) of the General Section of the SuperNOFA) will be assigned using these factors.

(1) *Applicant and sponsor eligibility and capacity.* HUD will review your capacity as the applicant and project sponsor to ensure the eligibility and capacity standards in this section are met. If HUD determines these standards are not met, the project will be rejected from the competition. The eligibility and capacity standards are:

- You must be eligible to apply for the specific program;
- You must demonstrate ability to carry out the project(s). With respect to each proposed project, this means that in addition to knowledge of and experience with homelessness in general, the organization carrying out the project, its employees, or its partners, must have the necessary experience and knowledge to carry out the specific activities proposed, such as housing development, housing management, and service delivery;

- If you or the project sponsors are current or past recipients of assistance under a HUD McKinney-Vento Act program, there must have been no delay in implementing projects exceeding applicable program timeliness standards that HUD determines is within your or the project sponsor's control, unresolved HUD finding, or outstanding audit finding of a material nature regarding the administration of the program; and

- You and the project sponsors must be in compliance with applicable civil rights laws and Executive Orders, and must meet the threshold requirements of Section II(B) of the General Section of the SuperNOFA.

(2) *Project eligibility and quality.* HUD will review projects to determine if they meet the following eligibility and quality standards. If HUD determines the following standards are not met by a specific project or activity, the project or activity will be rejected from the competition.

- The population to be served must meet the eligibility requirements of the specific program, as described in this program section;

- At least one of the activities for which assistance is requested must be eligible under the specific program, as described in the program regulations;

- The housing and services proposed must be appropriate to the needs of the persons to be served. HUD may find a project to be inappropriate if:

- The type and scale of the housing or services clearly does not fit the needs of the proposed participants;

- Participant safety in the proposed housing is not ensured;

- The housing or services are clearly designed to principally meet emergency needs rather than helping participants achieve self-sufficiency;

- Transportation and community amenities are not available and accessible; or

- Housing accessibility for persons with disabilities is not provided as required by applicable laws;

An SHP or S+C project renewal will be considered as having met this requirement through its previously approved grant application.

- The project must be cost-effective in HUD's opinion, including costs associated with construction, operations, and administration, with such costs not deviating substantially from the norm in that locale for the type of structure or kind of activity;

- Supportive services only projects, and all others, must show how participants will be helped to access permanent housing and achieve self-sufficiency. An SHP or S+C project renewal will be considered as having met this requirement through its previously approved grant application;

- For the Section 8 SRO program, at least 25 percent of the units to be assisted at any one site must be vacant at the time of application. Tenants returning after having vacated their units during the rehabilitation period are not eligible to receive rental assistance under the SRO Program since they do not meet the McKinney-Vento Act definition of homeless individual; and

- For those projects proposed under the SHP innovative category: Whether or not a project is considered innovative

will be determined on the basis that the particular approach proposed is new within its geographic area, and can be replicated.

(3) *Continuum of Care*. HUD will award up to 60 points as follows:

(a) *Process and Strategy*. HUD will award up to 30 points based on the extent to which your application demonstrates:

- The existence of a coordinated and inclusive community process, including organizational structure(s), for developing and implementing a Continuum of Care strategy which includes nonprofit organizations (such as veterans service organizations, organizations representing persons with disabilities, and other groups serving homeless persons), State and local governmental agencies, other homeless providers, housing developers and service providers, private foundations, local businesses and the banking community, and homeless or formerly homeless persons; and
- That a well-defined and comprehensive strategy has been developed which addresses the components of a Continuum of Care system (i.e., outreach, intake, and assessment; emergency shelter; transitional housing; permanent and permanent supportive housing) and that strategy has been designed to serve all homeless subpopulations in the community (e.g., seriously mentally ill, persons with multiple diagnoses, veterans, persons with HIV/AIDS), including those persons living in emergency shelters, supportive housing for homeless persons, or in places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) *Gaps and Priorities*. HUD will award up to 20 points based on the extent to which your application:

- Describes the gap analysis performed, uses reliable information and sources that are presented completely and accurately, and establishes the relative priority of homeless needs identified in the Continuum of Care strategy; and
- Proposes projects that are consistent with the priority analysis described in the Continuum of Care strategy, describes a fair project selection process, explains how gaps identified through the analysis are being addressed, and correctly completes the priority chart.

When HUD reviews a community's Continuum of Care to determine the points to assign, HUD will consider whether the community took its renewal needs into account in preparing its project priority list. (See discussion on

renewals in Section III(A)(2) of this NOFA.)

(c) *Supplemental Resources*. HUD will award up to 10 points based on the extent to which your application incorporates mainstream resources and demonstrates leveraging of funds requested under this program section of the SuperNOFA with other resources, including private, other public, and mainstream services and housing programs. To achieve the highest rating for this factor, applicants must evidence explicit Continuum of Care-wide strategies to coordinate homeless assistance with mainstream health, social services and employment programs for which homeless populations may be eligible. These include Medicaid, Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health Block Grant and Substance Abuse Block Grant, Workforce Investment Act and the Welfare-to-Work grant program.

(d) *EZ/EC bonus points*. As provided for in Section III(C)(1) of the General Section of this SuperNOFA, HUD will add a bonus of up to 2 points to the Continuum of Care score when: (1) At least one proposed homeless assistance project will be located within the boundaries and/or will principally serve the residents of a federal Empowerment Zone, Enterprise Community, Enhanced Enterprise Community, or Strategic Planning Communities (collectively "EZ/EC"); and (2) if priority placement will be given by the project(s) to homeless persons living on the streets or in shelters within the EZ/EC, or whose last known address was within the EZ/EC. In addition, and in order for a Continuum of Care system to receive any of the bonus points, the applicant must specifically state how it meets the requirements for the two EZ/EC bonus points, and provide a narrative describing the extent of the linkages and coordination between proposed projects and the EZ/EC. Examples of such coordination include having common board or committee membership (EZ/EC and Continuum of Care), and having EZ/EC resources directed toward Continuum of Care activities. The greater the extent of EZ/EC involvement in and coordination with the implementation strategy for the Continuum of Care system and projects, the greater the likelihood that bonus points will be awarded.

(e) *Court-ordered consideration*. Section III(C)(2) of the General Section is applicable to this program.

(4) *Need*. HUD will award up to 40 points for need. There is a three-step

approach to determining the need scores to be awarded to projects:

(a) *Determining relative need*: To determine the homeless assistance need of a particular jurisdiction, HUD will use nationally available data, including the following factors as used in the Emergency Shelter Grants program: data on poverty, housing overcrowding, population, age of housing, and growth lag. Applying those factors to a particular jurisdiction provides an estimate of the relative need index for that jurisdiction compared to other jurisdictions applying for assistance under this program section of the SuperNOFA.

(b) *Applying relative need*: HUD will then apply that relative need index to the total amount of funding estimated to be available under this program section of the SuperNOFA to determine a jurisdiction's pro rata need. However, in order to promote permanent housing for the homeless, if a Continuum of Care's number one priority project qualifies as an eligible, new permanent housing project, then the full amount of that project's eligible activities, up to \$500,000 will be added to the final pro rata need amount for the Continuum. HUD also reserves the right to adjust pro rata need, if necessary, to address SHP project renewals and any Shelter Plus Care renewal projects funded under competitive rules.

(c) *Awarding need points to projects*: Once the pro rata need is established, it is applied against the priority project list in the application. Starting from the highest priority project, HUD proceeds down the list to award need points to each project. An eligible project will receive the full 40 points for need if at least one half of its requested amount falls within the pro rata need amount for that Continuum of Care (COC). Thereafter, HUD proceeds further down the priority project list and awards 15 points for need to each project if at least one half of its requested amount falls within the "second tier" of pro rata need amount for that Continuum of Care. The "second tier" is the amount between the pro rata need and twice the pro rata need for the COC. Remaining projects each receive 10 points. If projects are not prioritized for the Continuum, then all projects will receive 10 points for Need.

In the case of competing applications from a single jurisdiction or service area, projects in the application that received the highest score out of the possible 60 points for Continuum of Care are eligible for up to 40 points under Need. Projects in the competing applications with lower Continuum of

Care scores are eligible for only 10 points under Need.

(5) *Ranking.* HUD will add the score for Continuum of Care to the Need score and EZ/EC bonus points, if any, to obtain a total score for each project. The projects will then be ranked from highest to lowest according to the total combined score.

(6) *Conditional Selection and Adjustments to Funding.*

(a) *Conditional Selection.* Whether a project is conditionally selected, as described in Section V(B) below, will depend on its overall ranking compared to others, except that HUD reserves the right to select lower rated eligible projects in order to meet the 30 percent overall permanent housing requirement. (See V(A)(7) for additional selection information.)

When insufficient funds remain to fund all projects in the competition having the same total score, HUD will first fund permanent housing projects if necessary to achieve the 30 percent overall permanent housing requirement. HUD will then break ties among the remaining projects with the same total score by comparing scores received by the projects for each of the following scoring factors, in the order shown: Need, Overall Continuum of Care (COC) score, COC Process and Strategy, COC Gaps and Priorities, and COC Supplemental Resources. The final tie-breaking factor is the priority number of the competing projects on the applicable COC priority list(s).

(b) *Adjustments to Funding.* The Secretary of HUD has determined that geographic diversity is appropriate to carrying out homeless assistance programs in an effective manner. HUD believes that geographic diversity can be achieved best by awarding grants to as many COCs as possible. To this end, in instances where any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa does not have at least one funded COC, HUD reserves the right to fund eligible project(s) receiving 40 Need points in the COC with the highest total score in that jurisdiction. To qualify for funding, the total score for these first tier projects on the COC priority list must be at least 70 points. In the case of two or more COCs with the same total score, HUD will use the tie-breaking rules described above. In addition, if the highest priority project passing threshold requirements within a COC fails to meet the criteria for receiving 40 Need points, HUD reserves the right to reduce the total requested amount for that project to allow it to qualify for 40 Need points.

HUD may otherwise adjust funding of applications in accordance with the provisions of Section III(E) of the General Section of the SuperNOFA. In addition, HUD reserves the right to ensure that a project that is applying for, and eligible for, selection under this competition is not awarded funds that duplicate activities.

(7) *Additional selection considerations.* HUD also will apply the limitations on funding described below in making conditional selections.

In accordance with the appropriation for homeless assistance grants in the Fiscal Year 2001 Appropriation Act for HUD (Pub.L. 106-377, approved October 27, 2000; 114 Stat. 1441), HUD will use not less than 30 percent of the total FY 2001 Homeless Assistance Grants appropriation to fund projects that meet the definition of permanent housing. Projects meeting the definition of permanent housing for this purpose are: (1) New Shelter Plus Care projects, (2) Section 8 SRO projects, and (3) new and renewal projects designated as permanent housing for homeless persons with disabilities under the Supportive Housing Program, that, in addition, have been assigned at least 15 Need points, and which are submitted as part of either a "consolidated" or "associated" Continuum of Care application receiving at least 20 points under the Continuum of Care scoring factor. However, no Continuum of Care application may receive more than 20 percent of its pro rata need, up to \$3 million, for "second-tier" permanent housing projects assigned 15 Need points that are selected for funding under this procedure. (See Section V(A)(4)(c) for definition of "second-tier".) Since the FY 2001 Homeless Assistance Grants appropriation is \$1.025 billion, not less than \$307.5 million, plus carry over from the FY 2000 competition, must be awarded to permanent housing projects unless an insufficient number of approvable permanent housing projects is submitted. This permanent housing funding requirement may result in higher scoring non-permanent housing projects being skipped over to fund lower scoring permanent housing projects or, within a continuum, higher priority non-permanent housing projects being skipped over to fund lower priority permanent housing projects. HUD will first skip over new non-permanent housing projects when making project selections in order to meet the 30 percent requirement. If the 30 percent requirement has not been met after skipping over the new non-permanent housing projects, then HUD will skip over non-permanent housing

renewal projects. In skipping over new non-permanent housing projects, HUD will begin with the lowest rated, eligible new non-permanent project at the funding line and continue up the ranking until the 30 percent requirement is met. If HUD is required to skip over non-permanent housing renewal projects, HUD will proceed in the same way.

In accordance with section 429 of the McKinney-Vento Act, HUD will award Supportive Housing funds as follows: not less than 25 percent for projects that primarily serve homeless families with children; not less than 25 percent for projects that primarily serve homeless persons with disabilities; and not less than 10 percent for supportive services not provided in conjunction with supportive housing. After projects are rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If not, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

In accordance with section 463(a) of the McKinney-Vento Act, as amended by the Housing and Community Development Act of 1992, at least 10 percent of Shelter Plus Care funds will be awarded for each of the four components of the program: Tenant-based Rental Assistance; Sponsor-based Rental Assistance; Project-based Rental Assistance; and Section 8 Moderate Rehabilitation of Single Room Occupancy Dwellings for Homeless Individuals (provided there are sufficient numbers of approvable projects to achieve these percentages). After projects are rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If necessary, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

In accordance with section 455(b) of the McKinney-Vento Act, no more than 10 percent of the assistance made available for Shelter Plus Care in any fiscal year may be used for programs located within any one unit of general local government. In accordance with section 441(c) of the McKinney-Vento Act, no city or urban county may have Section 8 SRO projects receiving a total of more than 10 percent of the assistance made available under this program. HUD is defining the 10 percent availability this fiscal year as \$10 million for Shelter Plus Care and \$10 million for Section 8 SRO. However, if the amount awarded under either of these two programs exceeds \$100

million, then the amount awarded to any one unit of general local government (for purposes of the Shelter Plus Care program) or city or urban county (for the purposes of the SRO program) could be up to 10 percent of the actual total amount awarded for that program.

Lastly, HUD reserves the right to reduce the amount of a grant if necessary to ensure that no more than 10 percent of assistance made available under this program section of the SuperNOFA will be awarded for projects located within any one unit of general local government or within the geographic area covered by any one Continuum of Care. If HUD exercises a right it has reserved under this program section of the SuperNOFA, that right will be exercised uniformly across all applications received in response to this program section of the SuperNOFA.

(B) *Action on Conditionally Selected Applications.* HUD will notify conditionally selected applicants in writing. As necessary, HUD will subsequently request them to submit additional project information, which may include documentation to show the project is financially feasible; documentation of firm commitments for cash match; documentation showing site control; information necessary for HUD to perform an environmental review, where applicable; and such other documentation as specified by HUD in writing to the applicant, that confirms or clarifies information provided in the application. HUD will notify SHP, SRO, S+C and S+C/SRO applicants of the deadline for submission of such information. If an applicant is unable to meet any conditions for fund award within the specified timeframe, HUD reserves the right not to award funds to the applicant, but instead to either: use them to select the next highest ranked application(s) from the original competition for which there are sufficient funds available; or add them to funds available for the next competition for the applicable program.

VI. Application Submission Requirements

The application kit provides the application materials, including Form SF-424 and certifications, that must be used in applying for homeless assistance under this SuperNOFA. These application materials substitute for the forms, certifications, and assurances listed in Section II(G) of the General Section of the SuperNOFA (collectively, the "standard" forms).

In addition to the required narratives, the items that you must submit to HUD

as part of the application for homeless assistance funding are the following:

1. 2001 Application Summary Form
2. Continuum of Care and Project Exhibits
3. Gaps Analysis Form
4. Project Priorities Form
5. Project Leveraging Form
6. EZ/EC Certification
7. SF-424
8. Applicant Certifications
9. Consolidated Plan Certification(s)

The standard forms can be found in Appendix B to the General Section of the SuperNOFA. The remaining forms (i.e., excluding such items as narratives), referred to as the non-standard forms, can be found in Appendix B to this program section of the SuperNOFA).

The application requires a description of the Continuum of Care system and the proposed project(s). To ensure that no applicant is afforded an advantage in the rating of the Continuum of Care element (described in Section V(A)(3) above), HUD is establishing a limitation of 25 pages, excluding required multiple page tables or charts but including any attachments, on the length of Exhibit 1 of any application submitted in response to this NOFA. HUD will not consider the contents of any pages exceeding this limit when rating the Continuum of Care element of any application. The application kit also contains certifications that the applicant will comply with fair housing and civil rights requirements, program regulations, and other Federal requirements, and (where applicable) that the proposed activities are consistent with the HUD-approved Consolidated Plan of the applicable State or unit of general local government, including the Analysis of Impediments to Fair Housing Choice and the Action Plan to address these impediments. Projects funded under this SuperNOFA shall operate in a fashion that does not deprive any individual of any right protected by the Fair Housing Act (42 U.S.C. 3601-19), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5301) or the Age Discrimination Act of 1974 (42 U.S.C. 6101). Section II(D) of the General Section of this SuperNOFA regarding Affirmatively Furthering Fair Housing does not apply to the Continuum of Care Homeless Assistance programs.

There are three options for submitting an application under this program section of the SuperNOFA.

One: A "Consolidated Application" is submitted when a jurisdiction (or a consortium of jurisdictions) submits a single application encompassing a Continuum of Care strategy and containing all the projects within that strategy for which funding is being requested. Individual projects are contained within the one consolidated application. Grant funding may go to one entity which then administers all funded projects submitted in the application, or under this option, grant funding may go to all or any of the projects individually. Your application will specify the grantee for each project.

Two: "Associated Applications" are submitted when applicants plan and organize a single Continuum of Care strategy which is adopted by project sponsors or operators who choose to submit separate applications for projects while including the identical Continuum of Care strategy. In this case, project funding would go to each successful applicant individually and each would be responsible to HUD for administering its separate grant.

Three: A "Solo Application" is submitted when an applicant applies for a project exclusive of participation in any community-wide or region-wide Continuum of Care development process.

Options one and two are not substantively different and will be considered equally competitive. Applicants are advised that projects that are not a part of a Continuum of Care strategy will receive few, if any, points under the Continuum of Care rating factors.

VII. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications (See Section V of the General Section).

VIII. Environmental, Local Resident Employment, and Relocation Requirements

(A) *Environmental Requirements.* All Continuum of Care assistance is subject to the National Environmental Policy Act and applicable related Federal environmental authorities. Section 208 of Public Law 106-377 (114 Stat. 1441, approved October 27, 2000) amended Section 443 of the Stewart B. McKinney-Vento Homeless Assistance Act to provide that for purposes of environmental review, Continuum of Care projects shall be treated as assistance for special projects that are

subject to Section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, and shall be subject to HUD's regulations implementing that section. The effect of this provision is that environmental reviews for Continuum of Care activities are to be completed by responsible entities (States or units of general local government) in accordance with 24 CFR Part 58, whether or not the applicant is itself a State or a unit of general local government. Applicants (such as PHAs or nonprofit organizations) that are not States or units of general local government must request the unit of general local government to perform the environmental review. This statutory provision supersedes those portions of 24 CFR 582.230 and 583.230 that provide for automatic HUD environmental review in the case of application from such entities. With this exception, conditional selection of projects under the Continuum of Care Program is subject to the environmental review requirements of 24 CFR 582.230, 583.230, and 882.804(c), as applicable. Recipients may not commit or expend any Continuum of Care assistance or nonfederal funds on project activities (other than those listed in 24 CFR 58.34 or 58.35(b)) until HUD has approved a Request for Release of Funds and environmental certification from the responsible entity. The expenditure or commitment of Continuum of Care assistance or nonfederal funds for such activities prior to this HUD approval may result in the denial of assistance for the project under consideration.

(B) *Local Resident Employment.* To the extent that any housing assistance (including rental assistance) funded

through this program section of the SuperNOFA is used for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair, and replacement) or housing construction, then it is subject to section 3 of the Housing and Urban Rehabilitation Act of 1968, and the implementing regulations at 24 CFR part 135. Section 3, as amended, requires that economic opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

(C) *Relocation.* The SHP, S+C, and SRO programs are subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA). These requirements are explained in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition. Any person or family that moves, even temporarily, as a direct result of acquisition, rehabilitation or demolition for a project that is assisted through one of these programs (whether or not HUD funded the acquisition, rehabilitation or demolition) is entitled to relocation assistance. Displacement that results from leasing a unit in a structure may also trigger relocation requirements. Relocation assistance can be expensive. To avoid unnecessary costs, it is important to provide occupants with timely information notices, including a

general information notice to be sent at the time the application is submitted to HUD. HUD Handbook 1378 contains guideform information notices. The HUD field office can provide a copy of the handbook and copies of appropriate information booklets to be provided to occupants. Accordingly, if the site is occupied, the applicant should contact the HUD field office in the planning stage to obtain advice, including help in estimating the cost of required relocation assistance.

IX. Authority

The Supportive Housing Program is authorized by title IV, subtitle C, of the Stewart B. McKinney-Vento Homeless Assistance Act (McKinney-Vento Act), 42 U.S.C. 11381. Funds made available under this program section of the SuperNOFA for the Supportive Housing Program are subject to the program regulations at 24 CFR part 583.

The Shelter Plus Care program is authorized by title IV, subtitle F, of the McKinney-Vento Act, 42 U.S.C. 11403. Funds made available under this program section of the SuperNOFA for the Shelter Plus Care program are subject to the program regulations at 24 CFR part 582.

The Section 8 Moderate Rehabilitation Program for Single Room Occupancy Dwellings for Homeless Individuals (SRO) is authorized by section 441 of the McKinney-Vento Act, 42 U.S.C. 11401. Funds made available under this NOFA for the SRO program are subject to the program regulations at 24 CFR part 882, subpart H.

BILLING CODE 4210-32-P

Appendix A
CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS

ELEMENT	SUPPORTIVE HOUSING	SHELTER PLUS CARE	SECTION 8 SRO
AUTHORIZING LEGISLATION	Subtitle C of Title IV of the Stewart B. McKinney-Vento Homeless Assistance Act	Subtitle F of Title IV of the Stewart B. McKinney-Vento Homeless Assistance Act	Sec. 441 of the Stewart B. McKinney-Vento Homeless Assistance Act
IMPLEMENTING REGULATIONS	24 CFR part 583	24 CFR part 582	24 CFR part 882
ELIGIBLE APPLICANT(S)	<ul style="list-style-type: none"> • States • Units of general local government • Special purpose units of government such as public housing agencies (PHAs) • Private nonprofit organizations • CMHCs that are public nonprofit organizations 	<ul style="list-style-type: none"> • States • Units of general local government • PHAs 	<ul style="list-style-type: none"> • PHAs • Private nonprofit organizations
ELIGIBLE COMPONENTS	<ul style="list-style-type: none"> • Transitional housing • Permanent housing for disabled persons only • Supportive services not in conjunction with supportive housing • Safe Havens • Innovative supportive housing 	<ul style="list-style-type: none"> • Tenant-based • Sponsor-based • Project-based • SRO-based 	<ul style="list-style-type: none"> • SRO housing
ELIGIBLE ACTIVITIES See footnotes 1, 2, and 3	<ul style="list-style-type: none"> • Acquisition • Rehabilitation • New construction • Leasing • Operating costs • Supportive services 	<ul style="list-style-type: none"> • Rental assistance 	<ul style="list-style-type: none"> • Rental Assistance
ELIGIBLE POPULATIONS See footnote 2	<ul style="list-style-type: none"> • Homeless persons 	<ul style="list-style-type: none"> • Homeless disabled individuals • Homeless disabled individuals & their families 	<ul style="list-style-type: none"> • Homeless individuals • Section 8 eligible current occupants
POPULATIONS GIVEN SPECIAL CONSIDERATION	<ul style="list-style-type: none"> • Homeless persons with disabilities • Homeless families with children 	Homeless persons who: <ul style="list-style-type: none"> • are seriously mentally ill • have chronic problems with alcohol and/or drugs • have AIDS & related diseases 	N/A
INITIAL TERM OF ASSISTANCE	3 years	5 years: TRA, SRA, and PRA if no rehab 10 years: SRO and PRA with rehab	10 years

Footnote 1: Homeless prevention activities are statutorily ineligible under these programs.

Footnote 2: Persons at risk of homelessness are statutorily ineligible for assistance under these programs.

Footnote 3: Acquisition, construction, rehabilitation, leasing, and operating costs for emergency shelters are statutorily ineligible for assistance under Shelter Plus Care and Section 8 SRO.

2001 Application Summary

This is the first page of your application. Remove this page and place it in the front of your application.

Continuum of Care (CoC) Name: _____

CoC Contact Person and Organization: _____

Address : _____

Phone Number: _____

Continuum of Care Geography

Using the Geographic Area Guide, list the name and the six-digit geographic code number for *each* city and/or county participating in your Continuum of Care. Because the geography covered by your system will affect your Need score, it is important to be accurate. Enter the name of *every listed* city and/or county that makes up the geography for your Continuum of Care system and its assigned code. Leaving out a jurisdiction could reduce your pro rata need amount. Adding in a jurisdiction that is not really part of your system is likely to significantly reduce your score. Before completing, please read the NOFA guidance and page 3 of this application regarding geographically overlapping Continuum of Care systems.

Geographic Area Name	6-digit Code
example: Dayton	391362
example: Kettering	392526
example: Montgomery Co.	399113

Geographic Area Name	6-digit Code

Reproduce this page to include additional names and codes.

Continuum of Care: Gaps Analysis

	Estimated Need	Current Inventory	Unmet need/ Gap	Relative Priority
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Individuals

Example	Emergency Shelter	115	89	26	M
Beds/Units	Emergency Shelter				
	Transitional Housing				
	Permanent Supportive Housing				
	Total				
Supportive Services Slots	Job Training				
	Case Management				
	Substance Abuse Treatment				
	Mental Health Care				
	Housing Placement				
	Life Skills Training				
	Other				
	Other				
Sub-populations	Chronic Substance Abuse				
	Seriously Mentally Ill				
	Dually-Diagnosed				
	Veterans				
	Persons with HIV/AIDS				
	Victims of Domestic Violence				
	Youth				
Other					

Persons in Families With Children

Beds/Units	Emergency Shelter				
	Transitional Housing				
	Permanent Supportive Housing				
	Total				
Supportive Services Slots	Job Training				
	Case Management				
	Child Care				
	Substance Abuse Treatment				
	Mental Health Care				
	Housing Placement				
	Life Skills Training				
	Other				
Other					
Sub-populations	Chronic Substance Abuse				
	Seriously Mentally Ill				
	Dually-Diagnosed				
	Veterans				
	Persons with HIV/AIDS				
	Victims of Domestic Violence				
Other					

Continuum of Care: Project Priorities

(This entire chart will only count as one page towards the 25 page limitation)

Applicant	Project Sponsor/ Project Name	Numeric Priority	*Requested Project Amount	Program (Check only one)				
				SHP new	SHP renew	S+C new	S+C renew	SRO new
Example: ABC Nonprofit	ABC Nonprofit/ Sarah's House	1	\$1,026,000	X				
Example: XYZ County	AJAY Nonprofit/ BeeJee's Place	2	\$500,000	X				
		1						
		2						
		3						
		4						
		5						
		6						
		7						
		8						
		9						
		10						
		11						
		12						
Total Requested Amount:								

* The requested project amount must not exceed the amount entered in the project budget in Exhibits 2, 3, and 4. If the project budget exceeds the amount shown on the priority list, the project budget will be reduced to the amount shown on the priority list.

Please Note:

- (1) Place all Shelter Plus Care renewal projects as the last entries on the Chart!
- (2) For all Shelter Plus Care and SRO projects, please be advised that the actual FMRs used in calculating your grant will be those in effect at the time the grants are approved which may be higher than those found in the September 25, 2000 Federal Register.
- (3) The tiering of projects on your priority list is no longer permitted.

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**HOUSING OPPORTUNITIES FOR
PERSONS WITH AIDS (HOPWA)
PROGRAM**

FUNDING AVAILABILITY FOR THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) PROGRAM

Program Overview

Purpose of the Program. To provide States and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing and related supportive service needs of persons with HIV/AIDS and their families.

Available funds. Approximately \$25,542,000 (and under a related part of this SuperNOFA, up to \$2,580,000 for technical assistance for the HOPWA program). As required by statute, the renewal of existing grants that will be expiring in 2001 or 2002, will be given priority in selection for funding as provided in Part A of the HOPWA section of this notice; if funds remain, new proposals will be selected under Part B.

Eligible Applicants. (1) States, units of general local government, and nonprofit organizations for grants for Special Projects of National Significance (SPNS) grants.

(2) States and units of general local government may apply for projects under the Long-Term category of grants, if activities will serve areas that were not eligible for HOPWA formula allocations in Fiscal Year 2001. Appendix C in this program section of the SuperNOFA identifies the formula areas.

Application Deadline. April 24, 2001 for renewal requests under Part A; and June 13, 2001 for new proposal under Part B.

Match. None.

Additional Information

If you are interested in applying for funding under this program, please review carefully the General Section of this SuperNOFA and the following additional information.

Part A. Renewal of Existing Grants that are Expiring

I. General Policies on Renewals—Purpose

Under the provisions of the HUD Appropriation Act for FY2001, the Secretary is required to renew all expiring grants that were funded under prior HOPWA competitions, if the grant meets all program requirements, before awarding funds for new grants and activities under the HOPWA competition.

II. Eligibility of Applicants and Activities

To implement this new requirement, HUD provides the following guidance to existing HOPWA competitive grantees:

(A) *Eligible Applicant for Renewals.* To be eligible, the applicant must be the same entity, State, local government or nonprofit organization that was selected for funding in the prior competition. The project should also continue with the same project sponsors, although HUD will consider the merits for changing a project sponsor if the new sponsor evidences the capacity to enhance the project operations or improve responsiveness to clients. Such examples for changing a project sponsor may be that a new project sponsor has greater capacity to conduct program activities, a prior project sponsor is no longer in operation or has merged with another entity, or HUD approved such a sponsor change through a grant amendment.

(B) *Definition of Expiring Grant.* The HOPWA grant must be expiring in the Federal Fiscal Year 2001 or 2002 and the project will not have sufficient funds to continue activities in 2002, if not awarded additional Federal funds. All funds awarded in an existing HOPWA competitive grant must be expended during the Federal Fiscal Year 2001 or 2002 (as measured by reimbursements filed with HUD under the financial system, PAS). In addition, if the grant expired in the Federal Fiscal Year 2000 or earlier, i.e. all funds were expended (as measured by PAS) by September 30, 2000, or only a residual amount that is less than one percent of the amount of the prior grant remains, you are not eligible to apply for renewal funding under this notice.

(C) *Eligible Renewal Activities.* The activities to be renewed must be on-going forms of support for HOPWA-eligible persons, such as rental assistance, short-term rent, mortgage and utility payments, operating costs for housing facilities, such as community residences and SRO dwellings, leasing, maintenance costs, supportive service costs, housing information services, and resource identification/technical assistance for community residences activities. If a prior grant was awarded funds for the acquisition of a site or building, for new construction or for rehabilitation costs, these capital development activities are not on-going or available for additional sites and funding for these cannot be renewed under Part A. Projects that seek to undertake additional capital development activities or to add funding for new HOPWA activities,

such as operating costs and services, must apply under Part B as a new project.

(D) *Amount of Renewals.* Renewal projects may only request renewal funds for continuing a previously approved project at the same level of housing and/or services provided in the previous grant. Proposals to expand or significantly alter a funded-project must apply under Part B for new projects for the new activities or the expanded part of the project. The level of renewal funding must not exceed an amount that is comparable (i.e. not more than 120% of an activity) or may be less than the amount originally awarded by HUD for the HOPWA activity, including any amendments affecting this amount that were approved by HUD prior to FY2001. As an applicant for renewal funding, you must specify the annual amount needed to continue each activity and specify the number of years, up to three, for your request by completing the HOPWA Renewal Budget Form (Appendix A). You should describe your plan for continued operations in the Executive Summary section of your application, including any significant reduction to your prior award level. HUD will allow you to request up to the same amount as previously awarded per activity, with the allowance that projects may add up to 20 percent more by activity, except that activity costs may not exceed \$1,200,000 in total. The limits on administrative costs, three percent for grantees and seven percent for project sponsors, continue to apply. In addition, renewal grantees may add, or HUD may add, up to \$50,000 to the renewal award for the purpose of the collection of data on program outcomes.

(E) *Ineligible Prior Grants.* Grants awarded under the 1992–1995 HOPWA competitions are not eligible to seek renewals as these projects were required to operate and complete activities under the requirement that funds be used within three years of the grant agreement. Grants selected in 1996 were required to operate and complete activities before the end of Fiscal Year 2000. Similarly, these 1996 grants are not eligible for renewal, unless the grantee documents that HUD approved a grant extension of the project that would allow for its continued operations in the Federal Fiscal Year 2001 or 2002.

It is HUD's expectation that Part A renewals will be awarded to HOPWA grants that were awarded funds in 1997, 1998 and 1999. Such projects should be in operation and expect to complete activities in the Federal Fiscal Year 2001 or 2002 to qualify for renewal.

(F) *Failing or Weak Performance.* Grantees that were subject to deobligation or other sanctions by HUD or that evidence weak performance in carrying out activities will not be eligible for renewal grants. HUD will consider that weak performance is evidenced if there are unresolved monitoring findings during the active competitive period, from the date of this notice until the selection of grants, or other HUD knowledge of unresolved problems, for example, that planned activities remain delayed in their implementation, a significant number of units are vacant, or annual progress reports were not filed with HUD at the time of the due date for renewals, or significant citizen complaints are unresolved or not responded to with justified reasons. HUD will also consider that weak performance is evident if more than 50 percent of grant funds remain unexpended at that beginning of the month for the due date for renewals (as measured by reimbursements filed with HUD's financial system, PAS).

III. Selection Criteria and Process

(A) *Selection Process.* The Department will select for funding all renewal requests from applicants that meet program requirements and pass a threshold review for a need for renewal to the degree that funds are available. In the case that the amount requested for renewal is less than the amount available under this notice, HUD will apply the remaining funds to new projects that will be selected under Part B. If the amount of the request for renewal activities is greater than the amount made available by this notice, HUD will select all of the approvable applications and allocate awards to each based on a prorata reduction to the amount available under this notice to ensure that all eligible and performing renewal projects receive funding that allows their continued operation.

(B) *Selection Criteria and Application Contents.* Renewal applicants must comply with the requirements noted above in Part A, Section II, for example in establishing the amount of their request to continue approved activities for one to three additional years, and meet the due date requirement. Applicants must also use the Need for Renewal narrative to demonstrate program performance in carrying out activities in a timely manner, in response to client needs, in meeting program requirements, such as filing annual progress reports, and in meeting benchmarks that were established by the notice for their original grant. Further, the applicant must provide the

documentation of any amendment or other program adjustment that was approved by HUD prior to 2001, in carrying out the previously approved activities. HUD will review all renewal applications based on the following criteria:

(1) *Eligibility:* HUD will review your eligibility to apply for renewal funding under this program as described above under Part A, Section II, *Eligibility of Applicants and Activities.*

(2) *Organizational Capacity:* If a new project sponsor is added, HUD will review the project sponsor's capacity to conduct program activities as described under Rating Factor 1: Capacity of Applicant and Project Sponsors and Relevant Organizational Experience (Part B, Section V).

(3) *Need for Renewal:* HUD will conduct a threshold review on your need for renewal, as described below in Part A, Section III(D), and how this project has operated with measurable progress. A project will pass this threshold if it demonstrates measurable progress. Measurable progress is defined as not failing or not evidencing weak performance in (i) meeting performance benchmarks, as appropriate, in program development and operation, (ii) meeting project goals and objectives, such as, that the number of persons assisted is comparable to the number that was planned at the time of the application, (iii) submitting timely performance reports, and; (iv) expending over 50% of prior funding at the beginning of the month for the due date for renewals (as measured by reimbursements filed with HUD's financial system, PAS.).

(4) *Threshold Requirements:* HUD will also review your application to ensure that your project meets the standard eligibility threshold requirements as described in Part B, Section V(A) of this program NOFA. Such as, completing the Consolidated Plan Certification.

Applicants are requested to submit the following information:

(1) The renewal application should include the items A (SF-424) and F (Statutory Certifications) as described under Part B, Section VI, *Application Submission Requirements.*

(2) *Executive Summary and Synopsis:* On no more than five (5) double spaced pages, please provide an Executive Summary of the renewal project. In the Executive Summary, please provide the name of the grantee and any project sponsors. Include at the beginning of the Executive Summary a two to three sentence synopsis of the renewal project.

(3) *Narrative Statements.* Your application must include the following narrative statements:

(a) *Organizational Capacity Narrative:* If a new project sponsor(s) is added to the proposal, please describe the capacity of the project sponsor(s) to conduct program activities as described under Rating Factor 1: Capacity of Applicant and Project Sponsors and Relevant Organizational Experience (Part B, Section V). Please provide this information on no more than three double-spaced typed pages. If you are adding more than one Project Sponsor, you may add two (2) additional pages per Project Sponsor.

(b) *Need for Renewal Narrative:* Please address the following on no more than five (5) double-spaced pages. Please demonstrate the need for renewal funding and how this project has operated with measurable progress. Measurable progress is defined as not failing or not evidencing weak performance in (i) meeting performance benchmarks, as appropriate, in program development and operation, (ii) meeting project goals and objectives, such as, that the number of persons assisted is comparable to the number that was planned at the time of the application, (iii) submitting timely performance reports; (iv) expending over 50% of prior funding at the beginning of the month for the due date for renewals (as measured by reimbursements filed with HUD's financial system, PAS.). Additionally, you should complete the HOPWA Need for Renewal Chart, as described below in Part A, Section III(C) and found in Appendix A.

(4) *HOPWA Renewal Budget:* Please complete the HOPWA Renewal Budget Form (Appendix A). See Part A, Section II(D), *Amount of Renewals*, for details on renewal funding.

(5) *HOPWA Renewal Project Form* (Appendix A). Complete the form including the following:

(a) *Project Sponsor:* You must identify any organization that will receive HOPWA funds as a project sponsor and the amount of funds to be received.

(b) *Non-profit Status:* If not previously submitted to HUD through the prior HOPWA application or if a change occurred in non-profit status, non-profit grantees or project sponsors must submit documentation verifying your non-profit status, as outlined under Part B, Section III, *Eligible Applicants and Project Sponsors*, in this program section of the SuperNOFA.

(c) *Service Areas.* Your application must identify the area(s) in which you are proposing to offer housing and other assistance.

After your entire application is assembled, please mark each exhibit with an appropriately numbered tab and number every page of the application sequentially. Complete the HOPWA Renewal Application Checklist found in Appendix A to this program section of the SuperNOFA. Attached the HOPWA Renewal Application Checklist to the front of your application.

(C) *Need for Renewal.* The application must demonstrate that prior grant funds will expire in the Federal Fiscal year 2001 or 2002. You must complete the HOPWA Need for Renewal Chart (Appendix A), as described below:

- Line 1. Indicate the amount of the prior HOPWA award: _____
 Line 2. Indicate the amount expended as of 9-30-00: _____
 Line 3. Subtotal: subtract line 2 from line 1: _____
 Line 4. Indicate the amount to be expended in FY2001: _____
 Line 5. Indicate the amount to be expended in FY2002: _____
 Line 6. Subtotal: subtract lines 4 and 5 from line 3: _____

Notes: If the subtotal on Line 6 is greater than zero, you are not eligible to apply for renewal funding under this notice. Also note that continued use of prior funds may require that you file an extension request with the area CPD Field Office. Further if the subtotal on Line 3 is zero or a residual amount that is less than one percent of the amount on Line 1, you are not eligible to apply for renewal funding under this notice. In reviewing the information that you provide in this chart, HUD will determine your eligibility for renewal funding based on financial records for reimbursement of expenditures that are filed under HUD's financial system (PAS).

(D) *Example of potential renewal request, XYZ Nonprofit.* In this case, a 1998 grant to the XYZ nonprofit involved the award of HOPWA competitive funds for a community residence for persons living with AIDS (PLWAs), with \$300,000 for acquisition of the residence, \$200,000 for facility operations, \$250,000 for supportive services and \$100,000 planned for rental assistance for clients who transition out of the facility, and grant administration \$25,500 (total of \$875,500). Under this notice, the following is eligible for renewal funding for XYZ: Facility operations, supportive services, rental assistance, grant administration, data collection on project outcomes (added). Funds for additional acquisition are not eligible for renewal. Also, if the site now needs rehabilitation, the grantee must apply under Part B for a new project for that activity or seek other public or private funding. To calculate the amount for this renewal request, XYZ

could ask for these maximum amounts or less to continue for three more years:
 Facility Operations—base of \$200,000 + 20% for renewal grant = \$240,000
 Supportive Services—\$250,000 + 20% = 300,000
 Rental assistance—\$100,000 + 20% = 120,000
 Subtotal for renewal funding: 660,000
 Grantee administrative costs (3%) based on subtotal: 19,800
 Data collection on outcomes—(added): 50,000
 Total potential amount for renewal request for XYZ: \$729,800

Notes: Alternatively, XYZ may have found that clients did not leave and the rental assistance component is too large, based on actual utilization. XYZ should have requested HUD approval to reassign the excess rental assistance amount to some other eligible activity, such as maintenance and repair costs, prior to FY2001 and provide a copy of this documentation in its application. If in this alternative example, only \$20,000 is needed, than the amendment to move \$80,000 to repair costs could have been filed with the area HUD office. In this alternative example, the XYZ request must be adjusted downward based on the actual experience of this grant and the subtotal, administrative cost, and total would be decreased, accordingly. The reassigned \$80,000 in repair costs would not be eligible for a renewal request.

IV. Additional Renewal Information

(A) *Application Kits, Further Information, and Technical Assistance.* You must send your renewal application on or before 12:00 midnight, Eastern Time, consistent with the specific due date for renewal applications as stated in the Program Overview section of this program NOFA, to HUD Headquarters. See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried). In addition, please see Part B, Section I for the following information: address and instructions for submitting renewal applications, application kits, technical assistance, and technical assistance broadcasts. Please note HOPWA renewal information will be provided along with HOPWA competitive program information in the HOPWA Application Kit.

(B) *Award Modifications.* See Part B, Section II(B) for a description of the process for award modifications.

(C) *Availability of Other Funds and Use of Technical Assistance.* Applicants seeking renewal are encouraged to read Part B, Section IV(D) on the availability of formula funding. In addition, the paragraphs addressing (E) the

availability of HOPWA technical assistance and (F) the prohibition on the use of TA funds to draft applications apply to renewal applications.

(D) *Applicable Provisions of Part B.* The following sections of Part B of this program NOFA apply to applicants of renewal funding: Part B, Section VII (Corrections to Deficient Applications), Section VIII (Other Requirements), and Section IX (Authority).

Part B. New Projects

If funds remain after the selection of renewal grants under Part A, HUD will consider applications under this part.

I. Application Kits, Further Information, and Technical Assistance

Where to Send Your Application. You must send your application on or before 12:00 midnight, Eastern time, consistent with the specific due date for new projects as stated in the Program Overview of this program NOFA, to HUD Headquarters.

See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications. Your completed application consists of an original signed application and three copies. Submit the original application and one copy to: Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7251, Washington, DC 20410. The original application submitted to HUD headquarters is considered the official application.

Submit the additional two (2) copies of your application to the area CPD Field Office or Offices that serve the area in which activities are proposed. For multi-state efforts you must submit two copies of your application to the Field Office that serves your main office. The list of addresses for area CPD Field Offices is provided as Appendix B of this program section of this SuperNOFA. If you propose nationwide activities, you must send all copies to the HUD headquarters office. When submitting your applications, please refer to HOPWA, and include your name, mailing address (including zip code), facsimile, email, and telephone number (including area code).

For Application Kits. Although you may begin working on your application with the materials provided in this program section of the SuperNOFA and its appendices, for an application kit, please call the SuperNOFA Information Center at 1-800-HUD-8929 (1-800-483-8929). Persons with hearing or speech impairments may call the

Center's TTY number at 1-800-HUD-2209 (1-800-483-2209). The application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov/grants>.

For Further Information and Technical Assistance. You may call the HUD Field Office serving your area, at the telephone number shown in the application kit for this program, or you may contact the Office of HIV/AIDS Housing, HUD at (202) 708-1934. HUD staff may assist with program questions, but may not assist in preparing your application.

Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov/grants>.

II. Amount Allocated

Approximately \$ 25,542,000 is being made available for funding under this program section of the SuperNOFA. Additional funds may be awarded if funds are recaptured, deobligated, appropriated or otherwise made available during the fiscal year.

(A) *Maximum Grant Amounts.* The maximum amount that you may receive is \$1,200,000 for program activities (e.g., activities that directly benefit low-income persons living with HIV/AIDS and their families), irrespective of the number of applications that you submit. You may also add-on up to 3 percent of this program activities amount for grantee administrative costs and, if your program involves project sponsors, add-on up to 7 percent of the amount that they receive for their administrative costs. In addition, up to \$50,000 may be requested to collect data on project outcomes. HUD reserves the right to reduce the amount requested for data collection on project outcomes in relation the amount requested for program activities. Additionally, after rating each application HUD reserves the right to add up to \$50,000 to a HOPWA application for the purposes of the collection of data on program outcomes, if an applicant fails to request this level of funding for this activity.

(B) *Award Modifications.* See the General Section of this SuperNOFA for information with regard to adjustments to funding. HUD also reserves the right to ensure that activities funded under the FY 2001 Continuum of Care will not duplicate activities funded under this competition.

III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* Funds under this program are to be used to support the Department's national goal of increasing the availability of decent, safe, and affordable housing in American communities. The statutory purpose of the HOPWA program is "for meeting the housing needs of persons" with HIV/AIDS and their families and planned activities must address this purpose. HOPWA funds projects to provide housing and related supportive services for low-income persons with HIV/AIDS and their families under two categories of assistance:

(1) Grants for Special Projects of National Significance (SPNS) that, due to their innovative nature or their potential for replication, are likely to serve as effective models in addressing the housing and related supportive service needs of low-income persons living with HIV/AIDS and their families. Under this program section of the SuperNOFA, HUD will set-aside up to 40% of the funds allocated to SPNS to projects targeting underserved populations as defined in Section (D); and

(2) Grants for projects that are part of Long-Term Comprehensive Strategies (Long-Term) which provide housing and related supportive services for low-income persons living with HIV/AIDS and their families in areas that are not eligible for HOPWA FY 2001 formula allocations found in Appendix C of this program section of this SuperNOFA.

(B) *Eligible Applicants and Project Sponsors.* (1) States, units of general local government, and nonprofit organizations may apply for grants for Special Projects of National Significance;

(2) States and units of general local government may apply for grants for projects under the Long-Term category of grants, if proposed activities will serve areas that were not eligible to receive HOPWA formula allocations in Fiscal Year 2001. A list of the formula areas and a list of the areas not eligible to receive HOPWA Formula funds, can be found in Appendix C of this program section of this SuperNOFA. Nonprofit organizations are not eligible to apply directly for the Long-Term grants but may serve as a project sponsor for an eligible State or local government grantee. You must identify your project sponsors in your application. Project Sponsors can not be identified at a later date through such processes as an RFP or other selection process.

(3) Nonprofit organizations must have appropriate credentials, in accordance

with HOPWA regulations at 24 CFR 574.3. If you are a nonprofit organization, to be an eligible applicant or project sponsor, you must either:

- Have, by the application due date, an IRS ruling that grants you tax exempt status under section 501(c)(3) of the Internal Revenue Code; or
- Provide documentation that shows that your organization satisfies the criteria in the statutory definition of nonprofit organization in 42 U.S.C. 12902(13).

The statutory definition reads: The term "nonprofit organization" means any nonprofit organization (including a State or locally chartered, nonprofit organization) that— (i) is organized under State or local laws; (ii) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; (iii) complies with standards of financial accountability acceptable to the Secretary; and (iv) has among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome or related diseases.

HUD interprets the use of the term "related diseases" in this definition to include HIV infection.

Adequate documentation of nonprofit status includes the following:

(a) In lieu of an IRS exemption for nonprofits in Puerto Rico, a ruling from the Treasury Department of the Commonwealth of Puerto Rico granting income tax exemption under section 101 of the Income Tax Act of 1954, as amended (13 LPRA 3101);

(b) In lieu of documentation under section 501(c)(3), documentation of an IRS ruling of tax exempt status under section 501(c)(4), (6), (7), (9), or (19);

(c) Documentation of satisfying the statutory criteria by submitting the following four items:

(i) Certification by an appropriate official of the jurisdiction under whose laws the nonprofit organization was organized that your organization was so organized and is in good standing;

(ii) Documentation that your organization is a certified United Way member agency or other documentation that shows that no inurement of benefits to the managers of your organization occurs;

(iii) Documentation from a CPA or Public Accountant that your organization has a functioning accounting system that is operated in accordance with generally acceptable accounting principles or that a qualifying entity is designated for that activity, or the United Way member agency certification noted in item (ii); and

(iv) A certified copy of your nonprofit organization's articles of incorporation, by-laws, statement of purposes, board of director's resolution or a similar document that includes a provision demonstrating its purpose regarding significant activities for persons living with HIV/AIDS.

If your organization does not provide the requested documentation, you are not eligible to receive funds and serve as the grantee or as a project sponsor. However, you may collaborate with eligible nonprofit organizations or with a government agency that applies for the grant and assist them, for example, in planning for the proposed activities, identifying needs in your community and identifying clients who will be assisted. In addition, you may do work under contract with a grantee for services funded by this grant.

(C) *Eligible Activities.* (1) The following eligible activities are subject to standards and limitations found in 24 CFR part 574.

(a) Housing information services (including fair housing counseling).

(b) Project-based or tenant-based rental assistance.

(c) New construction of a community residence or SRO dwelling.

(d) Acquisition, rehabilitation, conversion, lease or repair of facilities to provide housing and services.

(e) Operating costs for housing.

(f) Short-term rent, mortgage and utility payments to prevent homelessness.

(g) Supportive services. Many of the clients who will be served by the HUD program covered by this NOFA may need services in addition to housing. It is important that you design programs which enhance access to those needed services, including access to health-care, AIDS drug assistance, and other services funded through the Ryan White CARE Act or other Federal, State, local or private funds. While HUD recognizes that there are many ways to ensure that clients receive the services they need, to the extent possible, the Department encourages you to develop housing programs which do not require participation in services as a part of your or your project sponsor's tenancy requirements.

(h) Administrative expenses (see limits for grantees and sponsors).

(i) Resource identification to establish, coordinate and develop housing assistance resources and technical assistance in establishing and operating a community residence. HUD will not select under this notice an application that is primarily directed at providing these activities, since national HOPWA technical assistance funds are

being made available under the Community Development Technical Assistance (CDTA) part of this notice for this purpose. You may propose a resource identification or technical assistance component in your application, if the amount of funds designated for these activities are less than 20 percent of the proposed program activity costs; and

(j) As authorized by the statute, you may propose other activities in your application, if approved by HUD, including data collection on project outcomes, as described below in paragraph (2). HUD will not approve proposals that depend on future decisions on how funds are to be used, for example, a proposal to establish a local request-for-proposal process to select activities or project sponsors. You must identify your project sponsors at the time of the application.

(2) You may request up to \$50,000 to collect information and report to HUD, or a third party designated by HUD, on project outcomes. If you requested these funds, you must propose data collection activities in your application. The persons who will conduct these activities may include an expert third-party. Project outcome activities include:

(a) Defining monitoring questions that will be addressed and examined during the project period;

(b) Specifying outcome measures;

(c) Developing instruments to assess project outcomes and systems outcomes;

(d) Training project staff in the collection of data;

(e) Monitoring data collection activities to assure that submissions are complete and accurate, including data coding and entry;

(f) Summarizing data collected; and

(g) Preparing reports summarizing findings, including the standard HOPWA Annual Progress Report.

(D) *Targeting Resources to Underserved Populations.* The Department has been advised by persons living with HIV/AIDS, HIV/AIDS housing providers, and national organizations, of the continuing disparity in accessing health-care and HIV/AIDS treatment among underserved populations, such as, racial and ethnic minority populations, women, persons living in rural areas, youth and post-incarcerated populations. One example of this disparity is found in our experience in assisting HIV-infected young people. A report from the Office of National AIDS Policy, *Youth and HIV/AIDS 2000: A New American Agenda*, released on October 2, 2000, notes that:

Beyond medical care, stable housing is one of the most important parts of the safety net for persons living with HIV and AIDS and their families. Youth who are homeless or who run away from home are at greater behavioral risk of HIV infection. Youth who are infected with HIV are more likely to be able to follow complex treatment regimens if they have a reliable address where they can be reached by care providers, a safe place to keep medications, refrigeration for drugs that require it, and other necessities that many of us take for granted. * * * [T]wo tragic realities have not changed. Some 20,000 young people are still becoming infected every year, and most of them are not receiving the medical care they need. The programs that provide HIV prevention, care and support services to youth must be broader in vision, larger in scope, and better coordinated.

The report also recommended that "Federal agencies should use existing resources to expand youth-specific initiatives."

The Department encourages you to develop an initiative on youth under this notice. In an effort to meet this need to reach and serve persons who are part of populations that have been underserved by past efforts and to diversify the number and type of organizations that have traditionally received HOPWA funding, the Department is encouraging collaborations among community-based organizations for providing housing assistance and/or technical assistance to better serve underserved populations on a national, regional, or local level.

Collaborations pair grantees and a project sponsor(s) that are experienced in developing or operating housing facilities and housing assistance programs with community-based organizations, serving as project sponsors, that provide services or use culturally-sensitive efforts to reach persons in underserved communities, but may have little or no experience in meeting the housing needs of persons living with HIV/AIDS. This team approach is expected to: (1) strengthen the organization—improve capacity to develop, operate, manage, and evaluate housing assistance programs for persons living with HIV/AIDS; (2) serve underserved populations—help reach underserved populations in areas that lack housing and health care infrastructure; and (3) increase planning—develop holistic community approaches to better coordinate housing and related services in communities impacted by HIV and AIDS. Note: All assistance provided to targeted underserved communities must be in accordance with the requirements of the Fair Housing Act. In order to support these collaborations and to encourage

new collaborations to receive HOPWA funding, up to 40% of the funds targeted toward SPNS applications will be awarded to applications with these collaborations to serve underserved populations and HUD reserves the right to include in these awards at least one application that targets unmet needs in an underserved youth population.

To be considered as a collaboration, in your application you must:

(1) Identify and evidence the experience of all collaborating organizations, either as grantee or project sponsor(s), as detailed under Rating Factor 1 of this program section of the SuperNOFA in the *Capacity of the Applicant and Project Sponsors and Relevant Organizational Experience* section of your application;

(2) Identify the underserved population and evidence in the Description of Unmet Need section of your application as detailed under Rating Factor 2 that substantial housing and related service needs of the identified underserved population living with HIV/AIDS and their families are not being met in the area. For the purposes of this program NOFA, the Department has defined underserved populations as low-income populations living with HIV/AIDS and their families, such as racial or ethnic minority groups, women, persons living in rural areas, youth, post-incarcerated populations, or other underserved groups as determined by your service area, whose housing and related service needs are not currently being met in the service area. To meet the program definition of underserved group, you must show the unmet need in the provision of housing and related supportive services for the identified underserved population in your service area by presenting reliable statistics and data sources (i.e. Census, health department statistics, research, scientific studies, and Needs Analysis of Consolidated Plan and/or Continuum of Care documentation). HUD will consider your presentation of statistics and data sources based on soundness and reliability and the specificity of information to the underserved population and the area to be served; and

(3) Evidence the method, by which your plans will, as defined above, strengthen the organization, serve underserved populations, increase planning, and support fair housing in the Soundness of Approach section of your application as detailed under Rating Factor 3 of this program section of the SuperNOFA.

If HUD determines that the application fails to meet the above considerations, the application will not

be considered for funding under the 40 percent of SPNS funds allocated for collaborative projects targeting underserved populations. HUD will consider the application under the remaining SPNS category.

IV. Program Requirements

(A) *Performance Measures and Project Goals and Objectives.* You must use HUD's required performance measures that will show your accomplishments in using HOPWA funds to expand the housing options that benefit low-income persons with HIV/AIDS and their families. You may also establish individual goals and objectives for your proposal. They should be specific, achievable and measured within set time periods. Your individual goals and objectives should result in possible findings on the successes and lessons learned in undertaking your activities that would be shared with other communities. In designing your proposal, please use the following:

(1) Required HOPWA national performance goal. Your proposed activities must increase the amount of housing assistance and related supportive services to low-income persons living with HIV/AIDS and their families to enable them to achieve housing stability and access to health-care and related supportive services.

(2) Measure your performance. After each year of operation, you must report on the number of short-term and permanent housing units that were provided with HOPWA funding, and number of additional persons served with related supportive services. HUD will measure your progress and achievements in evaluating your performance on your HOPWA grant. Examples of reporting performance measures are:

(a) In your community over the last year, a transitional housing facility providing 5 units of housing was operated with HOPWA funds. Residents also received drug and/or alcohol abuse treatment and counseling by qualified staff. During that year, ten persons resided in the facility and benefited from the intense on-site assistance, which also included helping them develop and follow a plan to find permanent housing and continue treatment after leaving the facility, including monthly phone contacts or visits by staff; and

(b) Over the last 12 months, a nonprofit organization distributed tenant-based rental assistance vouchers to 15 households within your three-county metropolitan area. The vouchers provided for on-going housing assistance (up to three years) and the

program advised the clients on tenant-landlord issues and arranged for housing quality standard inspections of the apartments selected. A case manager who is funded under the Ryan White CARE Act program, advised the tenants and helped them access health-care and other services from providers in this community. During this year, 22 persons received permanent housing assistance with HOPWA funds and for three of these families who were unable to find housing within 30 days, additional efforts were made and an appropriate apartment was located and used.

(B) *Performance Benchmarks.* Funds received under this competition are expected to be expended within 3 years following the effective date of a grant agreement. You will be expected to meet the following performance benchmarks:

(1) If you acquire or lease a site, you are required to gain site control within one year of your selection (i.e. one year from the date of the signing of your selection letter by HUD);

(2) If you propose to use HOPWA funds to undertake rehabilitation or new construction activities, you are required to begin the rehabilitation or construction within 18 months of your selection and to complete that activity within 3 years from the date of your selection letter by HUD; and

(3) You are requested to provide an initial report to the Field Office and the Headquarters on the startup of the planned activities within six months of your selection. Please outline any accomplishments in implementing the funds along with identifying any barriers or issues for which the Department may provide assistance.

Except as noted in paragraph (2) for rehabilitation or construction activities, you must begin to operate your program within one year from your selection. If a selected project does not meet the appropriate performance benchmark, HUD reserves the right to cancel or withdraw the grant funds.

(C) *Descriptive Budget.* You must provide a description of each of your requested budget items and how the funds will be used, including each amount of requested funding for you and your project sponsors, and a description of how each line item will relate to eligible HOPWA activities as defined in Section III(C), of this program section of the SuperNOFA. You are expected to match requested funds to specific goals and objectives in your project. See Appendix D of this program section of the SuperNOFA.

(D) *Availability of FY 2001 Formula Allocations.* You are also encouraged to consider seeking funds for your

proposed activities under the formula component of the HOPWA program and from other resources that are made available in communities. Ninety (90) percent of the HOPWA program is allocated by formula and recipient States and cities are required to consult with the public on designing the use of these funds. In FY2001, a total of \$229.372 million was allocated by formula to the qualifying cities for 71 eligible metropolitan statistical areas (EMSAs) and to 34 eligible States for areas outside of EMSAs. All HOPWA formula grants are available as part of the jurisdiction's Consolidated Plan, which also includes the Community Development Block Grant, HOME Investment Partnerships program, and Emergency Shelter Grants. Plans are developed through a public process that assesses area needs, creates a multiple-year strategy and proposes an action plan for use of Federal funds and other community resources in a coordinated and comprehensive manner. Information on consolidated planning, including HOPWA formula programs and descriptions of previously awarded competitive grants, is available on the HUD HOME Page at www.hud.gov.

(E) *Availability of National HOPWA Technical Assistance.* If you are interested in providing technical assistance activities with HOPWA funds, submit an application for funds under the Community Development Technical Assistance (CDTA) part of this notice, which is published elsewhere in this SuperNOFA. The CDTA notice provides up to \$2,580,000 in HOPWA funds to organizations for technical assistance support on a national or regional basis.

(F) *Seeking Technical Assistance in Developing a HOPWA Application.* HOPWA TA providers may not provide technical assistance in the drafting of responses to HUD's NOFA due to the unfair advantage such assistance gives to one organization over another. If HUD determines that HOPWA technical assistance has been used to draft a HOPWA application, HUD reserves that right to reject the application for funding.

V. Application Selection Process

(A) *HOPWA Application Reviews.* HUD will review your HOPWA application to ensure that:

- (1) Your application meets the threshold requirements found in the General Section of the SuperNOFA;
- (2) A Certification of Consistency with Consolidated Plans is provided as an appendix to the General Section of the SuperNOFA. Under the HOPWA program, proposed activities that are

located in a jurisdiction are required to be consistent with the jurisdiction's current, approved Consolidated Plan, including the Analysis of Impediments to Fair Housing choice and the Action Plan to address these impediments, except that this certification is not required for projects that propose to undertake activities on a national basis; and

(3) You are currently in compliance with the Federal requirements contained in 24 CFR part 574, subpart G, "Other Federal Requirements."

(B) *The HOPWA Competition.* This national competition will involve the review, rating, and selection of HOPWA applications under each of the two categories of assistance Special Projects of National Significance (SPNS) and Long-Term Comprehensive Strategies (Long-Term) in areas that do not qualify for HOPWA formula allocations.

(C) *Procedures for the Rating of Applications.* HUD will rate all HOPWA applications based on the criteria listed below.

(D) *Factors For Award Used to Evaluate and Rate Applications.* The factors for rating and ranking your application, and the maximum points for each factor, are provided below. The points awarded for the factors total 100. In addition, bonus points for projects in EZ/EC areas and by the City of Dallas may be available under Section III(C)(2) of the General Section of this SuperNOFA apply to this competition. After rating, all applications will be placed in the rank order of their final score for selection within the appropriate category of assistance.

Rating Factor 1: Capacity of the Applicant and Project Sponsors and Relevant Organizational Experience (20 Points)

Please address the following factor on not more than five (5) double-spaced, typed pages. For each project sponsor, you may add two additional pages under this section. This factor addresses the extent to which you and any project sponsor has the organizational resources necessary to successfully implement your proposed activities in a timely manner. If you will be using project sponsor(s) in your project, you must identify each project sponsor in your application. HUD will award up to 20 points based on your and any project sponsor's ability to develop and operate your proposed program, such as housing development, management of housing facilities or units, and service delivery, in relation to which entity is carrying out an activity.

(1) With regard to both you and any project sponsor(s), HUD will consider:

(a) Past experience and knowledge in serving persons with HIV/AIDS and their families;

(b) Past experience and knowledge in programs similar to those proposed in your application;

(c) Experience and knowledge in monitoring and evaluating program performance and disseminating information on project outcomes; and

(d) Past experience as measured by expenditures and measurable progress in achieving the purpose for which funds were provided.

(2) In reviewing the elements of paragraph (1), HUD will consider the extent to which your proposal demonstrates:

(a) The knowledge and experience of the proposed project director and staff, including the day-to-day program manager, consultants and contractors in planning and managing the kind of activities for which you are requesting funds. You and any project sponsor will be judged in terms of recent, relevant and successful experience of staff to undertake eligible program activities, including experience and knowledge in serving persons with HIV/AIDS and their families.

(b) Your and/or the sponsor's experience in managing complex interdisciplinary programs, especially those involving housing and community development programs directly relevant to the work activities proposed and carrying out grant management responsibilities.

(c) If you and/or the sponsor received funding in previous years in the program area for which you are currently seeking funding, you and your sponsor's past experience will be evaluated in terms of the ability to attain demonstrated measurable progress in the implementation of your grant awards. Measurable progress is defined as:

(i) Meeting performance benchmarks, as applicable, in program development and operation;

(ii) Meeting project goals and objectives, such as, that the number of persons assisted was comparable to the number that was planned at the time of application;

(iii) Submitting timely performance reports; and

(iv) Expending prior funding as outlined in the prior proposal with no outstanding audit or monitoring issues.

Rating Factor 2: Need/Extent of the Problem (20 Points)

Please address the following factor on not more than five (5) double-spaced, typed pages. This factor addresses the extent to which there is a need for

funding the proposed program activities and an indication of the urgency of meeting the need in the target area. Up to 20 points will be awarded for this factor.

(1) (5 Points) AIDS Cases. Up to five of these points will be determined by the relative numbers of AIDS cases and per capita AIDS incidence within your service area, in metropolitan areas of over 500,000 population and in areas of a State outside of these metropolitan areas, in the State for proposals involving state-wide activities, and in the nation for proposals involving nation-wide activities. Your application must define a planned service area. To determine these points, HUD will obtain AIDS surveillance information from the Director of the Centers for Disease Control and Prevention.

(2) (5 Points) Description of Unmet Need. Up to five of these points will be determined by the extent to which there is a need for funding eligible activities in the area to be served. To receive the highest ratings in this factor, you must demonstrate that substantial housing and related service needs of low-income persons living with HIV/AIDS and their families are not being met in the area and that reliable statistics and data sources (i.e. Census, health department statistics, research, scientific studies, and Needs Analysis of Consolidated Plan and/or Continuum of Care documentation) show this unmet need. To receive the highest number of points, you also must show that your jurisdiction's Consolidated Plan and Analysis of Impediments to Fair Housing Choice, Continuum of Care Homeless Assistance plans (if homeless persons are to be served), and comprehensive HIV/AIDS housing plans are applicable and identify the level of the problem and the urgency of the need. Urgent and unmet needs may be demonstrated, as follows:

(a) If you apply for a proposed Special Project of National Significance, you must describe a need that is not currently addressed by other projects or programs in the area. Also describe any unresolved or emerging issues and the need to provide new or alternative forms of assistance that, if provided, would enhance your area's programs for housing and related care for persons living with HIV/AIDS and their families; or

(b) If you apply for a project that is part of a Long-Term Comprehensive Strategy in an area that does not receive a HOPWA formula allocation, you must describe the need that is not currently addressed by other projects or programs in the area. You must also describe any unresolved or emerging issues and/or

the need to provide forms of assistance that enhance the community's strategy for providing housing and related services to eligible persons.

HUD will consider your presentation of statistics and data sources based on soundness, reliability and the specificity of information to the target population and the area to be served. If you propose to serve a subpopulation of eligible persons on the basis that these persons have been traditionally and are currently underserved (e.g., persons with multiple disabilities including AIDS), your application must document the need for this targeted effort through statistics and data sources that support the need of this population in your service area.

(3) (5 Points) Need in Non-Formula Areas. Within the points available under this criterion, HUD will award five points, if your SPNS application proposes to serve clients in an area that does not qualify for HOPWA formula allocation.

(4) (5 Points) Highest Rated in a State or the Nation (for nationwide activities). After the other rating factors have been determined, HUD will award five of the points to help achieve greater geographic diversity in funding activities within a variety of States. Under this criterion, five points will be awarded to the highest rated SPNS and Long-term applications in each State and to the highest rated SPNS application among the applications that propose nationwide activities.

Rating Factor 3: Soundness of Approach: Responsiveness and Model Qualities (40 Points)

Please address the following factor on not more than fifteen (15) double-spaced, typed pages and include the HOPWA Budget Forms following this section. This factor addresses the method by which your plan meets your identified needs. HUD will award up to 40 points based on the extent to which your plan evidences a sound approach in its responsiveness to the persons that you will be assisting and how it offers model qualities in providing supportive housing opportunities for low-income persons living with HIV/AIDS and their families, when compared to other applications and projects funded under previous HOPWA competitions. The points will be awarded as follows:

(1) Responsiveness (20 Points). HUD will award up to 20 points based on how well your project plan responds to the unmet needs of the target population including the specific needs that you identified under the Need Criterion with specific goals and objectives for providing housing and related

supportive services for people living with HIV/AIDS and their families. To receive the highest ratings in this element, you must offer a plan that evidences the following:

(a) *Your project's goals and objectives.* You must describe your project's goals and objectives and how you will measure how the project is performing under the required HOPWA performance goal, i.e. increasing the amount of housing assistance and related supportive services to low-income persons living with HIV/AIDS and their families to enable them to achieve housing stability and access to health-care and supportive services. You are encouraged to review Part B, Section IV(A), *Performance Measures and Project Goals and Objectives* of this Notice of Funds Available (NOFA) when developing your goals and objectives. To receive the highest rating your goals should address:

(i) The projected numbers of persons to be served through each activity for each year of your program;

(ii) The projected number of housing units to be provided through your project, (unless you are proposing supportive service only activities) and;

(iii) The specific organizations that will provide housing either through an agreement with your organization or through funding from your project.

(b) *Your plans for accomplishing these goals and objectives.* You must demonstrate your methodology for achieving these goals and objectives by describing the service delivery model that you intend to implement and explain how you will integrate the following items:

(i) *Housing.* You must demonstrate how the housing needs of clients will be addressed by including: (A) the type and number of units of housing to be provided and/or made more appropriate if currently available in the community; (B) the names of the project sponsors and/or organizations providing housing including their roles and responsibilities; (C) the connection of any emergency or transitional housing in obtaining and maintaining permanent housing; (D) any appropriate site features, including accessibility, visitability, and access to other community amenities; (E) ensuring clients and their families have access to health care and other supportive services; (F) demonstrating how tenants' rights will be observed and addressed by providing safe, decent, and affordable housing through such activities as the delivery of maintenance services, security services, and consistency with local and national fair housing laws; (G) demonstrating clients

participation in decision making in project operation and management.

(ii) *Supportive Services*. You must describe how the supportive service needs of clients will be addressed from HOPWA or other sources by including: (A) the type of supportive services that will be offered and/or how services will be accessed and coordinated; (B) the names of the organizations providing the supportive services; (C) the connection of these services in helping clients obtain and/or maintain housing; (D) the roles and responsibilities of project sponsors and other organizations in undertaking these activities. If you propose to use more than 10% of your HOPWA funds for supportive services, emergency or transitional housing activities, to receive the highest number of rating points, you must address how you will meet your clients' permanent housing needs with HOPWA funds or funds from other sources. You can fulfill this commitment by allocating funds for housing vouchers for HOPWA clients or developing permanent housing with this grant or other sources.

(2) *Model Qualities (20 Points)*. HUD will award up to 20 points based on your service delivery model plan and how well it addresses the ongoing housing and supportive service needs within a replicable operational framework. To receive the highest ratings in this factor, you must offer a plan that evidences a permanent housing arrangement and the following:

(a) *Operational Procedures*. You must describe your program's outreach, intake, and assessment procedures, as well as how clients will link to services and (if necessary) housing funded from other sources and how your project provides for consistent monitoring of all clients. You must include within this description how a client moves through the program from intake, assessment, service delivery, and finally to termination or linkage to other services.

(b) *Project Management and Oversight*. You must describe your method for coordinating the project sponsors' services whether for housing or related supportive services with your staff and volunteers, and any other organizations in order to benefit the clients; identify staff members who are responsible for described housing and supportive service tasks; and the ability of your operations to be self-sustaining beyond the life of this grant.

(c) *Evaluation*. Evaluation is defined as your method for collecting data on HUD program goals related to housing and related supportive services, as well as, your project's unique goals and objectives. HUD will assess your method for reviewing this data and

other information on the program's operations and your basis for making relative adjustments based on outcomes and lessons learned from operation of your activities. HUD will provide a greater number of points for programs which will serve as a national model and which provide for the dissemination of information from the lessons learned from your proposed activities.

(d) *Innovative Qualities*. If you propose a new program, or an alternative method of meeting the needs of your clients, you should describe the innovative qualities of your activities. HUD will rate your applications higher if your justification for these innovations provide strong evidence that they will yield qualities that will benefit or expand our knowledge in offering assistance to persons living with HIV/AIDS and their families, when compared to other applications and HOPWA projects funded in the past. In order to learn about innovative qualities of previously funded and on-going HOPWA projects, please review the HOPWA Executive Summaries for all HOPWA formula and competitive grantees at <http://www.hud.gov/cpd/hopwahom.html>.

(e) *Descriptive Budget*. HUD will rate your budget in describing (i) how each amount of requested funding for you and your project sponsors will be used; (ii) how each line item will relate to eligible HOPWA activities as defined in Part B, Section III(C), of this program section of the SuperNOFA; and (iii) how specific line items match with the goals and objectives in your project. You must complete the HOPWA Project Budget Form as described in Part B, Section VI(E). Please note that only the forms are required and an additional narrative under the Model Qualities Section is not required.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses your ability to secure community resources which can be combined with HUD's program resources to achieve program purposes. HUD will award up to 10 points based on the extent to which resources from other public or private sources have been committed at the time of application, to support your project. To achieve the highest ratings for this factor, you must evidence commitments of leveraged resources that match or exceed the amount of HOPWA funds that are requested, but not including funds designated for data collection.

In establishing leveraging, HUD will not consider other HOPWA-funded activities, entitlement benefits inuring

to eligible persons, or conditioned commitments that depend on future fund-raising or actions. In assessing the use of acceptable leveraged resources, HUD will consider the likelihood that State and local resources will be available and continue during the operating period of your grant. In evaluating this factor HUD will also consider:

(1) The extent to which you document leveraged resources, such as funding and/or in-kind services from governmental entities, private organizations, resident management organizations, educational institutions, or other entities to achieve the purposes of the project for which you are requesting HOPWA funds.

(2) The extent to which the documented resources evidence that you have partnered with other entities to make more effective use of available public or private resources. Partnership arrangements may include funding or in-kind services from local governments or government agencies, nonprofit or for-profit entities, private organizations, educational institutions, or other entities that are willing to partner with you on proposed activities, or partnering with other program funding recipients to make more effective use of resources within the geographic area covered by your award.

To receive highest leveraging points, you must document the cash value of leveraged resources pledged to your project(s). Appropriate language is described below:

(i) *Applicant or Third Party Cash Resources*. If this proposal is funded, (applicant name or third party name) commits \$(amount) (of its own funds, if applicant, or to applicant name, if third party) for (type of activity) to be made available to the HOPWA program. These funds will be available from (date) to (date). (Signature and Title of authorized representative and date)

(ii) *Non-Cash Resources*. If this proposal is funded, (organization's name) commits to make available (type of resource) valued at \$(amount) to the HOPWA program proposed by (applicant name). These resources will be made available to the HOPWA program from (date) to (date). (Signature and Title of authorized representative and date) The donation of a third party professional service should be valued at the professional's customary charge. The value of materials to be contributed to the project by a third party or by the applicant may also be counted as leveraging.

(iii) *Volunteer Time*. If this proposal is funded, (name of the organization or of self), commits to provide (number of

hours) of volunteer time from (date) to (date) to provide (type of activity) to the HOPWA program proposed by (applicant name). The total value of these services, based on \$10.00 per hour, is \$(amount). (Signature and Title, and date) Time to be contributed to the project by volunteers should be valued at \$10.00 per hour. In the case of individuals volunteering their time directly to the applicant, the applicant should list itself as the organization.

(iv) *Contribution of a Building*. If this proposal is funded, (applicant name) pledges the building at (site address) to the HOPWA program. The building has a fair market value of \$(amount). A licensed independent real estate appraiser made this assessment which is based on comparable properties in the area. (Signature of applicants authorized representative and date) Ownership of a building or portion of a building to be used in the project may be counted as leveraging. The fair market value of the building or portion of the building being contributed may be counted. Do not send an appraisal to HUD, but keep documentation of fair market value on file. The contribution of land (as a leveraged resource for new construction) should be treated the same as contribution of a building. You will need to keep documentation of the fair market value on file, particularly if it is improved land and you wish to include the value of the improvements in the contribution.

(v) *Contribution of a Building to be Acquired with HOPWA Funds*. If this proposal is funded, (applicant name) commits the building at (site address) for the HOPWA program. The building has a fair market value of \$(amount). A licensed independent real estate appraiser made this assessment which is based on comparable properties in the area. The HOPWA request for the building is \$(amount). Therefore, the contribution is the difference between the fair market value and the HOPWA request, or \$(amount). (Signature of applicants authorized representative and date) The difference between the documented fair market value and the portion paid for with HOPWA funds may be counted as leveraging. Maintain documentation of fair rental value on file.

(vi) *Contribution of Leasehold Interest*. If this proposal is funded, (applicant name) commits the leasehold interest at (site address) for the HOPWA program. The fair rental value of this site is \$(amount) annually, and at constant value will amount to \$(amount) over (term of the lease, up to three years). An appropriate independent third party made this

assessment which is based on comparable properties in the area. The total leasing cost over the term of the lease to be paid with HOPWA funds is \$(amount). Therefore, the contribution is the difference between the HOPWA leasing cost and the fair rental value, or \$(amount). (Signature of applicants authorized representative and date) The difference between the fair rental value (for a term up to three years) and the cost of the lease to be paid for with HOPWA funds may be counted as leveraging.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

Please address the following factor on not more than five (5) double-spaced, typed pages. This factor addresses the extent to which you coordinated the specific proposal with other known organizations, consulted prospective clients or persons with HIV/AIDS in designing your proposal, participates or promotes participation in the jurisdiction's Consolidated Planning process, and in a community's Continuum of Care Homeless Assistance planning process (if homeless persons are to be served by proposed activities), and is working towards addressing a need in a holistic and comprehensive manner through linkages with other activities in the community. HUD will award up to 10 points based on your proposal's comprehensiveness and coordination. In order to ensure that resources are used to their maximum effect within the community, it is important that you be involved in HUD's planning processes for community development and homeless assistance resources. If you, your sponsors, or others partnering with you have been involved in these processes, you should describe that involvement under this factor.

HUD will consider the extent to which your activities were planned with community involvement in a larger community or regional plans which links the provision of health care, supportive services, and housing. Also, how planned activities are proposed to be carried out with HOPWA funds and other resources in order to provide a comprehensive and responsive range of housing and related supportive services to meet the changing needs of persons with HIV/AIDS. Your proposal should demonstrate that housing is provided in conjunction with the client's access to health-care and other supportive services in the area to be served, including assistance provided under the Ryan White CARE Act programs.

In evaluating this factor, HUD will consider the extent to which you demonstrate you have:

(1) Coordinated your proposed activities with those of other groups or organizations prior to submission, to best complement, support, and coordinate all known activities; and if funded, the specific steps you will take to share information on solutions and outcomes with others. You should describe any written agreements, memoranda of understanding in place, or that will be in place after award.

(2) Been actively involved in your community's Continuum of Care Homeless Assistance planning process (if homeless persons are to be served by proposed activities), and/or the jurisdiction's Consolidated Planning process established to identify and address a need/problem that is related to the activities you propose to undertake.

In the case of technical assistance providers, you will be evaluated on the specific steps you will take to work with recipients of technical assistance services to inform them of, and get them involved in, the community's Continuum of Care Homeless Assistance planning process and/or the jurisdiction's Consolidated Planning process, as applicable. HUD will review more favorably your application if you can demonstrate you are active or are working with recipients of technical assistance to get them involved in local and State planning processes.

(3) Developed linkages, or specific steps you will take to develop linkages with other activities, programs or projects through meetings, information networks, planning processes, or other mechanisms, to coordinate your activities so solutions are holistic and comprehensive, including linkages with:

(a) Other HUD-funded projects/activities outside the scope of those covered by the Consolidated Plan; and
(b) Other activities funded by the Federal, State, or local government, including those proposed or on-going in the community.

(E) *Selection of HOPWA Awards*. Whether your HOPWA application is conditionally selected will depend on your overall ranking compared to other applications within each of the two categories of assistance. HUD will select applications in rank order in each category of assistance to the extent that funds are available, except as noted below. In allocating amounts to the categories of assistance, HUD reserves the right to ensure that sufficient funds are available for the selection of at least one application with the highest ranking

under each category of assistance. In selecting projects that target resources to underserved populations as outlined in Part B, Section III(D) in this program section of the SuperNOFA, HUD will ensure that up to (40) percent of the funds awarded for Special Projects of National Significance (SPNS) grants are awarded to applications with collaborations to serve underserved populations and HUD reserves the right to include in these awards at least one application that targets unmet needs in an underserved youth population.

If there is an insufficient request by applicants for funds targeting underserved populations, HUD will use remaining funds for the next highest ranked SPNS Applications in rank order.

HUD reserves the right to achieve greater diversity in the selection of applications by selecting the highest rated application in a State where no applicant has been the recipient of any prior HOPWA competitive grant or formula allocation over a higher rated application in a State that has received prior HOPWA funding. In selecting a lower rated application, HUD will not select an application that is rated below 50 points.

In the event of a tie between applications in a category of assistance, HUD reserves the right to break the tie: by selecting the proposal that increases geographic diversity as defined in the prior paragraph; and, if greater geographic diversity is not achievable, by selecting the proposal that was scored higher on a rating criterion in the following order: Soundness of Approach: Responsiveness and Model Qualities (Rating Factor 3); Comprehensiveness and Coordination (Rating Factor 5); the Capacity of the Applicant and Relevant Organizational Experience (Rating Factor 1); the Need/Extent of the Problem (Rating Factor 2); and Leveraging Resources (Rating Factor 4).

HUD will notify you in writing if you are conditionally selected. You may be notified subsequently of any modification made by HUD, the additional project information necessary for grant award, and the date of deadline for submission of the required information. In the event that a conditionally-selected applicant is unable to meet any conditions for fund award within the specified, HUD reserves the right not to award funds to the applicant, but use those funds to make awards to the next highest rated applications in this competition; to restore amounts to a funding request that had been reduced in this

competition; or to add amounts to funds available for the next competition.

VI. Application Submission Requirements

Your HOPWA application must contain the following items in the order shown below. The standard forms can be found in Appendix B to the General Section of the SuperNOFA.

The remaining application items that are forms (i.e., excluding such items as narratives, letters), referred to as the "non-standard forms" can be found as Appendix D to this program section of the SuperNOFA: The items are as follows:

(A) *Application for Federal Assistance (Form SF-424)*. You should complete Items 1 through 18 with the following additions:

Item 5—Add e-mail address of the contact person;

Item 7—The applicable letters are "A" for State; "B, C, or D" for a unit of local government; or "N" for Nonprofit;

Item 9—Enter U.S. Department of Housing and Urban Development or HUD if not preprinted

Item 10—Enter 14—21 and the title "Housing Opportunities for Persons with AIDS Program" or "HOPWA" for the Catalogue of Federal Domestic Assistance;

Item 15—You must complete the budget on HUD-SF-424M and the HOPWA Project Budget Form. Please make sure that both the Total Amount on HUD-SF-424M and the "Total Budget" section on the HOPWA Project Budget Form are the same. In the event that the total budgets are in conflict, HUD will refer to the HOPWA Project Budget form.

Item 16—Check "No".

(B) *Executive Summary and Synopsis*. Please provide a two to three sentence synopsis of the proposed program, followed by an Executive Summary of the proposed project on no more than two double-spaced, typed pages. HUD will use this as a summary if your project is chosen for funding. In your abstract, include your organization's name and the name of any project sponsor.

(C) *Narrative Statements*. Your application must include narrative statements that address each of the Factors for Award found at Part B, Section V(D) of this program section of the SuperNOFA. Respond to each factor within the stated page limits and do not use a font size smaller than 12 point. Applications failing to submit any of the narrative statements will be rated as zero during the rating process.

(D) *Proposed HOPWA Project Information Form*. See Appendix D in

program section of SuperNOFA. Complete the form including the following:

(1) *Project Sponsors*. You must identify any organization that will receive HOPWA funds as a project sponsor and the amount of funds to be received.

(2) *Non-profit Status*. Non-profit grantees or project sponsors must submit documentation verifying your non-profit status, as outlined under Part B, Section III, *Eligible Applicants and Project Sponsors*, in this program section of the SuperNOFA.

(3) *Service Areas*. Your application must identify the area(s) in which you are proposing to offer housing and other assistance.

(E) *Budget*. You must complete the HOPWA Project Budget Form found in Appendix D of this program section of the SuperNOFA which lists the amount of requested HOPWA funds designated for each type of HOPWA-eligible activity. For more information, please see Part B, Section IV(C), *Program Requirements*, and Paragraph (2)(e) of Rating Factor 3, *Soundness of Approach*.

(F) *Statutory Certifications*. HOPWA applicants are not required to provide the forms, certifications, and assurances listed in the General Section of the SuperNOFA unless stated below. Additionally, the requirement to Affirmatively Further Fair Housing does not apply to the HOPWA program. The following certifications are required by law for funding and should be included with your application. All certifications and forms, except those found in the General Section of the SuperNOFA, are included in the appendixes to the program section of this SuperNOFA.

(1) *Consolidated Plan Certification*. Except as stated below, you must include a Consolidated Plan (hereafter called the plan) certification from the applicable State or local government official responsible for submitting the appropriate plan. If your project will be carried out on a national basis or will be located on a reservation of an Indian tribe, Guam, the Virgin Islands, American Samoa, or the Northern Mariana Islands you are not required to include a Consolidated Plan certification with your application. This certification must be signed by the authorizing official from the State or local government. (See the General Section of the SuperNOFA.)

(2) *Certifications*. The following certifications are required as stated in Section II(G) of the General Section of the SuperNOFA: HUD-50070, Certification of Drug-Free Workplace;

and SF-LLL, Disclosure of Lobbying Activities (if applicable).

(3) *HOPWA Applicant Certifications.* The required HOPWA certifications cover the following items: (i) fair housing and non-discrimination; (ii) uniform relocation assistance; (iii) environmental law and authorities; (iv) continued use periods for structures assisted; and (v) debarred, suspended and ineligible principals requirements. (See Appendix D to this program section of the SuperNOFA.)

(4) *Certification of Consistency with EZ/EC Strategic Plan.* This may be submitted as directed in the General Section of the SuperNOFA.

(5) *HUD-2880, Applicant/Recipient Disclosure Update Report.* This must be signed by you the applicant.

After your entire application is assembled, please mark each exhibit with an appropriately numbered tab and number every page of the application sequentially. Complete the HOPWA Application Checklist found in Appendix D to this program section of the SuperNOFA. Attach the HOPWA Application Checklist to the front of your application.

VII. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

VIII. Other Requirements

(A) *Environmental Requirements.* All HOPWA assistance is subject to the National Environmental Policy Act and applicable related Federal environmental authorities. In accordance with Section 856(h) of the AIDS Housing Opportunities Act, as added by Section 203 (c) of Public Law 106-377 (114 Stat. 1441, approved October 27, 2000), environmental reviews for HOPWA activities are to be completed by responsible entities (including units of general local government, States, Indian tribes and Alaska Native villages) in accordance with 24 CFR Part 58. Applicants or grantees that are not States or units of general local government must request, the unit of general local government to perform the environmental review. This statutory provision supersedes the environmental provisions in the HOPWA regulation at 24 CFR 57.510. HOPWA grantees and project sponsors may not commit or expend any grant of nonfederal funds on project activities (other than those listed in 24 CFR 58.34 or 58.35 (b)) until HUD has approved a Request for Release of Funds and environmental certification from the responsible entity. The expenditure or commitment of HOPWA or nonfederal funds for such activities prior to this HUD approval may result in the denial of assistance for the project under consideration.

(B) *Local Resident Employment (Section 3 Requirements).* For grants in

excess of \$200,000, to the extent that any housing assistance funded through this program section of the SuperNOFA is used for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair, and replacement) or housing construction, then it is subject to section 3 of the Housing and Urban Rehabilitation Act of 1968, as amended, and the implementing regulations at 24 CFR part 135. Section 3 requires that economic opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

(C) *Lead-Based Paint Requirement.* The grantee and program sponsor must comply with the existing requirements of the Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) and implementing regulations at 24 CFR part 35, as applicable.

IX. Authority

This program is authorized under the AIDS Housing Opportunity Act (42 U.S.C. 12901). The regulations for HOPWA are found at 24 CFR part 574.

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