

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

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**SECTION 202 SUPPORTIVE HOUSING  
FOR THE ELDERLY**

Billing Code 4210-32-C



**FUNDING AVAILABILITY FOR SECTION 202 SUPPORTIVE HOUSING FOR THE ELDERLY PROGRAM (SECTION 202 PROGRAM)**

**PROGRAM OVERVIEW**

*Purpose of the Program.* This program provides supportive housing for very low-income persons 62 years of age or older.

*Available Funds.* Approximately \$485.6 million.

*Eligible Applicants.* Private nonprofit organizations and nonprofit consumer cooperatives (see Section III(B) of this NOFA). (See Section VIII of this NOFA for information regarding the formation of the Owner corporation.)

*Eligible Activities.* New construction, rehabilitation, or acquisition of housing with or without rehabilitation (see Section III(C) of this NOFA).

*Application Deadline.* June 5, 2002.

*Match Requirements.* No.

**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.

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

*Application Due Date.* Submit your completed applications on or before 6 p.m., local time, on June 5, 2002 at the address shown below.

See the General Section of this SuperNOFA for specific procedures governing the submission of applications to HUD Field Offices. Only Section 202 applications mailed by United States Postal Service (USPS) will be accepted.

*Address for Submitting Applications.* Submit your completed application (an original and four copies are required) to the Director of the appropriate Multifamily Hub Office or Multifamily Program Center as listed in Appendix A to the Section 811 program section of this SuperNOFA with the following exceptions:

1. Applications for projects proposed to be located within the jurisdiction of the Seattle, Washington and the Anchorage, Alaska Offices must be submitted to the Portland, Oregon Office.
2. Applications for projects proposed to be located within the jurisdiction of the Sacramento, California Office must be submitted to the San Francisco, California Office.
3. Applications for projects proposed to be located within the jurisdiction of the Cincinnati, Ohio Office must be submitted to the Columbus, Ohio Office.

4. Applications for projects proposed to be located within the jurisdiction of the Washington, DC Office must be submitted to the Baltimore, Maryland Office.

The application kit also includes a listing of the Multifamily Hubs and Program Centers, their addresses and telephone numbers, including TTY numbers. This information is also available from HUD's SuperNOFA Information Center at 1-800-HUD-8929 and from the Internet through the HUD web site at <http://www.hud.gov/grants>. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209.

*For Application Kits.* For an application kit and any supplemental materials, please call HUD's SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. When requesting an application kit, please refer to the Section 202 Program and provide your name, address (including zip code), and telephone number (including area code). The application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov/grants> and from the appropriate Multifamily Hub or Multifamily Program Center.

*For Further Information and Technical Assistance.* You may contact the appropriate Multifamily Hub Office or Multifamily Program Center, Evelyn Berry at HUD Headquarters at (202) 708-2866, or access the Internet at <http://www.hud.gov/grants>. Persons with hearing and speech challenges may access the above number via TTY (text telephone) by calling the Federal Relay Service at 1-800-877-8339 (this is a toll-free number).

HUD encourages minority organizations and grassroots organizations (e.g., civic organizations, congregations and faith-based and other community-based organizations) to participate in this program and strongly recommends that prospective applicants attend the local HUD Office workshop. At the workshops, HUD will explain application procedures and requirements as well as address concerns such as local market conditions, building codes and accessibility requirements, historic preservation, floodplain management, displacement and relocation, zoning, and housing costs. If you are interested in attending the workshop, make sure that your name, address and telephone number are on the appropriate HUD Office's mailing list so that you will be informed of the date, time and place of

the workshop. Persons with disabilities should call the appropriate HUD Office to ensure that any necessary arrangements can be made to enable your attendance and participation in the workshop.

If you cannot attend the workshop, call the appropriate HUD Office if you have any questions concerning the submission of applications to that particular office and to request any materials distributed at the workshop.

*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**

For FY 2002, \$ 485,585,696 is available for capital advances for the supportive housing for the elderly program. The FY 2002 HUD Appropriations Act, Pub. L. 107-73, approved November 26, 2001, (HUD Appropriations Act) provides \$683,286,000 for capital advances, including amendments to capital advance contracts, for supportive housing for the elderly as authorized by section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act (Pub. L. 101-625, approved November 28, 1990), and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959. Of this amount, \$600,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

In accordance with the waiver authority provided in the HUD Appropriations Act, the Secretary is waiving the following statutory and regulatory provision: The term of the project rental assistance contract is reduced from 20 years to 5 years. HUD anticipates that at the end of the contract terms, renewals will be approved subject to the availability of funds. In addition to this provision, HUD will reserve project rental assistance contract funds based on 75 percent rather than on 100 percent of the current operating cost standards for approved units in order to take into account the average tenant contribution toward rent.

The allocation formula used for Section 202 reflects the "relevant characteristics of prospective program participants," as specified in 24 CFR

791.402(a). The FY 2002 formula consists of one data element: A measure of the number of one and two person elderly renter households with incomes at or below HUD's Very-low Income Limit (50 percent of area median family income, as determined by HUD, with an adjustment for household size), which have housing deficiencies. The counts of elderly renter households with housing deficiencies were taken from a special tabulation of the 1990 Decennial Census. The formula focuses the allocation on targeting the funds based on the unmet needs of elderly renter households with housing problems.

Under Section 202, 85 percent of the total capital advance amount is allocated to metropolitan areas and 15 percent to nonmetropolitan areas. In addition, each HUD Office jurisdiction receives sufficient capital advance funds

for a minimum of 20 units in metropolitan areas and 5 units in nonmetropolitan areas. The total amount of capital advance funds to support these minimum set-asides are subtracted from the respective (metropolitan or nonmetropolitan) total capital advance amounts available. The remainder is fair shared to each HUD Office jurisdiction whose fair share exceeds the minimum set-aside based on the allocation formula fair share factors described below.

**Note:** The allocations for metropolitan and nonmetropolitan portions of the Multifamily Hub or Program Center jurisdictions reflect the most current definitions of metropolitan and nonmetropolitan areas, as defined by the Office of Management and Budget.

A fair share factor is developed for each metropolitan and nonmetropolitan portion of each local HUD Office jurisdiction by dividing the number of

elderly renter households in the respective metropolitan and nonmetropolitan portion of the jurisdiction by the total number of elderly rental households in the metropolitan and nonmetropolitan portions of the United States. The resulting percentage for each local HUD Office jurisdiction is then adjusted to reflect the relative cost of providing housing among the HUD Office jurisdictions. The adjusted needs percentage for the applicable metropolitan or nonmetropolitan portion of each jurisdiction is then multiplied by the respective total remaining capital advance funds available nationwide. Based on the allocation formula, HUD has allocated the available capital advance funds as shown on the following chart:

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## ATTACHMENT I

OFFICES	FY 2002 SECTION 202 ALLOCATIONS BY FIELD OFFICE					
	METROPOLITAN			NONMETRO		
	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE
<b>BOSTON HUB</b>						
BOSTON	182	17,095,800	9	871,849	191	17,967,649
HARTFORD	90	8,323,282	5	462,656	95	8,785,938
MANCHESTER	46	3,419,646	36	2,619,501	82	6,039,147
PROVIDENCE	53	4,946,196	5	467,631	58	5,413,827
TOTAL	371	33,784,924	55	4,421,637	426	38,206,561
<b>NEW YORK HUB</b>						
NEW YORK	445	52,963,795	5	594,489	450	53,558,284
<b>BUFFALO HUB</b>						
BUFFALO	139	11,586,210	27	2,281,610	166	13,867,820
<b>PHILADELPHIA HUB</b>						
CHARLESTON	20	1,432,742	17	1,253,338	37	2,686,080
NEWARK	209	20,455,274	22	1,883,785	209	20,455,274
PHILADELPHIA	175	15,167,280	19	1,400,751	197	17,051,065
PITTSBURGH	89	6,708,139	58	4,537,874	108	8,108,890
TOTAL	493	43,763,435	111	7,075,758	551	48,301,309
<b>BALTIMORE HUB</b>						
BALTIMORE	75	5,813,649	10	795,860	85	6,609,509
RICHMOND	72	4,900,280	25	1,659,129	97	6,559,409
WASHINGTON	77	6,343,979	35	2,454,989	77	6,343,979
TOTAL	224	17,057,908	70	2,909,978	259	19,512,897

OFFICES	METROPOLITAN			NONMETRO			TOTALS		
	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	
<b>GREENSBORO HUB</b>									
COLUMBIA	50	3,577,352	19	1,347,983	69	4,925,335			
GREENSBORO	83	7,136,248	40	3,392,949	123	10,529,197			
TOTAL	133	10,713,600	59	4,740,932	192	15,454,532			
<b>ATLANTA HUB</b>									
ATLANTA	84	5,583,511	37	2,485,079	121	8,068,590			
KNOXVILLE	39	2,544,398	12	767,283	51	3,311,681			
LOUISVILLE	52	3,673,056	29	2,031,880	81	5,704,936			
NASHVILLE	56	3,691,879	20	1,323,179	76	5,015,058			
SAN JUAN	42	4,206,569	14	1,428,319	56	5,634,888			
TOTAL	273	19,699,413	112	8,035,740	385	27,735,153			
<b>JACKSONVILLE HUB</b>									
BIRMINGHAM	64	4,202,269	25	1,675,945	89	5,878,214			
JACKSON	20	1,273,549	31	1,996,275	51	3,269,824			
JACKSONVILLE	263	17,005,562	16	1,006,576	279	18,012,138			
TOTAL	347	22,481,380	72	4,678,796	419	27,160,176			
<b>CHICAGO HUB</b>									
CHICAGO	229	20,860,254	35	3,208,125	264	24,068,379			
INDIANAPOLIS	85	6,085,240	24	1,750,973	109	7,836,213			
TOTAL	314	26,945,494	59	4,959,098	373	31,904,592			
<b>COLUMBUS HUB</b>									
CINCINNATI	68	4,757,977	5	350,723	73	5,108,700			
CLEVELAND	113	8,804,341	15	1,180,209	128	9,984,550			
COLUMBUS	51	3,518,332	18	1,260,390	69	4,778,722			
TOTAL	232	17,080,650	38	2,791,322	270	19,871,972			

OFFICES	METROPOLITAN			NONMETRO			TOTALS		
	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS
<b>DETROIT HUB</b>									
DETROIT	119	9,784,106	9	732,309	128	10,516,415			
GRAND RAPIDS	47	3,260,631	19	1,326,569	66	4,587,200			
TOTAL	166	13,044,737	28	2,058,878	194	15,103,615			
<b>MINNEAPOLIS HUB</b>									
MINNEAPOLIS	79	6,762,238	30	2,532,642	109	9,294,880			
MILWAUKEE	90	7,352,513	32	2,658,828	122	10,011,341			
TOTAL	169	14,114,751	62	5,191,470	231	19,306,221			
<b>FT. WORTH HUB</b>									
FT. WORTH	111	7,291,523	33	2,149,978	144	9,441,501			
HOUSTON	71	4,632,362	12	814,571	83	5,446,933			
LITTLE ROCK	38	2,290,047	28	1,685,013	66	3,975,060			
NEW ORLEANS	72	4,537,849	17	1,062,119	89	5,599,968			
SAN ANTONIO	61	3,759,266	13	801,214	74	4,560,480			
TOTAL	353	22,511,047	103	6,512,895	456	29,023,942			
<b>KANSAS CITY HUB</b>									
DES MOINES	39	2,677,581	29	2,009,507	68	4,687,088			
KANSAS CITY	66	4,803,339	29	2,033,464	95	6,836,803			
OKLAHOMA CITY	47	2,969,922	23	1,417,292	70	4,387,214			
OMAHA	20	1,462,591	16	1,162,010	36	2,624,601			
ST LOUIS	63	5,114,191	21	1,733,176	84	6,847,367			
TOTAL	235	17,027,624	118	8,355,449	353	25,383,073			
<b>DENVER HUB</b>									
DENVER	85	6,447,806	41	2,836,584	126	9,284,390			

OFFICES	METROPOLITAN			NONMETRO			TOTALS		
	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	UNITS	CAPITAL ADVANCE	
<b>SAN FRANCISCO HUB</b>									
SAN FRANCISCO	189	21,226,464	12	1,214,906	201	22,441,370			
HONOLULU	20	3,581,856	5	895,464	25	4,477,320			
PHOENIX	64	4,365,093	10	694,269	74	5,059,362			
SACRAMENTO	63	5,634,521	11	998,142	74	6,632,663			
TOTAL	336	34,807,934	38	3,802,781	374	38,610,715			
<b>LOS ANGELES HUB</b>									
LOS ANGELES	372	32,775,813	5	440,270	377	33,216,083			
<b>SEATTLE HUB</b>									
SEATTLE	84	7,285,506	17	1,505,772	101	8,791,278			
ANCHORAGE	20	3,581,856	5	895,464	25	4,477,320			
PORTLAND	65	5,073,957	23	1,741,806	88	6,815,763			
TOTAL	169	15,941,319	45	4,143,042	214	20,084,361			
NATIONAL TOTAL	4,856	412,747,840	960	72,837,856	5,816	485,585,696			

### III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* HUD provides capital advances and contracts for project rental assistance in accordance with 24 CFR part 891. Capital advances may be used for the construction or rehabilitation of a structure, or acquisition of a structure with or without rehabilitation (including structures from the Federal Deposit Insurance Corporation (FDIC). Capital advance funds bear no interest and are based on development cost limits published in this SuperNOFA. Repayment of the capital advance is not required as long as the housing remains available for occupancy by very low-income elderly persons for at least 40 years.

Project rental assistance contract (PRAC) funds are used to cover the difference between what the residents pay for rent and the HUD-approved expense to operate the project. PRAC funds may also be used to provide supportive services and to hire a service coordinator in those projects serving the frail elderly residents. The supportive services must be appropriate to the category or categories of frail elderly residents to be served.

(B) *Eligible Applicants.* Private nonprofit organizations and nonprofit consumer cooperatives are the only eligible applicants under this Section 202 Program. Neither a public body nor an instrumentality of a public body is eligible to participate in the program.

A Sponsor or Co-sponsor may not apply for more than 200 units of housing for the elderly in a single Hub or more than 10 percent of the total units allocated to all HUD Offices. Also, no single application may propose more than the number of units allocated to a HUD office or 125 units, whichever is less. Reservations for projects will not be approved for fewer than 5 units. If the proposed project will be a scattered-site development, the 5-unit minimum requirement will apply to each site. Affiliated entities that submit separate applications are considered to be a single entity for the purpose of these limits.

(C) *Eligible Activities.* Section 202 capital advance funds must be used to finance the development of housing through new construction, rehabilitation, or acquisition of housing with or without rehabilitation. Capital advance funds may also be used in combination with other non-Section 202 funding sources to develop additional units for a mixed-finance or mixed-used project. Project rental assistance funds are provided to cover the difference

between the HUD-approved operating costs and the amount the residents pay (each resident pays 30 percent of adjusted income) as well as to provide supportive services to frail elderly residents. In projects principally serving the frail elderly, eligible costs include the salary of a service coordinator.

**Note:** For purposes of approving Section 202 capital advances, HUD will consider proposals involving mixed-financing or a mixed-use purpose for additional units. However, you must obtain funds to assist the additional units with other than PRAC funds. HUD will not provide PRAC funds for non-Section 202 units.

(D) *Ineligible Activities.* Section 202 funds may not be used for nursing homes, infirmaries, medical facilities, mobile home projects, community centers, headquarters for organizations for the elderly, nonhousekeeping accommodations, or refinancing of sponsor-owned facilities without rehabilitation.

**Note:** You may propose to rehabilitate an existing currently-owned or leased structure that may or may not already serve elderly persons.

### IV. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, as an applicant, you must comply with the following requirements. By signing the Section 202 Application for a Fund Reservation, you are certifying that you, the applicant, will comply with all program requirements, including the following requirements:

(A) *Statutory and Regulatory Requirements.* You must comply with all Section 202 Program statutory and regulatory requirements, as listed in Sections III, IV and IX of this program section of the SuperNOFA.

(B) *HUD/RHS Agreement.* HUD and the Rural Housing Service (RHS) have an agreement to coordinate the administration of the agencies' respective rental assistance programs. As a result, HUD is required to notify RHS of applications for housing assistance it receives. This notification gives RHS the opportunity to comment if it has concerns about the demand for additional assisted housing and possible harm to existing projects in the same housing market area. HUD will consider RHS' comments in its review and application selection process.

(C) *Development Cost Limits.* (1) The following development cost limits, adjusted by locality as described in Section IV(C)(2) of this program section of the SuperNOFA, below, will be used to determine the capital advance

amount to be reserved for projects for the elderly:

(a) The total development cost of the property or project attributable to dwelling use (less the incremental development cost and the capitalized operating costs associated with any excess amenities and design features you must pay for) may not exceed:

Nonelevator structures:

\$41,238 per family unit without a bedroom;

\$47,548 per family unit with one bedroom;

\$57,344 per family unit with two bedrooms;

For elevator structures:

\$43,398 per family unit without a bedroom;

\$49,748 per family unit with one bedroom;

\$60,493 per family unit with two bedrooms.

(b) These cost limits reflect those costs reasonable and necessary to develop a project of modest design that complies with HUD minimum property standards; the accessibility requirements of § 891.120(b); and the project design and cost standards of § 891.120 and § 891.210.

(2) Increased development cost limits.

(a) HUD may increase the development cost limits set forth in Section IV(C)(1) of this program section of the SuperNOFA, above, by up to 140 percent in any geographic area where the cost levels require, and may increase the development cost limits by up to 160 percent on a project-by-project basis. This increase may include covering additional costs to make dwelling units accessible through rehabilitation.

(b) If HUD finds that high construction costs in Alaska, Guam, the Virgin Islands, or Hawaii make it infeasible to construct dwellings, without the sacrifice of sound standards of construction, design, and livability, within the development cost limits provided in Section IV(C)(1) of this program section of the SuperNOFA, above, the amount of the capital advances may be increased to compensate for such costs. The increase may not exceed the limits established under this section (including any high cost area adjustment) by more than 50 percent.

(D) *Minimum Capital Investment.* Selected nonprofit organizations must provide a minimum capital investment of one-half of one percent of the HUD-approved capital advance amount, not to exceed \$10,000 in accordance with § 891.145, with the following exception. If you, as Sponsor or Co-Sponsor, have

one or more Section 202 or one or more Section 811 project(s) under reservation, construction, or management in two or more different HUD geographical regions (Hubs), the minimum capital investment shall be one half of one percent of the HUD-approved capital advance amount, not to exceed \$25,000.

(E) *Accessibility.* If you intend to construct, substantially rehabilitate, or acquire, with or without rehabilitation, structures to be used as housing for the elderly, you should note 24 CFR 891.120, which requires that your project meets accessibility requirements. In addition, you should note that 24 CFR 8.4(b)(5) prohibits the selection of a site or location which has the purpose or effect of excluding persons with disabilities from the Federally-assisted program or activity. Thus, if you choose an existing structure, make sure that it can be made accessible in accordance with 24 CFR 891.120 and section 504 of the Rehabilitation Act of 1973, without resulting in an infeasible project. HUD also encourages you to add accessible design features beyond those required under civil rights laws and regulations. See Section VI(C) of the General Section of this SuperNOFA, entitled "Encouraging Accessible Design Features."

(F) *Conducting Business in Accordance with HUD Core Values and Ethical Standards.* Section 202 Sponsors are not subject to the requirements of 24 CFR parts 84 and 85 as outlined in the General Section of this SuperNOFA. However, Sponsors are still subject to the core values and ethical standards as they relate to the conflict of interest provisions in 24 CFR 891.130. To ensure compliance with the program's conflict of interest provisions, Section 202 applicants are required to sign a Conflict of Interest Resolution and include it in the Section 202 application package. Further, if awarded a Section 202 fund reservation, the officers, directors, board members, trustees, stockholders and authorized agents of the Section 202 Sponsor and Owner entities will be required to submit to HUD individual certifications regarding compliance with HUD's conflict of interest requirements.

(G) *Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Women-Owned Businesses.* Although the Section 202 program is not subject to the provision of 24 CFR 85.36(e) as described in the corresponding paragraph in the General Section of the SuperNOFA, you are required to comply with Executive Order 12432, Minority Business Enterprise Development and Executive Order 11625, Prescribing Additional Arrangements for Developing and

Coordinating a National Program for Minority Business Enterprise as they relate to the encouragement of HUD grantees to utilize minority business enterprises.

(H) *Fair Housing Requirements.* You must comply with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act, the Age Discrimination Act of 1975, the affirmative fair housing marketing requirements of 24 CFR part 200, subpart M and the implementing regulations at 24 CFR part 108, and other applicable Federal, State and local laws prohibiting discrimination and promoting equal opportunity. In addition, you are required to affirmatively further fair housing in conducting your program or activities in accord with Section II(D) of the General Section of the SuperNOFA entitled "Affirmatively Furthering Fair Housing."

(I) *Economic Opportunities for Low and Very Low-Income Persons (Section 3).* You must comply with Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low and Very Low-Income Persons), and its implementing regulations at 24 CFR part 135. You must ensure that training, employment and other economic opportunities shall, to the greatest extent feasible, be directed toward low and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low and very low-income persons. To comply with Section 3 requirements, you are hereby certifying that you will strongly encourage your general contractor and subcontractors to participate in local apprenticeship programs or training programs registered with or certified by the Department of Labor's Office of Apprenticeship, Training, Employer and Labor Services or recognized State Apprenticeship Agency.

(J) *Design and Cost Standards.* You must comply with HUD's Section 202 design and cost standards (24 CFR 891.120 and 891.210, the Uniform Federal Accessibility Standards (24 CFR 40.7), Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, and for covered multifamily dwellings designed and constructed for first occupancy after March 13, 1991, the design and construction requirements of the Fair Housing Act and HUD's implementing regulations at 24 CFR part 100, and the Americans with Disabilities Act of 1990.

(K) *Acquisition and Relocation.* You must comply with the Uniform Relocation Assistance and Real Property

Acquisition Policies Act of 1970, as amended (49 CFR part 24, and 24 CFR 891.155(e)) (URA) which covers the acquisition of sites, with or without, existing structures. However, you are exempt from complying with the site acquisition requirements of the URA if you do not have the power of eminent domain and prior to entering into a contract of sale, option to purchase or any other method of obtaining site control, you inform the seller of the land (1) that you do not have the power of eminent domain and, therefore, you will not acquire the property if negotiations fail to result in an amicable agreement, and (2) of the estimate of the fair market value of the property. An appraisal is not required to meet this requirement, however, your files must include an explanation (with reasonable evidence) of the basis for the estimate.

(L) *Formation of Owner Corporation.* You must form an Owner (in accordance with 24 CFR 891.205) after issuance of the capital advance, must cause the Owner to file a request for determination of eligibility and a request for capital advance, and must provide sufficient resources to the Owner to ensure the development and long-term operation of the project, including capitalizing the Owner at firm commitment processing in an amount sufficient to meet its obligations in connection with the project.

(M) *Supportive Services.* You must not require residents to accept any supportive services as a condition of occupancy.

(N) *Davis-Bacon.* You must comply with the Davis-Bacon requirements and the Contract Work Hours and Safety Standards Act.

(O) *Flood Disaster Protection Act of 1973.* You must comply with the requirements under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128) and the Coastal Barrier Resources Act (16 U.S.C. 3601).

(P) *National Environmental Policy Act.* You must comply with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and applicable related environmental authorities at 24 CFR 50.4, HUD's implementing regulations at 24 CFR part 50 and 24 CFR 891.155(b).

(Q) *Truth and Accuracy.* By signing your application, you are certifying that the information you are providing to HUD in your application under the Section 202 Program of Supportive Housing for the Elderly is true and accurate, to the best of your knowledge.

(R) *Expiration of Section 202 Funds.* The FY 2002 HUD Appropriations Act requires HUD to obligate all 202 funds appropriated for FY 2002 by September

30, 2004. Under 31 U.S.C. Section 1551, no funds can be disbursed from the account after September 30, 2009. Under Section 202, obligation of funds occurs for both capital advances and project rental assistance upon fund reservation and acceptance. If all funds are not disbursed by HUD and expended by the project Owner by September 30, 2009, the funds even though obligated will expire and no further disbursements can be made from this account. In submitting an application you need to carefully consider whether your proposed project can be completed through final capital advance closing no later than September 30, 2009. Furthermore, absent Congressional relief, all unexpended balances, including any remaining balance on PRAC contracts, will be cancelled as of October 1, 2009. Amounts needed to maintain PRAC payments for any remaining term on the affected contracts beyond that date will have to be funded from other current appropriations.

## V. Application Selection Process

(A) *Review for Curable Deficiencies.* You should ensure that your application is complete before submitting it to the appropriate HUD Office. HUD will screen all applications received by the deadline for curable deficiencies. A curable deficiency is a missing Exhibit or portion of an Exhibit that will not affect the rating of the application. The following is a list of the deficiencies that will be considered curable in a Section 202 application:

### Exhibits

- (1) Form 92015-CA (Application Form)\*
- (2) (a) Articles of Incorporation\*
- (b) By-laws\*
- (c) IRS tax exemption ruling\*
- (4) (c)(ii) Energy efficiency
- (d)(i) Evidence of site control
- (d)(ii) Evidence site is free of limitations, restrictions or reverters
- (d)(vi) Phase I Environmental Site Assessment
- (d)(vii) Letter from State Historic Preservation Officer (SHPO)
- (6) Relocation
- (7) (a) Standard Form 424, Application for Federal Assistance and Compliance with Executive Order 12372\*
- (b) HUD-50070, Certification of a Drug-free Workplace
- (c) Form-HUD 50071, Certification of Payments to Influence Federal Transactions and Standard Form-LLL, Disclosure of Lobbying Activities
- (d) Form-HUD 2880, Applicant/Recipient Disclosure/Update Report
- (e) Form-HUD 2992, Certification Regarding Debarment and Suspension
- (f) Form-HUD 2991, Certification of Consistency with Consolidated Plan
- (g) Conflict of Interest Resolution
- (h) Resolution for Commitment to Project\*

The HUD Office will notify you in writing if your application is missing any of the above exhibits or portions of exhibits and you will be given 14 days from the date of the HUD notification to submit the information required to cure the noted deficiencies. The items identified by an asterisk (\*) must be dated on or before the application deadline date.

(B) *Rating.* HUD will review and rate your application in accordance with the Application Selection Process in the General Section of this SuperNOFA with the following exception. HUD will not reject your application based on technical review without notifying you of that rejection with all the reasons for rejection, and providing you an opportunity to appeal. You will have 14 calendar days from the date of HUD's written notice to appeal a technical rejection to the HUD office.

The HUD office will make a determination on an appeal before making its selection recommendations. All applications will be either rated or technically rejected at the end of technical review. If your application meets all program eligibility requirements after completion of technical review, it will be rated according to the rating factors in Section V(D) of this Section 202 Program section of the SuperNOFA.

If an Exhibit or portion of an Exhibit listed above as curable is not discovered as a missing item until technical processing, HUD will provide you with 14 calendar days in which to cure the deficiency.

(C) *Ranking and Selection Procedures.* Applications submitted in response to the advertised metropolitan allocations or nonmetropolitan allocations that have a total base score (without the addition of EC/EZ bonus points) of 70 points or more and meet all of the applicable threshold requirements of Section II(B) of the General Section of the SuperNOFA will be eligible for selection, and HUD will place them in rank order per metropolitan or nonmetropolitan allocation. These applications, after adding any bonus points for EC/EZ, will be selected based on rank order, up to and including the last application that can be funded out of each HUD office's metropolitan or nonmetropolitan allocation. HUD offices must not skip over any applications in order to select one based on the funds remaining. After making the initial selections in each allocation area, however, HUD may use any residual funds to select the next rank-ordered application by reducing the number of units by no more than 10 percent, rounded to the nearest whole number,

provided the reduction will not render the project infeasible. For this purpose, however, HUD will not reduce the number of units in projects of five units or less.

Once this process has been completed, HUD offices may combine their unused metropolitan and nonmetropolitan funds in order to select the next ranked application in either category, using the unit reduction policy described above, if necessary.

After the offices have funded all possible projects based on the process above, combined metropolitan and nonmetropolitan residual funds from all HUD Offices in each Multifamily Hub will be combined. These funds will be used first to restore units to projects reduced by HUD offices based on the above instructions. Second, additional applications within each Multifamily Hub will be selected in rank order with only one application selected per HUD Office. More than one application may be selected per HUD Office if there are no approvable applications in other HUD Offices within the Multifamily Hub. This process will continue until there are no more approvable applications within the Multifamily Hub that can be selected with the remaining funds. Applications may not be skipped over to select one based on funds remaining. However, HUD may use any remaining residual funds to select the next rank-ordered application by reducing the number of units by no more than 10 percent rounded to the nearest whole number, provided the reduction will not render the project infeasible or result in the project being less than five units.

Funds remaining after these processes are completed will be returned to Headquarters. HUD Headquarters will use these residual funds first to restore units to projects reduced by HUD offices as a result of the instructions for using their residual funds. Second, HUD Headquarters will use these funds for selecting applications based on field offices' rankings beginning with the highest rated application nationwide. However, after restoring units to projects where necessary, priority will be given to those applications for projects in non-metropolitan areas, if necessary to meet the statutory requirement pertaining to Section 202 funding in non-metropolitan areas. Only one application will be selected per HUD office from the national residual amount. If there are no approvable applications in other HUD offices, the process will begin with the selection of the next highest rated application nationwide. This process will continue until all approvable applications are

selected using the available remaining funds.

(D) *Factors For Award Used To Evaluate and Rate Applications.* HUD will rate applications that successfully complete technical processing using the Rating Factors set forth below and in accordance with the application submission requirements identified in Section VI(B) below. The maximum number of points an application may receive under this program is 102. This includes two EZ/EC bonus points, as described in the General Section of the SuperNOFA.

**Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (25 Points)**

This factor addresses the extent to which you have the organizational resources to successfully implement the proposed activities in a timely manner. Submit information responding to this factor in accordance with Application Submission Requirements in paragraphs (B)(2), (B)(3)(a), (B)(3)(b), (B)(3)(e) and (B)(5) of Section VI of this program section of the SuperNOFA.

In rating this factor, HUD will consider the extent to which your application demonstrates your ability to develop and operate the proposed housing on a long-term basis, considering the following:

(a)(i) (14 points) The scope, extent, and quality of your experience in providing housing or related services to those proposed to be served by the project and the scope of the proposed project (i.e., number of units, services, relocation costs, development, and operation) in relationship to your demonstrated development and management capacity as well as your financial management capability;

(a)(ii) (1 point) Your organization is a grassroots organization as defined in the General Section of this SuperNOFA.

(b) (10 points) The scope, extent, and quality of your experience in providing housing or related services to minority persons or families as well as your ties to the community at large and to the minority and elderly communities in particular. For purposes of this program section of the SuperNOFA, "minority" means the basic racial and ethnic categories for Federal statistics and administrative reporting, as defined in the Appendix section of the Office of Management and Budget's (OMB) **Federal Register** Notice entitled "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity" and dated October 30, 1997 (62 FR 58782-90). It can be found on the OMB Website at

[www.whitehouse.gov/omb/fedreg/ombdir15.html](http://www.whitehouse.gov/omb/fedreg/ombdir15.html).

(c) (-2 points) A fund reservation you received under either the Section 202 Program of Supportive Housing for the Elderly or the Section 811 Program of Supportive Housing for Persons with Disabilities has been extended beyond 36 months (except if the delay was beyond your control). Examples of such delays include, but are not limited to, initial closing delays that are: (1) directly attributable to HUD, (2) directly attributable to third party opposition, including litigation, and (3) due to a disaster, as declared by the President of the United States.

(d) (-1 point) Amendment money was required as a result of the delay (except if the delay was beyond your control).

**Rating Factor 2: Need/Extent of the Problem (15 Points)**

This factor addresses the extent to which there is a need for funding the proposed activities to address a documented problem in the target area. Submit information responding to this factor in accordance with Application Submission Requirements in paragraphs (B)(4)(a) and (B)(4)(b) of Section VI of this program section of the SuperNOFA. In evaluating this factor, HUD will consider:

The extent of the need for the project in the area based on a determination by the HUD Office. In making this determination, HUD will consider your evidence of need in the area, as well as other economic, demographic, and housing market data available to the HUD office. The data could include information on the number of existing Federally assisted housing units (HUD and RHS) for the elderly in the area and current occupancy in such facilities; Federally assisted housing for the elderly under construction or for which fund reservations have been issued; and in accordance with an agreement between HUD and the RHS, comments from the RHS on the demand for additional assisted housing and the possible harm to existing projects in the same housing market area. The Department will also review more favorably those applications which establish a connection between the proposed project and the community's Analysis of Impediments to Fair Housing Choice (AI) or other planning document that analyzes fair housing issues and is prepared by a local planning or similar organization. You must show how your proposed project will address an impediment to fair housing choice described in the AI or

meet a need identified in the other type of planning document.

**Rating Factor 3: Soundness of Approach (40 Points)**

This factor addresses the quality and effectiveness of your proposal. There must be a clear relationship between your proposed activities, the community's needs and purposes of the program funding for your application to receive points for this factor. Submit information responding to this factor in accordance with Application Submission Requirements in paragraphs (B)(4)(c), (B)(4)(d) and (B)(4)(e) of Section VI of this program section of the SuperNOFA. In evaluating this factor, HUD will consider the following:

(a)(i) (15 points) The proximity or accessibility of the site to shopping, medical facilities, transportation, places of worship, recreational facilities, places of employment, and other necessary services to the intended occupants; adequacy of utilities and streets; freedom of the site from adverse environmental conditions; compliance with site and neighborhood standards (24 CFR 891.125(a), (d) and (e));

(a)(ii) (-1 point) HUD will deduct one (1) point from this Factor if the site(s) is not already permissively zoned for the intended use.

(b) (10 points) The suitability of the site from the standpoints of promoting a greater choice of housing opportunities for minority elderly persons/families, and affirmatively furthering fair housing. In reviewing this criterion, HUD will assess whether the site meets the site and neighborhood standards at 24 CFR 891.125(b) and (c) by examining relevant data in your application or in the HUD Office. Where appropriate, HUD may visit the site.

(i) The site will be deemed acceptable if it increases housing choice and opportunity by:—Expanding housing opportunities in non-minority neighborhoods (if located in such a neighborhood). The term "nonminority area" is defined as one in which the minority population is lower than 10 percent; or

— Contributing to the revitalization of and reinvestment in minority neighborhoods, including improvement of the level, quality and affordability of services furnished to minority elderly. You should refer to the Site and Neighborhood Standards provisions of the regulations governing the Section 202 Supportive Housing for the Elderly program (24 CFR 891.125(b) and (c)) when considering sites for your project.

(ii) For the purpose of this competition, the term "minority

neighborhood (area of minority concentration)" is defined as one where any one of the following statistical conditions exists:

- The percentage of persons of a particular racial or ethnic minority is at least 20 points higher than the minority's or combination of minorities' percentage in the housing market as a whole; or,
- The neighborhood's total percentage of minority persons is at least 20 points higher than the total percentage of minorities for the housing market as a whole; or,
- In the case of a metropolitan area, the neighborhood's total percentage of minority persons exceeds 50 percent of its population.

(c) (3 points) The extent to which your proposed design will meet the special physical needs of elderly persons;

(d) (3 points) The extent to which the proposed size and unit mix of the housing will enable you to manage and operate the housing efficiently and ensure that the provision of supportive services will be accomplished in an economical fashion;

(e) (3 points) The extent to which the proposed design of the housing will accommodate the provision of supportive services that are expected to be needed, initially and over the useful life of the housing, by the category or categories of elderly persons the housing is intended to serve;

(f) (3 points) The extent to which the proposed supportive services meet the identified needs of the anticipated residents; and

(g) (3 points) The extent to which you demonstrate that the identified supportive services will be provided on a consistent, long-term basis.

(h) (-1 point) HUD will deduct one (1) point from the rating of this Factor if you do not include a plan for completing your project within the initial fund reservation period of 18 months.

#### **Rating Factor 4: Leveraging Resources (10 Points)**

This factor addresses your ability to secure other community resources which can be combined with HUD's program resources to achieve program purposes. Submit information responding to this factor in accordance with Application Submission Requirements in paragraphs (B)(3)(c) and (B)(3)(d) of Section VI of this program section of the SuperNOFA.

(a) (5 points) The extent of local government support (including financial assistance, donation of land, provision of services, etc.) for the project; and

(b) (5 points) The extent of your activities in the community, including previous experience in serving the area where the project is to be located, and your demonstrated ability to enlist volunteers and raise local funds.

#### **Rating Factor 5: Coordination, Self Sufficiency and Sustainability (10 Points)**

This factor addresses the extent to which you coordinated your activities with other known organizations that will not be directly involved in the proposed project, participate or promote participation in the community's planning process (e.g., the Consolidated Planning process, including the Analysis of Impediments to Fair Housing Choice), and are working toward addressing a need in a holistic and comprehensive manner to ensure that the project will not operate in isolation. This factor also addresses the extent to which your project will implement practical solutions that will result in assisting residents in achieving independent living, educational opportunities, and improved living environments. Finally, this factor addresses the extent to which the long-term viability of your project will be sustained for the duration of the 40-year capital advance period. Submit information responding to this factor in accordance with Application Submission Requirements in paragraphs (B)(3)(f), (B)(3)(g), (B)(3)(h), (B)(3)(i) and (B)(3)(j) of Section VI of this program section of the SuperNOFA.

(a) (2 points) Your involvement of elderly persons, particularly minority elderly persons, in the development of the application, and your intent to involve elderly persons, particularly minority elderly persons, in the development and operation of the project;

(b) (2 points) The extent to which you coordinated your application with other organizations that will not be directly participating in your project, but with which you share common goals and objectives and are working toward meeting these objectives in a holistic and comprehensive manner;

(c) (2 points) The extent to which you demonstrated that you have been actively involved, or if not currently active, the steps you will take to become actively involved in the community's planning process (e.g., the Consolidated Planning process, including the Analysis of Impediments to Fair Housing Choice) to identify and address a need/problem that is related in whole or part, directly or indirectly to the proposed project;

(d) (2 points) The extent to which your project will implement practical solutions that will result in assisting residents in achieving independent living, educational opportunities, and improved living environments; and

(e) (2 points) The extent to which you demonstrated that your project will remain viable as housing with the availability of supportive services for very low-income elderly persons for the 40-year capital advance period.

#### **Bonus Points**

(2 bonus points) Location of proposed site in an EZ/EC area, as described in the General Section of this SuperNOFA. Submit the information responding to the bonus points in accordance with the Application Submission Requirements in paragraph (B)(7)(i) of Section VI of this program section of the SuperNOFA.

(E) *Applicant Debriefing*. Beginning not less than 30 days after the awards for assistance are announced pursuant to this program NOFA, HUD will provide a debriefing to any applicant requesting a debriefing on their application. All requests for debriefings must be made in writing and submitted to the Director, of the Office of Multifamily Housing in the local HUD Office in which the application was filed. Materials provided to you during your debriefing will include the final scores you received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which assistance was provided or denied.

#### **VI. Application Submission Requirements**

(A) *Application*. Your application must include all of the information, materials, forms, and exhibits listed in Section VI(B) of this program section of the SuperNOFA (unless you were selected for a Section 202 fund reservation within the last three funding cycles). If you qualify for this exception, you are not required to submit the information described in Sections VI(B)(2)(a), (b), and (c) of this program section of the SuperNOFA (Exhibits 2.a., b., and c. of the application kit), which are the articles of incorporation, (or other organizational documents), by-laws, and the IRS tax exemption, respectively. If there has been a change in any of these documents since your previous HUD approval, you must submit the updated information in your application. HUD offices will verify your indication of previous HUD approval by checking the project number and approval status with the appropriate HUD Office based on the

information submitted in response to Section VI(B)(2) below.

In addition to this relief of paperwork burden in preparing applications, you will be able to submit information and exhibits you have previously prepared for prior applications under Section 202, Section 811, or other funding programs. Examples of exhibits that may be readily adapted or amended to decrease the burden of application preparation include, among others, those on previous participation in the Section 202 or Section 811 Programs, your experience in the provision of housing and services, supportive services plan, community ties, and experience serving minorities.

(B) *General Application Requirements.* Your application must contain the items listed in this Section VI(B). These items include the standard forms, certifications, and assurances listed in the General Section of the SuperNOFA that are applicable to this funding (collectively referred to as the "standard forms"). 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), referred to as the "non-standard forms" can be found as Appendix B to this program section of the SuperNOFA. The items are as follows:

(1) Form HUD-92015-CA, Application for Section 202 Supportive Housing Capital Advance.

(2) Evidence of your and each Co-Sponsor's legal status as a private nonprofit organization or nonprofit consumer cooperative, including the following:

(2)(a) Articles of Incorporation, constitution, or other organizational documents;

(2)(b) By-laws;

(2)(c) IRS tax exemption ruling (this must be submitted by you and each Co-Sponsor, including churches). A consumer cooperative that is tax exempt under State law, has never been liable for payment of Federal income taxes, and does not pay patronage dividends may be exempt from the requirement set out in the previous sentence if it is not eligible for tax exemption.

**Note:** If you received a Section 202 Fund Reservation within the last three funding cycles, you are not required to submit the documents described in paragraphs (2)(a), (2)(b), and (2)(c), above. Instead, you must submit the project number of the latest application selected and the HUD office to which it was submitted. If there have been any modifications or additions to the subject documents, indicate such, and submit the new material.

(3) A description of your purpose, community ties, and experience, including the following:

(3)(a) A description of your purpose, current activities and how long you have been in existence;

(3)(b) A description of your ties to the community in which your project will be located and to the minority and elderly communities in particular, including a description of the specific geographic area(s) in which you have served;

(3)(c) A description of local government support for the project (including financial assistance, donation of land, provision of services, etc.);

(3)(d) Letters of support for your organization and for the proposed project from organizations familiar with the housing and supportive services needs of the elderly that you expect to serve in the proposed project;

(3)(e) A description of your housing and/or supportive services experience. The description should include any rental housing projects and/or supportive services facilities that you have sponsored, owned, and/or operated; your past or current involvement in any programs other than housing that demonstrates your management capabilities (including financial management) and experience; your experience in serving the elderly, including elderly persons with disabilities, and/or families and minorities; and the reasons for receiving any increases in fund reservations for developing and/or operating previously funded Section 202 or Section 811 projects. The description should include data on the facilities and services provided, the racial/ethnic composition of the populations served, if available, and information and testimonials from residents or community leaders on the quality of the activities. Examples of activities that could be described include housing counseling, nutrition and food services, special housing referral, screening and information projects.

(3)(f) A description of your efforts to involve elderly persons, including minority elderly persons, in the development of the application, as well as your intent to involve elderly persons in the development and operation of the project.

(3)(g) A description of the steps you took to coordinate your application with other organizations, that will not be directly involved in your project but with which you share common goals and objectives, to complement and/or support the proposed project so that the project will provide a comprehensive and holistic solution to the needs of the

elderly. Also, describe the steps you will take, if funded, to share information on solutions and outcomes relative to the development of the proposed project.

(3)(h) A description of your involvement in the community's planning process (e.g., the Consolidated Planning process, including the Analysis of Impediments to Fair Housing Choice), including:

(3)(h)(i) An identification of the lead/facilitating agency that organizes/administers the process;

(3)(h)(ii) An identification of the areas of the community's planning process in which you participate;

(3)(h)(iii) Your level of participation in the process, including active involvement with any neighborhood-based organizations, associations, or any committees that support programs and activities that enhance projects or the lives of residents of the projects, such as the one proposed in your application.

If you are not currently active, describe the specific steps you will take to become active in the community's planning process. If adopting the Consolidated Plan community process, consult the local HUD Office for the identification of the appropriate area.

(3)(i) A description of the practical solutions you will implement which will enable the residents of your project to achieve independent living. In addition, describe the educational opportunities you will provide for the residents and how you will provide them. This description should include any activities that will enhance the quality of life for the residents. And, finally, describe how your proposed project will be an improved living environment for the residents when compared to their previous place of residence.

(3)(j) Describe how you will ensure that your proposed project will remain viable as housing with the availability of supportive services for very low-income elderly persons for the 40-year capital advance period. This description should address the measures you would take should any of the following occur: (i) funding for any of the needed supportive services becomes depleted, or (ii) if, for any state-funded services for your project, the state changes its policy regarding the provision of supportive services to projects such as the one you propose, or (iii) if the need for housing for the elderly wanes over time, causing vacancies in your project.

(4) Project information, including the following:

(4)(a) Evidence of need for supportive housing. Such evidence would include a description of the category or

categories of elderly persons the housing is intended to serve and evidence demonstrating sustained effective demand for supportive housing for that population in the market area to be served, taking into consideration the occupancy and vacancy conditions in existing Federally assisted housing for the elderly (HUD and RHS; e.g., public housing); State or local data on the limitations in activities of daily living among the elderly in the area; aging in place in existing assisted rentals; trends in demographic changes in elderly population and households; the numbers of income eligible elderly households by size, tenure, and housing condition; the types of supportive services arrangements currently available in the area; and the use of such services as evidenced by data from local social service agencies or agencies on aging. Also, a description of how information in the community's Analysis of Impediments to Fair Housing Choice was used in documenting the need for the project.

(4)(b) A description of how the proposed project will benefit the target population and the community in which it will be located.

(4)(c) A description of the project, including the following:

(4)(c)(i) A narrative description of the building design, including a description of the number of units with bedroom distributions, any special design features, amenities, and/or community space, and how this design will facilitate the delivery of services in an economical fashion and accommodate the changing needs of the residents over the next 10–20 years.

**Note:** If these community spaces, amenities, or features would not comply with the project design and cost standards of 24 CFR 891.120 and the special project standards of 24 CFR 891.210, you must state your ability and willingness to contribute both the incremental development cost and continuing operating cost associated with the community spaces, amenities, or features;

(4)(c)(ii) A description of whether and how the project will promote energy efficiency, and, if applicable, innovative construction or rehabilitation methods or technologies to be used that will promote efficient construction.

(4)(c)(iii) If applicable, a description of any plans and the actions you have taken to create a mixed-finance/mixed-use project by developing additional units (i.e., in addition to the Section 202 units) with the use of Section 202 capital advance funds in combination with other funding sources. Specify the number of Section 202 units and the number of additional units from non-Section 202 funding sources. Provide

copies of any letters you have sent seeking outside funding for the non-Section 202 units and any responses thereto. You also must demonstrate your ability to proceed with the development of a Section 202 project that will not involve mixed-financing or a mixed-use purpose, as proposed in your application, in the event you are later unable to obtain the necessary outside funding or HUD disapproves your proposal for mixed-financing or a mixed-use.

**Note:** Approval of the Section 202 capital advance will not necessarily be approval of the mixed-finance/mixed-use proposal. If approved for a reservation of capital advance funds, you will be required to submit, after reservation of capital advance funds, a detailed proposal outlining how you will fund both development and operation of the additional units in accordance with HUD instructions that will be issued later. Based on the strength of your organization and HUD's prior experience with your projects, as well as your outline of your intentions, at the time of making the fund reservation, HUD will determine whether you will be permitted to submit a mixed-finance/mixed-use proposal at a later time. Only those Sponsors that indicate in their application for a fund reservation an intention to propose additional units will be eligible to submit, at a later time, a mixed-finance/mixed-use proposal for additional units. (A mixed-finance/mixed-use project, as used here, does not include the development of Section 202 units using secondary/supplemental financing or the development of a mixed-use project in which the Section 202 units are mortgaged separately from the other uses of the structure).

(4)(c)(iv) Describe your plan for completing the proposed project within the initial 18-month term of the fund reservation (optional).

(4)(d) Evidence that the Sponsor has site control and permissive zoning, including the following:

(4)(d)(i) Acceptable evidence of site control is limited to any one of the following:

(A) Deed or long-term leasehold which evidences that you have title to or a leasehold interest in the site. If a leasehold, the term of the lease must be at least 75 years;

(B) Contract of sale for the site which is free of any limitations affecting ability to deliver ownership to you after you receive and accept a notice of Section 202 capital advance. The only condition for closing on the sale can be your receipt and acceptance of the capital advance. The contract of sale cannot require closing on a date earlier than the Section 202 closing.

(C) Option to purchase or for a long-term leasehold which must remain in effect for six months from the date on which the applications are due, and

must state a firm price binding on the seller. The only condition on which the option may be terminated is if you are not awarded a fund reservation. The option must be renewable at the end of the six months option period.

(D) Where the proposed site is subject to a mortgage under a HUD program (e.g., an earlier 202 or an FHA insured mortgage), you must submit evidence that consent to release of the site from that mortgage has been obtained or has been requested from HUD and from the mortgagee, if other than HUD.

(E) For sites to be acquired from a public body, evidence is needed that the public body possesses clear title to the site and has entered into a legally binding agreement to lease or convey the site to you after you receive and accept a notice of Section 202 capital advance. Where HUD determines that time constraints of the funding round will not permit all of the required official actions (e.g., approval of Community Planning Boards) that are necessary to convey publicly-owned sites, a letter in the application from the mayor or director of the appropriate local agency indicating that conveyance or leasing of the site is acceptable without imposition of additional covenants or restrictions and only contingent on the necessary approval action. Such a letter commitment will be considered sufficient evidence of site control.

**Note:** For this funding cycle, New York City-owned sites that are designated as community gardens and are involved in litigation will not meet site control requirements due to litigation involving those sites.

(4)(d)(ii) Whether you have title to the site, a contract of sale, an option to purchase, or are acquiring the site from a public body, you must provide evidence (a title policy or other acceptable evidence) that the site is free of any limitations, restrictions, or reverters which could adversely affect the use of the site for the proposed project for the 40-year capital advance period under HUD's regulations and requirements (e.g., reversion to seller if title is transferred). If the title evidence contains restrictions or covenants, copies of such covenants or restrictions must be submitted with the application. If the site is subject to any such limitations, restrictions, or reverters, the application will be rejected. Purchase money mortgages that will be satisfied from capital advance funds are not considered to be limitations or restrictions that would adversely affect the use of the site. If the contract of sale or the option agreement contains

provisions that allow a Sponsor not to purchase the property for reasons such as environmental problems, failure of the site to pass inspection, or the appraisal is less than the purchase price, then such provisions are not objectionable and a Sponsor is allowed to terminate the contract of sale or the option agreement.

**Note:** A proposed project site may not be acquired or optioned from a general contractor (or its affiliate) that will construct the section 202 project or from any other development team member.

(4)(d)(iii) Evidence that the project as proposed is permissible under applicable zoning ordinances or regulations, or a statement of the proposed action required to make the proposed project permissible and the basis for your belief that the proposed action will be completed successfully before the submission of the firm commitment application (e.g., a summary of the results of any requests for rezoning and/or the procedures for obtaining special or conditional use permits on land in similar zoning classifications and the time required for such rezoning, or preliminary indications of acceptability from zoning bodies, etc.).

(4)(d)(iv) A narrative topographical and demographic description of the suitability of the site and area, and how the site will promote greater housing opportunities for minority elderly persons, thereby affirmatively furthering fair housing.

**Note:** You can best demonstrate your commitment to affirmatively furthering fair housing by describing how your proposed activities will assist the jurisdiction in overcoming impediments to fair housing choice identified in the applicable jurisdiction's Analysis of Impediments to Fair Housing Choice (AI), which is a component of the jurisdiction's Consolidated Plan, or any other planning document that addresses fair housing issues. The applicable Consolidated Plan and AI may be the Community's, the County's, or the State's, to which input should have been provided by local community organizations, agencies in the community, and residents of the community. Alternatively, a document that addresses fair housing issues and remedies to barriers to fair housing in the community that was previously prepared by a local planning, or similar organization, may be used. Applicable impediments could include the need for improved housing quality and services for elderly minority families, lack of affirmative marketing and outreach to minority elderly persons, and the need for quality eldercare services within areas of minority concentration when compared with the type and quality of similar services and housing in nonminority areas.

(4)(d)(v) A map showing the location of the site, the racial composition of the

neighborhood, and any areas of racial concentration. For this competition, applicants should use the racial and ethnic data categories stated in the Appendix section of the October 30, 1997, Office of Management and Budget **Federal Register** Notice (62 FR 58782-90), ([www.whitehouse.gov/omb/fedreg/ombdir15.html](http://www.whitehouse.gov/omb/fedreg/ombdir15.html)) and data from the 1990 Census of Population when determining the racial and ethnic composition of the neighborhood surrounding the proposed site. Data from the 1990 Census of Population may be found at [www.factfinder.census.gov/servlet/BasicFactsServlet](http://www.factfinder.census.gov/servlet/BasicFactsServlet).

(4)(d)(vi) A Phase I Environmental Site Assessment (ESA), in accordance with the American Society for Testing and Material (ASTM) Standards E 1527-97, as amended. The Phase I ESA must be completed and submitted with the application. In order for the Phase I ESA to be acceptable, it must have been completed, or updated, no earlier than six months prior to application deadline date. Therefore, it is important that you start the Phase I ESA process as soon after publication of this SuperNOFA as possible.

If the Phase I ESA indicates the possible presence of contamination and/or hazards, you must decide whether to continue with this site or choose another site. Should you choose another site, the same Phase I ESA process identified above must be followed for the new site. **NOTE:** You are not limited to acquiring properties from the FDIC. However, if the property is to be acquired from the FDIC, include a copy of the FDIC prepared Transaction Screen Checklist or Phase I ESA, and applicable documentation, per the FDIC/RTC Environmental Guidelines.

If you choose to continue with the original site on which the Phase I ESA indicated contamination or hazards, you must undertake a detailed Phase II Environmental Site Assessment (ESA) by an appropriate professional. If the Phase II ESA reveals site contamination, the extent of the contamination and a plan for clean-up of the site must be submitted to the local HUD office. The plan for clean-up must include a contract for remediation of the problem(s) and an approval letter from the applicable Federal, State, and/or local agency with jurisdiction over the site. In order for the application to be considered for review under this FY 2002 funding competition, you must submit this information to the local HUD office on or before July 5, 2002.

**Note:** This could be an expensive undertaking. You must pay for the cost of any clean-up and/or remediation.

(4)(d)(vii) A letter from the State Historic Preservation Officer (SHPO) indicating whether the proposed site has any historical significance. If you cannot obtain a letter from the SHPO due to the SHPO not responding to your request or the SHPO responding that it cannot or will not comply with the requirement, you must submit the following:

(A) A letter indicating that you attempted to get the required letter from the SHPO but that the SHPO either had not responded to your request or would not honor or recognize your request;

(B) A copy of your letter to the SHPO requesting the required letter; and,

(C) A copy of the SHPO's response, if available.

(4)(e) Provision of supportive services in the proposed facility:

(4)(e)(i) A detailed description of the supportive services proposed to be provided to the anticipated occupancy;

(4)(e)(ii) A description of public or private sources of assistance that reasonably could be expected to fund the proposed services;

(4)(e)(iii) The manner in which such services will be provided to such persons (i.e., on or off-site), including whether a service coordinator will facilitate the adequate provision of such services, and how the services will meet the identified needs of the residents.

**Note:** You may not require residents, as a condition of occupancy, to accept any supportive service.

(5) A list of the applications, if any, that you have submitted or are planning to submit to any other HUD office in response to this announcement of Section 202 Program funding availability or the announcement of Section 811 Program (Supportive Housing for Persons with Disabilities) funding availability, published elsewhere in this SuperNOFA. Indicate by HUD office, the proposed location by city and State, and the number of units requested for each application. Include a list of all FY 2001 and prior year projects to which you are a party. Identify each by project number and HUD Office and include the following information: (a) Whether the project has initially closed and, if so, when; (b) if the project was older than 36 months when it initially closed or is older than 36 months now and has not initially closed, provide the reasons for the delay in closing; (c) whether amendment money was or will be needed for any project in (b) above; and (d) those projects which have not been finally closed.

(6) A statement that:

(6)(a) Identifies all persons (families, individuals, businesses, and nonprofit

organizations), by race/minority group, and status as owners or tenants, occupying the property on the date of submission of the application for a capital advance;

(6)(b) Indicates the estimated cost of relocation payments and other services;

(6)(c) Identifies the staff organization that will carry out the relocation activities; and

(6)(d) Identifies all persons who have moved from the site within the past 12 months.

**Note:** If any of the relocation costs will be funded from sources other than the section 202 capital advance, you must provide evidence of a firm commitment of these funds. When evaluating applications, HUD will consider the total cost of proposals (i.e., cost of site acquisition, relocation, construction, and other project costs).

(7) *Certifications and Resolutions.* In addition to the certifications and assurances listed in the General Section of this SuperNOFA with the exception of SF-424A, SF-424B, SF-424C, SF-424D, HUD-424M and the OMB Circulars which are not required, you are required to submit signed copies of the following:

(7)(a) *Standard Form 424.* Application for Federal Assistance, indication of whether you are delinquent on any Federal debt, and compliance with Executive Order 12372 (a certification that you have submitted a copy of your application, if required, to the State agency (Single Point of Contact) for state review in accordance with Executive Order 12372). (See instructions for submitting this form in the Consolidated Application Submission section of the General Section of the SuperNOFA.)

(7)(b) *Drug-Free Workplace (HUD-50070).* Certification to provide a drug-free workplace.

(7)(c) *Payments to Influence Federal Transactions (HUD-50071) and Standard Form LLL, Disclosure of Lobbying Activities.* Certification of whether any of the funds received will be used to influence any Federal transactions and disclosure of those activities, if applicable.

(7)(d) *Applicant/Recipient Disclosure/Update Report, including Social Security Numbers and Employee Identification Numbers, (HUD-2880).* A disclosure of assistance from other government sources received in connection with the project.

(7)(e) *Certification Regarding Debarment and Suspension (HUD-2992) (24 CFR 24.510).* A certification attesting to the eligibility of your principals.

(7)(f) *Certification of Consistency with the Consolidated Plan (Plan), Form HUD-2991, for the jurisdiction in which*

*the proposed project will be located.*

The certification must be made by the unit of general local government if it is required to have, or has, a complete Plan. Otherwise, the certification may be made by the State, or by the unit of general local government if the project will be located within the jurisdiction of the unit of general local government authorized to use an abbreviated strategy, and if it is willing to prepare such a Plan.

All certifications must be made by the public official responsible for submitting the Plan to HUD. The certifications must be submitted as part of the application by the application submission deadline date set forth in this program section of the SuperNOFA. The Plan regulations are published in 24 CFR part 91.

(7)(g) *A certified Board Resolution that no officer or director of the Sponsor or Owner has or will have any financial interest in any contract with the Owner or in any firm or corporation that has or will have a contract with the Owner, including a current listing of all duly qualified and sitting officers and directors by title, and the beginning and ending dates of each person's term.*

(7)(h) *A certified Board Resolution, acknowledging the responsibilities of sponsorship, long-term support of the project(s), your willingness to assist the Owner to develop, own, manage, and provide appropriate services in connection with the proposed project, and that it reflects the will of your membership. Also, the resolution shall indicate your willingness to fund the estimated start-up expenses, the Minimum Capital Investment (one-half of one-percent of the HUD-approved capital advance, not to exceed \$10,000, if nonaffiliated with a National Sponsor; one-half of one-percent of the HUD-approved capital advance, not to exceed \$25,000, for all other Sponsors;), and the estimated cost of any amenities or features (and operating costs related thereto) that would not be covered by the approved capital advance.*

(7)(i) *Certification of Consistency with the EZ/EC Strategic Plan, HUD-2990.* A certification that the project is consistent with the EZ/EC strategic plan, is located within the EZ/EC, and serves EZ/EC residents. (This certification is not required if the project site(s) will not be located in an EZ/EC.)

## VII. Corrections to Deficient Applications

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

## VIII. Formation of Owner Corporation for Development of Section 202 Projects and for Section 202 Projects Involving Mixed-Financing or a Mixed-Use Purpose.

Applicant eligibility for purposes of applying for a Section 202 fund reservation under this NOFA has not changed; i.e., all Section 202 Sponsors and Co-Sponsors must be private nonprofit organizations and nonprofit consumer cooperatives. However, the Owner corporation, when later formed by the Sponsor, may be (1) a single-purpose private nonprofit organization that has tax-exempt status under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code of 1986, (2) nonprofit consumer cooperative, OR (3) for purposes of developing a mixed-finance/mixed-use project for developing additional units over and above the Section 202 units, a for-profit limited partnership with a nonprofit entity as the sole general partner.

## IX. Authority

The Section 202 Supportive Housing for the Elderly Program is authorized by section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act (Pub.L. 101-625; approved November 28, 1990); the Housing and Community Development Act of 1992 (Pub.L. 102-550; approved October 28, 1992), the Rescissions Act (Pub.L. 104-19; enacted on July 27, 1995); the American Homeownership and Economic Opportunity Act of 2000 (Pub. L. 106-569; approved December 27, 2000); and the Fiscal Year 2002 HUD Appropriations Act (Pub. L. 107-73, approved November 26, 2001).

## Appendix A

### Addresses for Submitting Applications

Please see Appendix A to the Section 811 Program Section of this SuperNOFA. Submit your completed application (an original and four copies) to the Director of the appropriate Multifamily Hub Office or Multifamily Program Center as listed in Appendix A to the Section 811 program section of this SuperNOFA. See Section I., Address for Submitting Applications, of this program NOFA, for the exceptions regarding where to file your application.

## Appendix B

The non-standard forms, which follow, are required for your Section 202 Program application.

**BILLING CODE 4210-32-P**

## APPENDIX B

## TABLE OF CONTENTS

	PAGE
<b>PART I - APPLICATION FORM FOR SECTION 202 SUPPORTIVE HOUSING - CAPITAL ADVANCE</b>	
<b>EXHIBIT 1:</b> <b>Form HUD-92015-CA, Application for Section 202 Supportive Housing Capital Advance</b>	_____
<b>PART II - YOUR ABILITY TO DEVELOP AND OPERATE THE PROPOSED PROJECT</b>	
<b>EXHIBIT 2:</b> <b>Your Legal Status</b>	
(a) Articles of Incorporation (or other organizational documents)	_____
(b) By-laws	_____
(c) IRS Tax Exemption Ruling	_____
<b>[EXCEPTION: SEE EXHIBIT TO DETERMINE IF YOU MAY BE EXEMPT FROM SUBMITTING THESE DOCUMENTS.]</b>	
<b>EXHIBIT 3:</b> <b>Your purpose, community ties and experience:</b>	
(a) Purpose(s), current activities, how long you have been in existence	_____
(b) Ties to the community at large, to the target population, and description of geographic areas served	_____
(c) Local government support for project	_____
(d) Letters of support for your organiza- tion and for the proposed project	_____
(e) Housing and/or supportive services experience	_____

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- (f) Efforts to involve target population \_\_\_\_\_
- (g) Identification/coordination with other organizations; information sharing on solutions/outcomes about project development \_\_\_\_\_
- (h) Involvement in the community's planning process including Analysis of Impediments to Fair Housing Choice:
  - (i) Agency that organizes/administers the process \_\_\_\_\_
  - (ii) Identification of areas of community's planning process in which you participate \_\_\_\_\_
  - (iii) Level of your participation in the process \_\_\_\_\_

OR

Specific steps you will take to become active in the process \_\_\_\_\_

- (i) Description of practical solutions to be implemented \_\_\_\_\_
- (j) Description of how project will remain viable \_\_\_\_\_

**PART III - THE NEED FOR SUPPORTIVE HOUSING FOR THE TARGET POPULATION IN THE AREA TO BE SERVED, SITE CONTROL AND SUITABILITY OF SITE, ADEQUACY OF THE PROVISION OF SUPPORTIVE SERVICES AND OF THE PROPOSED PROJECT**

**EXHIBIT 4: Project information including:**

- (a) Evidence of need for project \_\_\_\_\_
- (b) How project will benefit target population and community \_\_\_\_\_
- (c) A narrative description of the project, including:
  - (i) Building design \_\_\_\_\_

## PAGE

- (ii) Whether and how project will promote energy efficiency \_\_\_\_\_
- (iii) If, applicable, description of plans and actions to create a mixed-finance/mixed-use project \_\_\_\_\_
- (iv) Description of plan for completing project within 18 mth fund reservation period (optional) \_\_\_\_\_
- (d) Evidence of site control and permissive zoning
  - (i) Site control document(s) \_\_\_\_\_
  - (ii) Evidence site is free of limitations, restrictions, or reverters \_\_\_\_\_
  - (iii) Evidence of permissive zoning or statement of proposed action required to make project permissible \_\_\_\_\_
  - (iv) Narrative topographical/demographic description of site/area suitability, how site will promote greater housing opportunities for minorities/target population \_\_\_\_\_
  - (v) Racial composition/concentration map of site \_\_\_\_\_
  - (vi) Phase I Environmental Site Assessment \_\_\_\_\_
  - (vii) Letter from State Historic Preservation Office (SHPO) \_\_\_\_\_

OR

If no response from SHPO:

- (A) Letter indicating no response from SHPO and why \_\_\_\_\_
- (B) Your letter to SHPO requesting required letter \_\_\_\_\_

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(C) SHPO's response, if available \_\_\_\_\_

(e) Provision of supportive services:

(i) Description of services \_\_\_\_\_

(ii) Public/private funding sources  
for proposed services \_\_\_\_\_(iii) Manner in which services will be  
provided \_\_\_\_\_**PART IV - GENERAL APPLICATION REQUIREMENTS, CERTIFICATIONS  
AND RESOLUTIONS**

**EXHIBIT 5:** A list of applications, if any, you have submitted or are planning to submit to any other HUD Office in response to the Section 202 or Section 811 NOFA, and required information about each \_\_\_\_\_

**EXHIBIT 6:** A statement that:

(a) Identifies all persons occupying property on application submission date \_\_\_\_\_

(b) Indicates estimated cost of relocation payments/other services \_\_\_\_\_

(c) Identifies staff organization that will carry out relocation activities \_\_\_\_\_

(d) Identifies all persons who have moved from site within past 12 months \_\_\_\_\_

**EXHIBIT 7:** **CERTIFICATIONS AND RESOLUTIONS:**

(a) Standard Form 424 \_\_\_\_\_

(b) Drug-Free Workplace (HUD-50070) \_\_\_\_\_

(c) Certification of Payments to Influence Federal Transactions (HUD-50071), and \_\_\_\_\_

Disclosure of Lobbying Activities (Standard Form LLL), if applicable \_\_\_\_\_

	PAGE
(d) Applicant/Recipient Disclosure/Update Report (HUD-2880)	_____
(e) Certification Regarding Debarment and Suspension (HUD-2992)	_____
(f) Certification of Consistency with the Consolidated Plan (HUD-2991)	_____
(g) Sponsor's Conflict of Interest Resolution	_____
(h) Sponsor's Resolution for Commitment to Project	_____
(i) Certification of Consistency with the EZ/EC Strategic Plan (HUD-2990)	_____

Supportive Housing for Persons with Disabilities  
Section 811

**U.S. Department of Housing  
and Urban Development**  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0462  
(exp.6/30/2002)

**Application for Capital Advance  
Summary Information**

<b>For HUD Use Only</b>	HUD Project Number	PRAC Number
-------------------------	--------------------	-------------

1. Name(s), Address(es), Contact Person, and Telephone Number(s) of Sponsor(s)	2. Minority Sponsor Designation: A minority sponsor is one in which at least 51 percent of the board members are minority. Is this sponsor a minority applicant? <input type="checkbox"/> Yes <input type="checkbox"/> No  If "Yes," identify by numeric code as shown below ..... <input type="checkbox"/> <b>Codes:</b> 2 - Black; 3 - Native American 4 - Hispanic; 5 - Asian Pacific 6 - Asian Indian
--	--

3a. Location of Site (city & State)	3b. Will project be located within the boundaries of a Federally-designated: (1) Empowerment Zone, (2) Enterprise Community, (3) Urban Enhanced Enterprise Community, or (4) Strategic Planning Community? (Contact local HUD Office for information on these designated areas.)  <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," please indicate appropriate number as shown above. <input type="checkbox"/>	
4a. Congressional District	5. Capital Advance Amount Requested \$	
4b. Census Tract		

6. Project Rental Assistance Contract Amount Requested \$	7. Application Contains <input type="checkbox"/> Evidence of Site Control <input type="checkbox"/> Identification of Site	9a. Occupancy Type <input type="checkbox"/> Physically Disabled <input type="checkbox"/> Developmentally Disabled <input type="checkbox"/> Chronically Mentally Ill <input type="checkbox"/> Mixed Occupancy Identify Categories _____	9b. Restricted Occupancy Requested <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," identify subcategory _____
Note: For a group home(s) in 10. below, include the number of disabled residents in both the "Total Units" and the "Total Disabled Residents" categories. For an independent living project(s), include Resident Manager unit, if applicable, in the "Total Units" category.			
8. Type of Construction <input type="checkbox"/> New Construction <input type="checkbox"/> Rehabilitation <input type="checkbox"/> Acquisition			

10. Project Type & Number of Units/Residents Proposed

a. **Group Home**

Site	No. of Disabled Residents	Resident Mgr. Unit (Y/N)	Address
#1			
#2			
#3			
#4			

b. **Independent Living Project**

Site	Units by No. of Bedrooms				Total Disabled		Resident Mgr. Unit (Y/N)	Total Units	Address
	0	1	2	3	Units	Residents			
#1									
#2									
#3									
#4									

c. **Condominium**

Site	Units by No. of Bedrooms				Total Disabled		Resident Mgr. Unit (Y/N)	Total Units	Address
	0	1	2	3	Units	Residents			
#1									
#2									
#3									
#4									

Note: If an elevator structure in b or c above, indicate by placing an "E" next to the total number of units for each applicable site.

**Totals**

	Units (Section 811)		
	Disabled Residents	Mixed Finance or Mixed Use Project for Additional Units	
	Sites	<input type="checkbox"/> Yes <input type="checkbox"/> No	# of Add'l Units _____

11. Check utilities and services not included in the rent and to be paid directly by the tenant

- Electric
- Water
- Heat
- Gas

12. Unusual Site Features

- None
- Cuts
- Fill
- Erosion
- Poor Drainage
- Retaining Walls
- Rock Foundations
- High Water Table
- Other (specify)

13. Off-Site Facilities:

	Public	At Site	Ft. from Site
Water	<input type="checkbox"/>	<input type="checkbox"/>	_____
Sewer	<input type="checkbox"/>	<input type="checkbox"/>	_____
Paving	<input type="checkbox"/>	<input type="checkbox"/>	_____
Gas	<input type="checkbox"/>	<input type="checkbox"/>	_____
Electric	<input type="checkbox"/>	<input type="checkbox"/>	_____

14. Community Spaces to be included in Project: (identified by site no. indicated in 10 above):

15. If Sponsor is applying for more than one HUD program from the SuperNOFA, indicate which application(s) contain the forms with original signatures.  
Program Name \_\_\_\_\_ Form \_\_\_\_\_

16. Name, Address and Telephone Number of (mark one box)

- Consultant
- Agent
- Authorized Representative

17. Sponsor's Attorney (name, address and telephone number)

By (signature of sponsor's authorized representative)

Type in Name

Title

Date(mm/dd/yyyy)

Public reporting burden for this collection of information is estimated to average 46 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is in support of HUD's efforts to expand the supply of Supportive Housing for Persons with Disabilities under Section 811. The information is necessary to assist HUD to determine applicant eligibility and ability to develop housing for disabled with statutory and program criteria. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste or mismanagement of public funds. This application does not collect any sensitive information. HUD does not ensure confidentiality.

## **SPONSOR'S CONFLICT OF INTEREST RESOLUTION**

TO: The Secretary of Housing and Urban Development

SUBJECT: Section 202 Program - Application for Fund Reservation  
Section 811 Program - Application for Fund Reservation

Sponsor:  
Project Location:

WHEREAS, Section 202 of the Housing Act of 1959, as amended, authorizes the making of capital advances for housing for the elderly to private, nonprofit corporations, OR Section 811 of the National Affordable Housing Act of 1990, as amended, authorizes the making of capital advances to nonprofit corporations for housing for persons with disabilities, no part of the net earnings of which inure to the benefit of any member, founder, contributor or individual;

WHEREAS, HUD has implemented this statutory requirement by promulgating a regulation providing that the Sponsor may not be controlled by or under the direction of persons or firms seeking to derive profit or gain therefrom. The regulation also prohibits any officer or director of the Sponsor from having any financial interest in any contract in connection with the rendition of services, the provision of goods or supplies, procurement of furnishings or equipment, construction of the project, procurement of the site or any other matters whatsoever, except with respect to management or supportive services contracts entered into by the Owner with the Sponsor or its nonprofit affiliate.

WHEREAS, HUD has determined that assurance of compliance with this prohibition can best be obtained by requiring that all officers and directors of the Sponsor certify that they do not have and will not have during their term of office, any prohibited financial interest.

WHEREAS, because of the time constraints imposed under the application process and difficulties in meeting these deadlines caused by such factors as large boards and unavailability of officers and directors of the board, some prospective Sponsors have been unable or experienced hardship in obtaining all of the required certifications for submission with the applications for fund reservation.

WHEREAS, HUD is willing to defer submission of the required Sponsors' Conflict of Interest and Disclosure Certifications until the submission of the firm commitment applications by those

(2)

Owners for which fund reservations were approved, if such certifications are provided by all the Sponsor's officers and directors listed below, who are duly qualified and sitting in these capacities from the date of the Sponsor's fund reservation application.

**[LIST THE NAME, TITLE, AND THE BEGINNING AND ENDING DATES OF THE TERM OF ALL OFFICERS AND DIRECTORS]**

NOW, THEREFORE, in order to induce HUD to forego requiring submission of the Conflict of Interest and Disclosure Certifications until after projects have been selected and fund reservations granted, it is hereby resolved and agreed by the Board of Directors of the Sponsor:

1. That it will submit an updated Incumbency Certificate, in a form prescribed by HUD, showing all changes in incumbency for submission with the Owner's Application for Firm Commitment, initial closing and final closing.

2. That no officer or director of the Sponsor has or will be permitted to have any prohibited interest which would prevent him or her from signing the required Conflict of Interest and Disclosure Certification.

3. That the fund reservation will be subject to cancellation by HUD if the officers or directors of either the Sponsor or the Owner fail to submit Conflict of Interest and Disclosure Certifications duly executed by each and all of their respective officers and directors.

4. That no HUD capital advance funds or project rental assistance funds will be expended on account of any contract or arrangement where a conflict of interest is determined to exist, and the Sponsor shall be responsible for the payment of any and all obligations involving its officers and directors.

5. That should any contract or arrangement entered into by the Owner be determined by HUD to involve a conflict of interest, involving either the Sponsor's or Owner's officers or directors, the Sponsor will exercise its best efforts to cause the Owner to promptly cancel or terminate such contract or arrangement at HUD's request.

Adopted and approved by the Board of Trustees of the Sponsor on the \_\_\_\_ date of \_\_\_\_\_, \_\_\_\_\_.

---

Authorized Signature

## **SPONSOR'S RESOLUTION FOR COMMITMENT TO PROJECT**

TO: Secretary of Housing and Urban Development

SUBJECT: Section 202 Program - Application for Fund Reservation  
Section 811 Program - Application for Fund Reservation

Sponsor:  
Project Location:

1. WHEREAS, under the Section 202 Program for Supportive Housing for the Elderly, the Sponsor acknowledges its responsibilities of sponsorship, long-term support, its willingness to assist the Owner to develop, own, manage and provide appropriate services in connection with the proposed project, and it reflects the will of its membership. The Sponsor is required to make a commitment to cover the estimated start-up expenses, the minimum capital investment of 1/2 of one percent of the HUD-approved capital advance, not to exceed \$25,000 (\$10,000 for sponsors not affiliated with a national sponsor) and the estimated cost of any amenities or features (and operating costs related thereto) which would not be covered by the approved capital advance.

OR

Whereas, under the Section 811 Program of Supportive Housing for Persons with Disabilities, the Sponsor acknowledges its responsibilities of sponsorship, long-term support, its willingness to assist the Owner to develop, own, manage and provide appropriate services in connection with the proposed project, and that it reflects the will of its membership. The Sponsor is required to make a commitment to cover the estimated start-up expenses, the minimum capital investment of 1/2 of one percent of the HUD-approved capital advance, not to exceed \$10,000 and the estimated cost of any amenities or features (and operating costs related thereto) which would not be covered by the approved capital advance.

2. WHEREAS, HUD has determined that assurance by the Sponsor of its commitment and willingness to provide those funds can best be assured by requiring a resolution of the Board of Directors that funds will be made available for such purposes.
3. NOW, THEREFORE, the Board of Directors of the Sponsor hereby resolves and agrees that funds will be available for the subject project to meet estimated start-up expenses, the

(2)

minimum capital investment and the estimated cost of any amenities or features (and operating costs related thereto) which would not be covered by the approved capital advance.

Adopted and approved by \_\_\_\_\_ of the  
Sponsor on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Authorized Signature

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

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**ASSISTED LIVING CONVERSION  
PROGRAM (ALCP)**



**FUNDING AVAILABILITY FOR THE ASSISTED LIVING CONVERSION PROGRAM (ALCP) FOR ELIGIBLE MULTIFAMILY HOUSING PROJECTS PROGRAM OVERVIEW**

*Purpose of the Program.* The purpose of this program is to provide grants for the conversion of some or all of the dwelling units in an eligible project into assisted living facilities (ALFs) for frail elderly persons.

*Available Funds.* Approximately \$93 million are available for the conversion of eligible multifamily projects to ALFs (\$50 million under the Fiscal Year 2002 Appropriations Act and \$43 million in Fiscal Year 2001 carryover funds).

*Eligible Applicants.* Only private nonprofit project owners of eligible developments (as described in Section III of this NOFA) may apply for and become the recipient of a grant.

*Application Due Dates.* July 3, 2002. *Match.* None required.

**ADDITIONAL INFORMATION**

**I. Application Due Date, Application Kits, and Technical Assistance**

*Application Due Date.* Your completed application (one original and four copies) is due on July 3, 2002, at the address shown below.

*Application Submission Procedures.* *New Security Procedures.* HUD has implemented new security procedures that impact application submission procedures. See the General Section of the SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, or overnight delivery.) Only ALCP applications mailed by the United States Postal Service (USPS) will be accepted by HUD.

*Addresses for Submitting Applications.* The official place for receipt of your application is ONLY in the appropriate Multifamily Hub Office. Submit an original and four copies of the ALCP application to the Director of the appropriate HUD Multifamily Hub Office, as listed in Appendix A of this NOFA, with jurisdiction over your development.

Appendix B to this NOFA lists the 18 Multifamily Hubs with the Program Centers under them, to facilitate applicants knowing the correct location to send the application. Your application will be considered timely filed if your application is postmarked on or before 12:00 midnight on the application due date and received by the designated HUD Office on or within fifteen (15) days of the application due date. All applicants must obtain and save a Certificate of Mailing showing the date, when you submit your application

to the USPS. The Certificate of Mailing will be your documentary evidence that your application was timely filed.

*For Application Kits, Further Information, and Technical Assistance.*

*For Application Kits.* You may obtain an ALCP application kit and supplemental information by calling the SuperNOFA Information Center at (voice) 1-800-HUD-8929 (1-800-483-8929). Persons with hearing or speech impairment may call the Center's TTY number at 1-800-HUD-2209. Please be sure to provide your name, address (including zip code), and telephone number (including area code). The application kit is also available on the Internet through the HUD web site at <http://www.hud.gov/grants>.

**Note:** There is a separate application kit for service coordinator funds (which is necessary for those needing to enhance or add service coordination per Section III (B)(13) of this NOFA).

*For Further Information and Technical Assistance.* You should contact the Multifamily Hub where you will be mailing your ALCP Application. (Please refer to Hub telephone numbers in Appendix A.)

You also may contact Faye Norman, Housing Project Manager at (202) 708-3000 x2482 or Aretha Williams, Director, Grant Policy and Management Division, Room 6138 at (202) 708-3000 x2480 for questions regarding the ALF process. This is not a toll free number. Ms. Williams can be reached, by e-mail, at "[aretha\\_m\\_williams@hud.gov](mailto:aretha_m_williams@hud.gov)" and Ms. Norman at "[faye\\_l\\_norman@hud.gov](mailto:faye_l_norman@hud.gov). Both Ms. Williams and Ms. Norman are located at the Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410.

If you have a hearing or speech impairment, you may access the telephone number via TTY by calling the Federal Information Relay Service at 1-800-877-8339.

**II. Amount Allocated**

This NOFA makes available approximately \$93 million (approximately \$78 million for the physical conversion of eligible multifamily assisted housing projects or portions of projects to ALFs and approximately \$15 million for the conversion of up to 3 unused or underutilized commercial properties to ALFs). The Fiscal Year (FY) 2002 funding of \$50 million is in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act Pub.L.107-73, approved November 26, 2002). The \$93 million includes \$43 million in Fiscal Year 2001 carryover

funds. The allocation formula used for the ALCP to fair share the \$78,000,000 reflects demographic characteristics of age and incidence of frailty that would be expected for program participants. The FY 2002 formula consists of three data elements from the 1990 decennial census:

(1) The number of non-institutional elderly population aged 75 years or older with a self-care limitation,

(2) The number of non-institutional elderly population aged 75 or older with a mobility limitation, and,

(3) The number of the non-institutional elderly population aged 75 or older with both a mobility limitation and a self-care limitation. The data were taken from the 1990 Census Special Tabulation on Aging, STP-14, sponsored by the Administration on Aging, U.S. Department of Health and Human Services.

A mobility limitation is defined as a health condition that has lasted for six (6) or more months, making it difficult for the person to go outside the home alone. This includes outside activities such as shopping or visiting the doctor's office. A self-care limitation is defined as a health care limitation that has lasted for six (6) months or more which makes it difficult for the person to take care of his/her own personal needs such as dressing, bathing, or getting around in the home.

A fair share factor for each state was developed by taking the sum of the three elements within each state as a percentage of the sum of the three elements for the total United States. The resulting percentage for each state was then adjusted to reflect the relative difference in the cost of providing housing among the states. The total of the grant funds available (\$78 million) was multiplied by the adjusted fair share percentage for each state, and the resulting funds for each state were totaled for each Hub.

The ALCP grant funds fair share allocations, based on the formula above, to the 18 multifamily Hubs are as shown on the following chart:

**FISCAL YEAR ALLOCATION 2002 FOR THE ASSISTED LIVING CONVERSION PROGRAM (ALCP) OF ELIGIBLE ASSISTED MULTIFAMILY PROJECTS**

HUB	Grant authority
Boston .....	4,726,439
Buffalo .....	2,091,360
New York .....	4,497,621
Philadelphia .....	8,527,962
Baltimore .....	3,183,601
Greensboro .....	3,276,631

FISCAL YEAR ALLOCATION 2002 FOR  
THE ASSISTED LIVING CONVERSION  
PROGRAM (ALCP) OF ELIGIBLE AS-  
SISTED MULTIFAMILY PROJECTS—  
Continued

HUB	Grant au- thority
Atlanta .....	5,712,662
Jacksonville .....	6,746,209
Chicago .....	5,957,418
Columbus .....	3,345,185
Detroit .....	2,733,470
Minneapolis .....	2,843,015
Fort Worth .....	5,972,447
Kansas Coty .....	4,841,730
Denver .....	1,728,217
Los Angeles .....	4,574,289
San Francisco .....	4,649,855
Seattle .....	2,591,889
Total .....	78,000,000

### III. Program Description; Eligible and Ineligible Applicants, Developments, and Activities

(A) *Program Description.* Assisted living facilities (ALFs) are designed to accommodate frail elderly persons and people with disabilities who need certain support services (e.g., assistance with eating, bathing, grooming, dressing and home management activities). ALFs must provide support services such as personal care, transportation, meals, housekeeping, and laundry. Frail elderly person means an individual 62 years of age or older who is unable to perform at least three activities of daily living (ADLs) as defined by the regulations for HUD's Section 202 Program (Supportive Housing for the Elderly) at 24 CFR 891.205. Assisted living is defined in section 232(b)(6) of the National Housing Act (12 U.S.C. 1715w).

The ALCP provides funding for the physical costs of converting some or all of the units of an eligible multifamily development into an ALF, including the unit configuration, common and services space and any necessary remodeling, consistent with HUD or the State's statute/regulations (whichever is more stringent). Typical funding will cover basic physical conversion of existing project units, common and services space. There must be sufficient community space to accommodate a central kitchen or dining facility, lounges, recreation and other multiple-areas available to all residents of the project, or office/staff spaces in the ALF. When food is prepared at an off-site location, the preparation area of the facility must be of sufficient size to allow for the installation of a full kitchen, if necessary. You must provide supportive services for the residents

either directly or through a third party. Your application must include a firm commitment for the supportive services to be offered within the ALF as part of the application. You may charge assisted living residents for meals and/or service fees. Residents may contract with third party agencies directly for nursing, therapy or other services not offered by the ALF.

(B) *Program Requirements.* The following program requirements apply: (**Note:** Program Requirements described in paragraphs 3, (8)(a) and (b), and (12) below are not applicable to applicants requesting funding to convert commercial facilities):

(1) Your ALF facility must be licensed and regulated by the state (or if there is no state law providing such licensing and regulation, by the municipality or other subdivision in which the facility is located). Each assisted living unit must include its own kitchen, bathroom, living/dining area (1 bedroom unit) or bedroom/living/dining area (efficiency unit) and must meet the state and/or local licensing, building, zoning and other requirements for an ALF.

(2) Your ALF must be available to qualified elderly persons and persons with disabilities, consistent with the rules and payment plans of the State, who need and want the supportive services in order to remain independent and avoid premature institutionalization.

(3) Your ALF's residents must be tenants or residents of the multifamily project and must comply with the requirements applicable to the project. Thus, you cannot charge additional rent over what is charged to residents in the non-ALF portion of the project. All admissions to the ALF must be through the applicable project admissions office. However, persons accepted into the ALF also must sign an ALF admissions agreement which shall be an addendum to the applicable project lease.

(4) At a minimum, your ALF must provide room, board (as defined in Section III(B)(6)) of this NOFA) and continuous protective oversight (CPO). CPO involves a range of activities and services that may include such things as awareness by management and staff of the occupant's condition and location as well as an ability to intervene in a crisis for dependent and relatively independent occupants on a 24-hour basis. The two occupant groups in an ALF are:

(a) *Independent Occupants:* Awareness by management and staff of the occupant's condition and whereabouts as well as the availability of assistance for the occupants as needed.

(b) *Dependent occupants:* Supervision of nutrition, assistance with medication and continuous responsibility for the occupants' welfare.

(5) Anyone moving into an ALF unit must agree to accept as a condition of occupancy the board and services required for the purpose of complying with state and local law and regulation. *However, occupancy in an ALF unit may not be conditioned on receipt of other services or board not required by state or local requirements.*

(6) Your ALF must offer three meals per day to each resident.

(a) Residents in projects which were originally constructed without kitchens in their units must take such meals as required by their mandatory meals agreement, or by the state's mandated requirements if more stringent (e.g., 2 meals, 2 snacks daily).

(b) Residents whose apartments have kitchens must take at least the number of meals a day provided by the facility, per their mandatory meals requirement, or as required by state or local rules, if more stringent. If the facility does not have a mandatory meals plan, then state and local rules govern.

In either case, ALF management must coordinate meals requirements with the needs of residents who are out part of the day (e.g., in day care). The meals program may not be operated at a profit by the project owner.

(7) Your ALF's operation must be part of the project owner's management organization. Some or all of its functions may be contracted out. The ALF must predicate its budget on a two-tiered structure under which board and supportive service income and expenses must be maintained separately and independently from the regular income and expenses of the applicable project. The two components of ALF costs are:

(a) Charges/payment for board, which may be on a sliding scale or any other equitable fee system; and

(b) Charges/payment for necessary supportive services, which may include a combination of resident fees, Medicaid and/or other third party payments.

(8) Priority admissions for ALF units are as follows:

(a) Current residents desiring an ALF unit and meeting the program requirements (no resident can be required to accept an ALF unit).

(b) Qualified individuals or families needing ALF services who are already on the project's waiting list;

(c) Qualified individuals or families in the community needing ALF services wanting to be added to the project's waiting list; and

**Note:** Qualified disabled non-elderly persons needing assisted living services are

eligible to occupy these units on the same basis as elderly persons, except for section 202 project rental assistance contracts (PRAC) projects and unused/underutilized commercial properties.

(9) The management of the project must set up a separate waiting list for ALF units. ALF units must be for eligible residents who meet the admissions/discharge requirements as established for assisted living by State and local licensing, or HUD frailty requirements under 24 CFR 891.205 if more stringent.

(10) Costs of meals and supportive services are NOT covered by this HUD grant. These items must be paid for through other sources (e.g., a mix of resident fees and/or third party providers). Evidence of third party commitment(s) must be included as part of the application. (See Section IV(B) of this NOFA.) The assisted living supportive services program must promote independence and provide personal care assistance based on individual needs in a home-like environment (see Section VI(B)(8)(b) through (c) of this NOFA).

(11) Upon receipt of a grant under this program, all project owners participating in the ALCP must provide a Declaration of Restrictive Covenants (DRC), which will be recorded with the land, to retain the low income character of the housing, and to maintain the project (including the ALF), as a moderate, low, or very low income facility (as appropriate) for at least 20 years beyond the current 40-to-50 year term of the mortgage loan or capital advance. Recipients of grant funds to convert unused or underutilized commercial property must provide a DRC for at least 20 years or for the term of the mortgage on the property whichever is longer.

(12) This program does NOT allow permanent displacement of any resident living in the project at the time the application was submitted to HUD. (HUD will only provide temporary relocation costs for current tenants if they must vacate their unit while conversion work is underway (normal temporary relocation costs include increases in rent, reconnection of telephones, moving costs and appropriate out-of-pocket expenses)).

(13) The ALCP requires service coordination responsible for linking the ALF to services in the community which are available to low income persons. All projects funded under this NOFA must have sufficient service coordination in place, or request additional funds if appropriate, to ensure that services meeting licensing requirements are available to ALF

residents on an ongoing basis. Service coordination must be described in the application (see Section VI(B)(8)(b) through (c) of this NOFA). If you need to enhance an existing service coordination program or add one where it does not exist, you may apply for funding through the Service Coordinator NOFA, published elsewhere in this SuperNOFA, and attach a copy of the Form HUD 424M so indicating the request to the ALCP application. Alternatively, you may show evidence that funding for the enhanced service coordination is provided by other sources and indicate such funding on the HUD Form 424M which is exhibit 10(c) of your ALF application. If you are funded under this NOFA and requested new or enhanced service coordination you will be funded first under the service coordinator NOFA.

**Note:** If you are a Section 202 PRAC project owner or an owner with unused or underutilized commercial properties, you are NOT eligible to request funding under the service coordinator NOFA. Section 202 PRAC owners can pay for the service coordinator out of PRAC funds.

In addition to above requirements, the following applicable guidelines are stated:

(a) The ALF must be staffed either directly or through coordination with local agencies, depending on state regulations or local requirements. These may also serve non-ALF residents of the project on a time available and appropriate fee basis.

(b) The ALF may cater to the special needs of residents depending on their condition or diagnosis, such as Alzheimer's disease. If it does so, the design/environment of such facilities must accommodate those needs, e.g., dementia special care unit. However, the ALF CANNOT provide a service it is not licensed by the State or locality to provide.

**Note 1:** Owners of section 202/PRAC projects are reminded that they may include a PRAC payment of up to \$15/unit/month not to exceed 15% of the total program cost, consistent with 24 CFR 891.225(b)(2) to cover part of the cost of meals and/or supportive services for frail elderly residents, including residents of the ALF.

**Note 2:** Training for ALF staff is an eligible project cost under existing operating procedures.

For further information on ALFs, please refer to Handbook 4600.1, CHG-1, "Mortgage Insurance for Residential Care Facilities," Chapter 13. This Handbook and recent ALF program Notices are accessible through HUDCLIPS on HUD's web site. The URL for the HUDCLIPS Database Selection Screen is <http://www.hudclips.org/>

[subscriber/cgi/legis.cgi](http://www.hudclips.org/). These notices are in the Handbooks and Notices—Housing Notices database. Enter only the number without the letter prefix (e.g., 99-16) in the "Document number" to retrieve the program notice.

For further guidance on service coordinators, please refer to Handbook 4381.5 REV-2, CHANGE-2, Chapter 8, "The Management Agent's Handbook," which is also available through the HUDCLIPS database.

(C) *Eligible Applicants.* Only private nonprofit owners of eligible multifamily assisted housing developments specified in section 683(2) (B), (C), (D), (E), and (F) of the Housing and Community Development Act of 1992 (Pub. L. 102-550, approved October 28, 1992) and private nonprofit owners of an unused or underutilized commercial property are eligible for funding. To be eligible, project owners must meet the following criteria where applicable:

(1) Must be in compliance with your Loan Agreement, Capital Advance Agreement, Regulatory Agreement, Housing Assistance Payment contract, Project Rental Assistance Contract, Rent Supplement or LMSA contract, or any other HUD grant or contract document.

(2) Must be in compliance with all fair housing and civil rights laws, statutes, regulations, and executive orders as enumerated in 24 CFR 5.105(a). See Section V(B) of this NOFA for further explanation.

**Note:** If your eligibility status changes during the course of the grant term, making it ineligible to receive the grant (e.g., prepayment of mortgage, sale/TPA of property, or opting out of a Section 8 Housing Assistance Payment (HAP) contract), HUD retains the right to terminate the grant and recover funds made available through this NOFA.

(D) *Eligible Developments.*

(1) Section 202 projects, Section 202 projects receiving rental assistance under Section 8, and Section 202 projects receiving project rental assistance under Section 202(C)(2). Rural housing projects assisted under Section 515 of the Housing Act of 1949 receiving Section 8 rental assistance are also included. Projects receiving project-based rental assistance under Section 8, among others, housing constructed, substantially rehabilitated or receiving moderate rehabilitation assistance under Section 8. Also included are housing financed by a below-market interest rate loan or mortgage insured under Section 221(d)(3) of the National Housing Act; and housing with financing insured, assisted or held by HUD or a State or State Agency under Section 236 of the National Housing Act. The housing projects must be owned by a private

nonprofit entity that is designated primarily for occupancy by elderly persons. The project must have been in occupancy for at least five years from the date the HUD-92485 Form Permission to Occupy Project Mortgages was issued and final closing must have been completed. Your project must:

(a) Meet HUD's Uniform Physical Conditions Standards at 24 CFR part 5, subpart G. Meeting these standards as described, means that the project, based on the most recent Real Estate Assessment Center (REAC) physical inspection report and responses thereto, must have a "satisfactory" rating as evidenced by a score of 60 or better or a HUD-approved and on schedule repair plan for developments scoring less than 60. Additionally, the project must have no uncorrected and outstanding Exigent Health and Safety violations. Finally, the project must not have on file a management review with a rating of "minimally satisfactory" or "unsatisfactory" with open and unresolved findings.

(b) Have a residual receipts account separate from the Reserve for Replacement account, or agree to establish this account as a condition for getting the award(s).

(2) Unused and underutilized commercial properties.

(E) *Ineligible Applicants.*

(1) Owners of developments designed specifically for people with disabilities.

(2) Owners of Section 232 developments.

(3) Property management companies and agents of property management companies.

(4) Limited dividend partnerships.

(5) Nonprofit Public Agencies.

(6) Owners of unused/underutilized hospitals or other health-related facility which are considered to be eleemosynary institutions rather than commercial enterprises.

(F) *Eligible Conversion Activities.* Eligible activities are:

(1) Retrofitting to meet Section 504 accessibility requirements, minimum property standards for accessibility and/or building codes and health and safety standards for ALFs in that jurisdiction. Examples are items such as addition of:

(a) Sprinkler systems;

(b) An elevator or upgrades thereto;

(c) Lighting upgrades;

(d) Major physical or mechanical systems of projects necessary to meet local code or assisted living requirements;

(e) Upgrading to accessible units for the ALF with movable cabinetry, accessible appliances, sinks, bathroom and kitchen fixtures, closets, hardware and grab bars, widening of doors, etc.;

(f) Upgrades to safety and emergency alert systems;

(g) Addition of hallway railings; and,  
(h) Medication storage and work stations;

(2) Retrofitting to add, modify and/or outfit common space, office or related space for ALF staff including a service coordinator and file security, and/or a central kitchen/dining facility to support the ALF function (e.g., outfit lounge/common space/dining furniture, kitchen equipment for cooking/serving and dishware).

(3) Retrofitting to upgrade a regular unit to an accessible unit for a person/family with disabilities who is being displaced from an accessible unit in the portion of the project that is being converted to the ALF, where another accessible unit is not available.

(4) Temporary relocation (not applicable to commercial property).

(5) Consultant, architectural and legal fees.

(6) Vacancy payments not more than 30 days after conversion to an ALF.

(G) *Ineligible Activities.* You may not use funds available through this NOFA to:

(1) Add additional dwelling units to the existing project (not applicable to commercial property);

(2) Pay the costs of any of the necessary direct supportive services needed to operate the ALF;

(3) Purchase or lease additional land;

(4) Rehabilitate (see definition at 24 CFR 891.105) the project for needs unrelated directly to the conversion of units and common space for assisted living;

(5) Use the ALCP to reduce the number of accessible units in the project that are not part of the ALF (not applicable to commercial property);

(6) Permanently relocate any resident out of the project; and,

(7) Increase the management fee.

#### IV. Program Requirements

Each applicant must comply with the following requirements:

(A) *Statutory, Regulatory, and Other Program Requirements.* You must comply with all applicable statutory requirements to the projects specified in Section 202(b) and statutory requirements under Section 232(b)(6). Please note that all ALCP projects must conform to the 500-year flood plain limitation (See Section VII of this NOFA.) Construction of ALCP units is considered a "critical action" for purposes of the flood plain requirement.

Excess Residual Receipts (over \$500/unit) and Reserve for Replacement (R4R) funds (over \$1000/unit) in Project Accounts that are not approved for

another use at the time of application to HUD under this NOFA are considered available funds and must be applied towards the cost of conversion activities. Before making this determination, however, HUD staff will consider the extent of repair/replacement needs indicated in the most recent REAC physical inspection and not yet approved and any ongoing commitments such as non-grant-based service coordinator or other funding, where existing, deduct the estimated costs of such items from the R4R and residual receipts balances to determine the extent of available residual receipts and R4R funds for the ALCP. (This paragraph is not applicable to commercial properties.)

If funded, you must also file a HUD Form-2530 for all construction contractors, architects, consultants, and service provider organizations under direct contract with you that will be engaged under this NOFA and comply with all State and local licensing, zoning and building code requirements.

(B) *Meals and Supportive Services.* You must develop and submit a Supportive Services Plan (SSP) for the services and coordination of the supportive services which will be offered in the ALF to the appropriate state or local organization(s) which are expected to fund those supportive services. (See Section VI(B)(8) of this NOFA below, for the information which must be in the SSP.) You must submit one copy of your SSP to each appropriate State or local service funding organizations well in advance of the application deadline, for appropriate review. The State or local funding organization(s) must return the SSP to you with appropriate comments and indication of funding commitment, which you will then include with the application you submit to HUD.

You must ALSO submit the SSP to the appropriate organization(s) which license ALFs in your jurisdiction. The licensing agency(ies) must approve your plan, and must also certify that the ALF and the proposed supportive services identified in your SSP, are consistent with local statute and regulations and well designed to serve the needs of the frail elderly and people with disabilities who will reside in the ALF portion of your project.

Finally, you must also submit an agreement to pursue appropriate ALF licensing in a timely manner.

(C) *Minimum Size Limits for an ALF.* An ALF must be economically feasible. Consistent with HUD Handbook 4600.1, CHG-1, the minimum size for an ALF is five units.

(D) *Economic Opportunities for Low and Very Low Income Persons (Section 3)*. You must comply with section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low and Very Low Income Persons), and its implementing regulations at 24 CFR part 135. You must ensure that training, employment and other economic opportunities shall, to the greatest extent feasible, be directed toward low and very low income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low and very low income persons and including people with disabilities.

(E) *Compliance with Fair Housing and Civil Rights Laws*. If you, the applicant (a) have been charged with a systemic violation of the Fair Housing Act by the Secretary alleging ongoing discrimination; (b) are the defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or (c) have received a letter of noncompliance findings under Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, or section 109 of the Housing and Community Development Act of 1974, your application will not be evaluated under this NOFA if, the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of the Department before the application deadline, HUD's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address allegations of ongoing discrimination in the policies or practices involved in the charge, lawsuit, or letter of findings.

(F) *Additional Nondiscrimination Requirements*. As you will be converting some of your project to an ALF, you should note that 24 CFR 891.120(b) requires you to meet all accessibility requirements. Additionally, you must comply with the section 504 regulations at 24 CFR part 8, the Americans with Disabilities Act and the regulations at 28 CFR part 36, as applicable.

(G) *Executive Order 12372*. Information regarding this requirement may be found in the General Section of the SuperNOFA.

(H) *Conducting Business in Accordance with HUD Core Values and Ethical Standards*. Owners are required to develop and maintain a written code of conduct in accordance with 24 CFR 84.42. Consistent with regulations governing specific programs, your code of conduct must prohibit real and

apparent conflicts of interest that may arise among employees, officers or agents; prohibit the solicitation and acceptance of gifts or gratuities by your officers, employees and agents for their personal benefit in excess of minimal value, and outline administrative and disciplinary actions available to remedy violations of such standards. If awarded assistance, you will be required, prior to entering into a grant agreement with HUD, to submit a copy of your code of conduct and describe the methods you will use to ensure that all officers, employees and agents of your organization are aware of your code of conduct. You will also be required to sign the Conflict of Interest Resolution and include it in your application see Exhibit 10(i).

(I) *Ensuring the Participation of Small Businesses, Small Disadvantaged Business, and Women-Owned Business*. Information regarding this provision may be found in the General Section of the SuperNOFA. Upon acceptance of grant funds under the ALCP, Grantees must comply with the requirements pursuant to Executive Orders 11625 and 12432 (concerning Minority Business Enterprises) and Executive Order 12138 (concerning Women's Business Enterprise).

(J) *Compliance with Other Program Requirements*: By the submission of the application for grant funds, the Owner is certifying to comply with the following program requirements:

(1) Establish a residual receipt account as soon as there is surplus cash available, if applicable.

(2) Apply for an ALF license with due diligence and in a timely fashion.

(3) Comply with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act, the Age Discrimination Act of 1975, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 CFR part 135, the affirmative fair housing marketing requirements of 24 CFR part 200, subpart M and the implementing regulations at 24 CFR part 108, and other applicable Federal, State and local laws prohibiting discrimination and promoting equal opportunity including affirmatively furthering fair housing, and other certifications listed in the application.

(4) Comply with section 232 of the National Housing Act, as applicable, the Uniform Federal Accessibility Standards (24 CFR 40.7), section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, and the design and construction requirements of the Fair Housing Act and HUD's implementing

regulations at 24 CFR part 100, and the Americans with Disabilities Act of 1990 for all portions of the development physically affected by this proposal;

(5) Comply with the Davis-Bacon requirements and the Contract Work Hours and Safety Standards Act as applied to this program. While it has been determined that Davis-Bacon does not apply statutorily to the ALCP, the Department has administratively determined that Davis-Bacon standards and overtime rates in accordance with the Contract Work Hours and Safety Standards Act will be adhered to in any ALCP conversion grant in which the total cost of the physical conversion to an ALF (and including any additional renovation work undertaken at the same time) is \$500,000 or more (this includes ALCP grant funds, owner funds, or any third party funds loaned or granted in support of the conversion or other renovation for the project associated with this grant), AND in which the ALF portion of the project is 12 units or more.

## V. Application Selection Process

(A) *Review for Curable Deficiencies*. You should ensure that your application is complete before submitting it to HUD.

HUD will screen all applications received by the deadline for curable deficiencies. With respect to correction of deficient applications, HUD may not, after the application due date and consistent with HUD's regulations in 24 CFR part 4, subpart B, consider any unsolicited information an applicant may want to provide. HUD may contact an applicant to clarify an item in the application or to correct technical deficiencies. Please note, however, that HUD may not seek clarification of items or responses that improve the substantive quality of a response to any selection factors. In order not to unreasonably exclude applications from being rated and ranked, HUD may contact applicants to ensure proper completion of the application and will do so on a uniform basis for all applicants. *Examples* of curable (correctable) technical deficiencies include failure to submit the proper certifications or failure to submit an application that contains an original signature by an authorized official. In each case, under this NOFA, the appropriate HUD Multifamily Hub Office will notify you in writing by describing the clarification or technical deficiency. You must submit clarifications or corrections of technical deficiencies in accordance with the information provided by the Hub Office within 14 calendar days of the date of receipt of the HUD notification. (If the

due date falls on a Saturday, Sunday, or Federal holiday, your correction must be received by HUD on the next day that is not a Saturday, Sunday, or Federal holiday.) If the deficiency is not corrected within this time period, HUD will reject the application as incomplete, and it will not be considered for funding. The following is a list of the deficiencies that will be considered curable in ALCP applications:

Exhibits

- (1) \*(a) Articles of Incorporation, or certification of Articles of Incorporation.
- \* (b) By-laws, or certification of by-laws.
- (3) Evidence of occupancy for at least five years (not applicable to commercial facilities).
- (5) (c) Original project plans.
  - (h) Relocation (not applicable to commercial property).
- (7) Evidence of Permissive Zoning.
- (8) (g) Support Letters from Governmental Agencies that License ALFs.
- (10) *Certifications, Forms and Resolution*
  - (a) Standard Form 424, Application for Federal Assistance and Compliance with Executive Order 12372.
  - (b) Standard Form 424D, Assurances Construction Programs.
  - (c) Form HUD 424M, Federal Assistance Funding Matrix.
  - (d) Form HUD-50070, Drug-free Workplace.
  - (e) Form HUD-50071, Payments to Influence Federal Transactions and Standard Form-LLL, Disclosure of Lobbying Activities.
  - (f) Form HUD 2880, Applicant/Recipient Disclosure/Update Report including Social Security and Employment Identification numbers.
  - (g) Form HUD-2992, Certification Regarding Debarment and Suspension.
  - (h) Form HUD-2991, Certification of Consistency with the Consolidated Plan (Plan), for the Jurisdiction in which the Proposed ALF will be located.
  - (i) Conflict of Interest Resolution.

The appropriate Hub Office will notify you in writing if your application is missing any of the exhibits listed above and you will be given 14 days from the date of receipt of the HUD notification to submit the information required to cure the noted deficiencies. The exhibits identified by an asterisk (\*) must be dated on or before the application deadline date. If not so dated the application will be rejected.

After the completeness review, HUD staff will review your application to determine whether the application meets the threshold requirements listed below. Only if your application meets all the threshold requirements is it eligible to be rated and ranked. Applications that do not pass threshold will be rejected.

(B) *Threshold Review*. In order to pass threshold, you must:

- (1) Be in compliance with all fair housing and civil rights laws, statutes, regulations, and executive orders as enumerated in 24 CFR 5.105(a), and as noted earlier in this NOFA under Sections III(B)(2) and IV(E).
- (2) Be an eligible applicant.
- (3) Not request more funds than advertised.

(4) Additionally, HUD will also reject your application if the SSP and/or commitment and support letter(s) from the appropriate funding organizations and the appropriate licensing agency(ies):

- (i) Are not submitted with your application;
- (ii) Indicate that the ALF units, facilities, meals and supportive services to be provided are not designed to meet the special needs of the residents who will reside in the ALF as defined in this NOFA,
- (iii) Do not show commitment for funding the meals and supportive services proposed; or
- (iv) Indicate that the project as proposed will not meet the licensing requirements of the appropriate State/local agency(ies).

(C) *Review Panels*

The Office of Housing's Multifamily Hubs will establish panels to review all eligible applications that have passed threshold. The panels may include knowledgeable persons not currently employed by HUD.

(D) *Rating of Applications* (See paragraph below for selection of applications for commercial properties).

HUD staff teams will review and rate ALCP applications in accordance with the Ranking and Selection procedures (see Section V(F) of this NOFA below). All applications will be either rated or technically rejected at the end of technical review. If your application meets all program eligibility requirements after completion of technical review, it will be rated according to the rating selection factors in Section V(G) of this NOFA. HUD reserves the right to reduce the amount requested in the application if any proposed components are ineligible or if the cost of items is not deemed reasonable. HUD will *NOT* reject an ALCP application based on technical

review without notifying you of that rejection with all the reasons for the rejection, and providing you an opportunity to appeal. As discussed above, you will have 14 calendar days from the date of HUD's written notice to appeal a technical rejection to the Multifamily Hub where the applications were sent originally. HUD staff will make a determination on an appeal before finalizing selection recommendations.

(E) *Applicant Debriefing*. Beginning not less than 30 days after the awards for assistance are announced in the above-mentioned **Federal Register** notice, and for not longer than 120 days after awards for assistance are announced, HUD will provide a debriefing to any applicant requesting a debriefing on their application. All requests for debriefing must be made in writing and submitted to the local Hub in which you applied for assistance. Materials provided to you during your debriefing will include the final scores you received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which assistance was provided or denied.

(F) *Ranking and Selection Procedures*. (Paragraphs (F)(1)—(4) are not applicable to applicants of commercial properties.)

Applications submitted in response to this NOFA that are eligible, pass threshold and have a total score of 70 points (or more) are eligible for ranking and selection. (Applications for the conversion of commercial properties with a score of at least 70 points will not be ranked but will be submitted to HUD Headquarters for selection.)

(1) Hub staff teams will be established for ALCP review in each Hub to do the application ratings (see Section V(D) above). See list of Hubs in Appendix A of this NOFA.

(2) From within rank order, Hub staff teams in each of the 18 Hubs will select the highest ranked applications from within that Hub in order, that can be funded from within the dollars available. Each Hub will select applications based on rank order up to and including the last application that can be funded out of each Hub's allocation. Hubs must not skip over any applications in order to select one based on the funds remaining.

(3) After making the initial selections, however, Hubs may use any residual funds to select the next rank-ordered application by reducing the dollars requested by no more than 10 percent (10%) and reducing the number of units proposed, but in no case reducing the

number of units below the financial threshold feasibility of five ALF units.

(4) Funds remaining after these processes are completed will be returned to HUD Headquarters. HUD will use these funds to restore units to any project reduced as a result of using the residual grant funds in a Hub. Secondly, HUD will use these funds for selecting one or more additional applications based on the Hubs rating and rankings, beginning with the highest rated application within the 18 Hubs. Only one application will be selected per Hub from the national residual amount. If there are no approvable applications in other Hubs, the process will begin again with the selection of the next highest rated application within the remaining Hubs. This process will continue until all approvable applications are selected using the available remaining funds. If there is a tie score between two or more applications, and there are insufficient residual funds to cover all tied applications, HUD Headquarters staff will choose the winning application(s) by lottery and/or reduction of grant requests consistent with the instructions above.

(5) Up to 3 applications will be selected using the \$15 million set-aside to provide grant funds to nonprofit applicants proposing to convert *unused or underutilized commercial property into assisted living*. HUD Multifamily Hubs will review applications for commercial properties for completeness and compliance with the eligibility criteria set forth in Section III of this NOFA. Hub staff will forward applications to Headquarters providing the application was received by the deadline date, meets all eligibility criteria, proposes reasonable costs for eligible activities, and includes all technical corrections by the designated deadline date. Headquarters will select no more than 3 applications on a first-come, first-served basis that can be funded within the \$15,000,000 available.

**Note:** Only applications that can be fully funded will be selected. If an application that cannot be fully funded is selected, it will be discarded and another application selected until an applicant is selected that is within the available remaining funds. Any remaining funds after this selection process will be returned to the funds allocated for eligible multifamily assisted projects.

**(G) Factors For Award Used To Evaluate and Rate Applications.**

HUD will rate ALCP applications that successfully complete technical processing using the Rating Factors set forth below and in accordance with the application submission requirements

identified in Section VI(B) of this NOFA, below. The maximum number of points an application may receive under this program is 100.

(1) The Department encourages applicants to either partner, fund or sub-contract with grassroots organizations, particularly faith-based and other community-based organizations in conducting their work programs. (See the General Section of the SuperNOFA for the definition of "grassroots organizations").

**Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (20 Points)**

This factor addresses your capacity to carry out the conversion in a timely, cost-conscious and effective manner. It also reviews your experience with the supportive services which the ALF intends to provide to elderly residents, especially in such areas as meals, 24-hour staffing and on-site health care. Submit information responding to this factor in accordance with Application Submission Requirements in Sections VI(B)(5)(a), (8)(h), and (2)(d) of this NOFA.

In rating this factor, HUD will consider the extent to which your application demonstrates your ability to carry out a successful conversion of the project and to implement the plan to deliver the supportive services on a long term basis, considering the following:

(1) (9 points) The practicality of your plan and timetable to carry out the physical conversion of the development to the ALF.

(2) (10 points) Your past experience in providing or arranging for supportive services either on or off site for those who are frail. (If you are applying to convert an unused or underutilized commercial facility to assisted living and you do not own or operate a project with frail elderly residents, you must provide information on any past experience in providing or arranging supportive services for those who are frail.) Examples are: Meals delivered to apartment of resident or in a congregate setting (2 points), arranging for or providing personal care (3 points), providing 24-hour staffing (1 point), providing or making available on-site preventive health care (2 points) and other support services (2 points).

(3) (1 point) Your organization is a "grassroots" organization as defined in the General Section of the SuperNOFA.

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

This factor addresses the extent to which the conversion is needed by the categories of elderly persons and

persons with disabilities that the ALF is intended to serve (very low income elderly persons and people with disabilities who have limitations in three or more activities of daily living). The application must provide evidence of current needs among project residents (not applicable to applications proposing to convert unused or underutilized commercial facilities) and needs of potential residents in the housing market area for such persons including economic and demographic information on very-low income frail elderly and people with disabilities and information on current assisted living resources in the market area.

The factor also addresses your inability to fund the repairs or conversion activities from existing financial resources. In making this determination, HUD will consider project financial information or the organization's financial information for unused or underutilized commercial facilities. Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(4)(a) through (d), (2)(c) and (9)(a) through (c) of the NOFA. In evaluating this factor, HUD will consider:

(1) (7 points) The need for assisted living among the elderly and disabled residents of the project taking into consideration those currently in need and the depth of future needs given aging in place. (Not applicable to applications to convert unused or underutilized commercial facilities to assisted living.)

(2) (3 points) (10 points for applications to convert unused or underutilized commercial facilities to assisted living.) The need for assisted living among very-low income elderly persons and people with disabilities in the housing market area.

(3) (9 points) Insufficient funding for any needed conversion work, as evidenced by the project's financial statements and specifically the lack of excess reserve for replacement dollars (R4R) and residual receipts. If the available R4R and residual receipts are less than 10% of the total funds needed = 9 points; if the available R4R and residual receipts are 10 - 50% of need = 5 points; and, if the available R4R and residual receipts are 51% or more of the total funds of need = 0 points). For commercial properties, if the available working capital exceeds 10 percent of the total conversion = 5 points; if the working capital is less than 10 percent of the total conversion = 9 points.

(4) (1 point) The Department will provide one (1) point to those

applications which establish a connection between the proposed ALF and the community's Analysis of Impediments to Fair Housing Choice (AI) or other planning document that analyzes fair housing issues and is prepared by a local planning or similar organization.

**Rating Factor 3: Soundness of Approach (40 Points).**

This factor addresses the quality and effectiveness of your proposal in addressing the proposed conversion, effectiveness of service coordination and management planning and the meals and supportive services which the ALF intends to provide. There must be a relationship between the proposed activities, the project's and the community's needs and purposes of the program funding for your application to receive points for this factor. Submit information responding to this factor in accordance with Application Submission Requirements in Sections VI(B)(5)(b) through (e) and (h) and (7) and (B)(8)(a) through (e) and (g) and (h) of this NOFA.

In evaluating this factor, HUD will consider the following:

(1) (12 points) The extent to which the proposed ALF design will meet the special physical needs of frail elderly persons or persons with disabilities expected to be served at reasonable cost (consider the ALF design: meets needs = 12 points; ALF design partially meets needs = 6 points; and ALF design does not meet needs = 0 points).

(2) (12 points) The extent to which the ALF's proposed management and operational plan ensures that the provision of both meals and supportive services planned will be accomplished over time. (Consider ALF design/management plan: meets needs of management operations = 12 points; ALF design/management plan partially meets needs of management operations = 6 points; and ALF design/management plan does not meet needs of management operations = 0 points.)

(3) (7 points) The extent to which the proposed supportive services meet the anticipated needs of the frail elderly and disabled residents (consider Yes = 7 points; partially meets needs = 4 points; and, does not meet needs = 0 points); and

(4) (7 points) The extent to which the service coordination function is addressed and explained as onsite and sufficient, onsite and augmented or new, and addresses the ongoing procurement of needed services for the residents of the ALF (does meet = 7 points, partially meets = 4 points, does not meet = 0 points).

(5) (2 point) The extent to which there is an operating philosophy which promotes the autonomy and independence of the frail elderly persons it is intended to serve (is fully addressed = 2 points, no or not addressed = 0 points).

**Rating Factor 4: Leveraging Resources (10 Points)**

This factor addresses your ability to secure other community resources which can be combined with HUD's grant funds to achieve program purposes. For the ALCP to succeed, you *MUST* generate local funding for the necessary supportive services to operate the ALF. HUD also encourages local funding for some of the necessary conversion work, or other work needed in the project (e.g., general modernization) which is *NOT* specifically linked to the ALF).

Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(5)(f), (g), and (B)(8)(f) of this NOFA.

(1) (5 points) The extent to which there are commitments for the funding needed for the meals and the supportive services planned for the ALF and that the total cost of the estimated budget of the ALF is covered. Consider 90% or more commitment for the total budget with no more than 10% general support = 5 points; 80–89.9% or more commitment for the total budget with no more than 20% general support = 4 points; 65–79.9% firm commitment with no more than 35% general support = 3 points; 40–64.9% firm commitment for the total budget with no more than 60% general commitment = 2 points; less than 40% firm commitment for the total budget with no more than 60% general support = 0 points.

(2) (3 points) The extent of local organizations' support which is firmly committed to providing at least 50 percent of the total cost of ALF conversion (consider 50% or more = 3 points, 20–49.9% = 2 points, and under 20% = 0 points).

(3) (2 points) The extent of local organizational support which is firmly committed to providing funds for additional repair or retrofit necessary for the project *NOT* specifically directed to activities eligible under this NOFA (consider yes = 2 points, no = 0 points).

**Rating Factor 5: Coordination, Self-sufficiency and Sustainability (10 Points)**

This factor addresses the extent to which you have evidenced general support for conversion by participating in your community's Consolidated

Planning Process, involving the residents in the planning process (not applicable to applications proposing to convert unused or underutilized commercial facilities); the extent to which you have coordinated your activities with other known organizations that are not directly participating in your proposed work activities and are working toward addressing the need in a holistic and comprehensive manner through linkages with other activities in the community; the extent to which your project will implement practical solutions that will result in assisting residents in achieving independent living and the extent to which the project will be viable absent HUD funds but rely more on state, local and private funds. Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(2)(a) through (d), (B)(8)(a)–(e) of this NOFA.

(1) (4 points) The extent to which you have coordinated your activities with other known organizations that are not directly participating in your proposed work activities, but share common goals and objectives and are working together to meet objectives; the involvement of project residents (including minority residents) or their representatives, in the development of the ALCP application, and your intent to involve residents, in the development and operation of the project and in relocation planning (Minus two (– 2) points if not addressed); (If you are applying to convert an unused or underutilized commercial facility to assisted living, provide information on the involvement of elderly persons in the development of the ALCP application, and your intent to involve residents, in the development and operation of the project.)

(2) (2 points) The extent to which you demonstrated that you have been actively involved (or if not currently active, the steps you will take to become actively involved) in your community's Consolidated Planning/AI processes to identify and address a need/problem that is related in whole or part, directly or indirectly to the proposed project;

(3) (2 points) The extent to which your assisted living facility will implement practical solutions that will result in assisting residents in achieving independent living and improved living environment.

(4) (2 points) The extent to which you demonstrate that the project will be viable absent HUD funds while relying more on state, local and private funds.

## VI. Application Submission Requirements

(A) *Application—General.* Your application must include all of the information, materials, forms, and exhibits listed in Section VI(B). In cases where your (i) articles of incorporation and (ii) by-laws have NOT changed since the project was originally approved by HUD, self-certification to that effect—that the documents on file with HUD are current—is sufficient. Items in Section VI(B) for which self-certification of currency is possible are denoted by a “\*\*\*”.

In addition to the relief of paperwork burden in preparing applications, you will not have to submit certain new/recent information and exhibits you have previously prepared. See individual item descriptions, below to identify such items. An example of such an item may be the FY 2001 Annual Financial Statement.

### (B) General Application Requirements.

(1) Application Summary for the Assisted Living Conversion Program and Evidence that you are a private nonprofit organization or nonprofit consumer cooperative and have the legal ability to operate an ALF program, per the following:

(a) Articles of Incorporation, constitution, or other organizational documents, or self-certification of these documents, if there has been no change in the Articles since they were originally filed with HUD;\*\*\* and

(b) By-laws, (for non-profits) or self-certification of by-laws, if there has been no change in the by-laws since they were originally filed with HUD.\*\*\*

(2) A description of your community ties and established linkages:

(a) A description of your links to the community at large and to the minority and elderly communities in particular; and

(b) A description of your efforts to involve elderly persons, including minority elderly persons and persons with disabilities in:

(i) The development of the application;

(ii) The development of the ALF operating philosophy;

(iii) Review of the application prior to submission to HUD; and

(iv) Your intent to involve elderly persons in the operation of the project or not.

Also, demonstrate that you made the application available to the residents of the project (in their language(s)) AND requested and considered comments from them (in their language(s)). Applicants of converted commercial

facilities should indicate that the application will be made available to the residents of the project in their language(s) and will request and consider comments from them in their language(s).

(c) A description of your involvement in your community’s Consolidated Planning and Analysis of Impediments to Fair Housing (AI) processes including:

(i) An identification of the lead/facilitating agency(ies) that organizes/administers the processes;

(ii) A listing of the Consolidated Plan/AI issue areas in which you participate; and

(iii) The level of your participation in the processes, including active involvement with any neighborhood-based organizations, associations, or any committees that support programs and activities that enhance projects or the lives of residents of the projects, such as the one proposed in your application.

If you are not currently active, describe the specific steps you will take to become active in the Consolidated Planning and AI processes. (Consult the local HUD Office for the identification of the Consolidated Plan community process for the appropriate area.)

(d) A description of how the assisted living facility will implement practical solutions that will result in assisting residents in achieving independent living and improved living environment.

(3) Evidence of your project being in occupancy for at least five years as of the date of application to HUD. (Not applicable to commercial facilities.)

(4) A market analysis of the need for the proposed ALF units, including information from both the project and the housing market, containing:

(a) Evidence of need for the ALF by current project residents: (Not applicable to commercial facilities.)

(i) A description of the demographic characteristics of the elderly residents currently living in the project, including the current number of residents, distribution of residents by age and sex, an estimate of the number of residents with frailties/limitations in activities of daily living and an estimate of the number of residents in need of assisted living services. (Not applicable to commercial facilities.)

(ii) A description of the services which are currently available to the residents and/or provided on or off-site and what services are lacking; (Not applicable to commercial facilities.)

(b) Evidence of the need for ALF units by very low income elderly and disabled households in the market area; a description of the trend in elderly and

disabled population and household change; data on the demographic characteristics of the very low income elderly in need of assisted living services (age, race, sex, household size and tenure) and extent of residents with frailty/limitations in existing federally-assisted housing for the elderly (HUD and Rural Housing Service); and an estimate of the very low income elderly and disabled in need of assisted living taking into consideration any available State or local data.

(c) A description of the extent, types and availability and cost of alternate care and services locally, such as: Home health care, adult day care, housekeeping services, meals programs, visiting nurses, on-call transportation services, health care and providers of supportive services who address the needs of the local low income population.

(d) A description of how information in the community’s Analysis of Impediments to Fair Housing Choice was used in documenting the need for the ALF (covering items in Section VI(B)(4)(a) and (b) of this NOFA).

(5) A description of the physical ALF conversion, including the following:

(a) How you propose to carry out the physical conversion (including a timetable and relocation planning).

(b) A short narrative stating the number of units, special design features, community and office space/storage, dining and kitchen facility and staff space and the physical relationship to the rest of the project. Also, you must describe how this design will facilitate the delivery of services in an economical fashion and accommodate the changing needs of the residents over at least the next 10 years.

(c) A copy of the original plans for all units and other areas of the development which will be included in the conversion. (If you are applying to convert an unused or underutilized commercial facility to assisted living, provide a copy of the original plans of the facility).

(d) A description of the conversion must clearly address the following accessibility issues: All door openings must have a minimum clear opening of 32 inches; and, all bathrooms and kitchens must be accessible to and functional for persons in wheelchairs, according to the “Uniform Federal Accessibility Standards.”

(e) Architectural sketches of the conversion to a scale of ¼ inch to one foot that indicate the following:

(i) All doors being widened;

(ii) Typical kitchen and bathroom reconfiguration: Show all wheelchair clearances, wall reinforcing, grab bars

and elevations of counters and work surfaces;

- (iii) Bedroom/living/dining area modification, if needed;
- (iv) Any reconfigured common space;
- (v) Added/reconfigured office and storage space;
- (vi) Monitoring stations, and
- (vii) The kitchen and dining facility.

All architectural modifications must meet section 504 and ADA requirements as appropriate.

(f) A budget showing at least estimated costs for materials, supplies, fixtures and labor for each of the items listed in Section VI(B)(5)(e), items i through vii, above.

(g) Include firm commitment letters with specific dollar amounts from appropriate organization(s) for conversion needs (within the scope of the ALF conversion NOFA) which will be supported by non-HUD funding.

(h) A description of any relocation of current tenants including a statement that: (Not applicable to commercial property applicants.)

(i) Indicates the estimated cost of temporary relocation payments and other related services;

(ii) Identifies the staff organization that will carry out the relocation activities; and

(iii) Identifies all tenants that will have to be temporarily moved to another unit within the development OR from the development during the period that the physical conversion of the project is under way.

**Note:** If any of the relocation costs will be funded from sources other than the ALCP grant, you must provide evidence of a firm commitment of these funds. When evaluating applications, HUD will consider the total cost of proposals (i.e., cost of conversion, temporary relocation, service coordinator and other project costs).

(6) A description of any retrofit or renovation which will be done at the project (with third party funds) that is separate and distinct from the ALF conversion. With such description, attach firm commitment letters from third party organizations in specific dollar amounts which will cover the cost of any work outside the scope of this NOFA.

(7) Evidence of permissive zoning, showing that the modifications to include the ALF into the project as proposed are permissible under applicable zoning ordinances or regulations, or a statement of the proposed action required to make the proposed project permissible and the basis for your belief that the proposed action will be completed successfully within six months of the date of grant award by HUD (e.g., a summary of the

results of any requests for rezoning and/or the procedures for obtaining special or conditional use permits on land in similar zoning classifications and the time required for such rezoning, or preliminary indications of acceptability from zoning bodies, etc.);

(8) A supportive services plan (SSP), a copy of which must be submitted to the appropriate state and/or local agency as instructed in Section IV(B) of this NOFA. For those applicants needing to contact state Medicaid offices, a list is provided on the Internet at "[www.hcfa.gov/medicaid/medicaid.htm](http://www.hcfa.gov/medicaid/medicaid.htm)." The SSP must include:

(a) A description of the supportive services needed for the frail elderly the ALF is expected to serve. This must include at least (i) meals and such other supportive services required locally or by the State, and (ii) such optional services or care to be offered on an "as needed" basis.

Examples of both mandatory and optional services (which will vary from state to state) are: Two meals and two snacks or three meals daily; 24-hour protective oversight; personal care; housekeeping services; personal counseling and transportation.

(b) A description of how you will provide the supportive services to those who are frail and have disabilities (i.e., on or off-site or combination of on or off-site), including an explanation of how the service coordination role will facilitate the adequate provision of such services to ALF residents, and how the services will meet the identified needs of the residents. Also indicate how you intend to fund the service coordinator role.

(c) A description of how the operation of your ALF will work. Address: (i) General operating procedures; (ii) ALF philosophy and how it will promote the autonomy and independence of the frail elderly and persons with disabilities; (iii) what will the service coordination function will do and the extent to which this function already exists, or will be augmented or new; (iv) ALF staff training plans; and (v) the degree to which and how the ALF will relate to the day-to-day operations of the rest of the project.

(d) The monthly individual rate for board and supportive services for the ALF listing the total fee and components of the total fee for the items required by state or local licensing AND list the appropriate rate for any optional services you plan to offer to the ALF residents. Provide an estimate of the total annual costs of the required board and supportive services you expect to provide and an estimate of the amount

of optional services you expect to provide.

(e) List who will pay for the board and supportive services (e.g., \$\_\_ for meals by sponsor, \$\_\_ for housekeeping services by city government; \$\_\_ for personal care by State Department of Health; \$\_\_ for \_\_ by state \_\_ program; \$\_\_ in fees by tenants; and, \$\_\_ by \_\_).

The amounts and commitments from both tenants and/or providers must equal the estimated amounts necessary to cover the monthly rates for the number of people expected to be served. If you include tenant fees in the proposal, list and show any proposed scaling mechanism. All amounts committed/collected must equal the annualized cost of the monthly rates calculated by the expected percentage of units filled.

(f) A support/commitment letter from EACH listed proposed funding source per paragraph (e), above, for the planned meals and supportive services listed in the application. The letter must cover the total planned annual commitment (and multiyear amount total, if different), length of time for the commitment, and the amounts payable for each service covered by the provider/paying organization. There must be a letter from EACH participating organization listed in Section VI(B)(8)(e) of this NOFA, above.

(g) A support letter from EACH governmental agency which provides licensing for ALFs in that jurisdiction.

(h) A description of your relevant experience in arranging for and/or delivering supportive services to frail residents. (If you are applying to convert an unused or underutilized commercial facility to assisted living, provide information on your relevant experience in arranging for and/or delivering supportive services to frail elderly persons). The description should include any supportive services facilities owned/operated; your past or current involvement in any project-based programs that demonstrates your management capabilities. The description should include data on the facilities and specific meals and/or supportive services provided on a regular basis, the racial/ethnic composition of the populations served, if available, and information and testimonials from residents or community leaders on the quality of the services.

**Note:** If a funds request for service coordination for the ALF and/or the whole project is included as part of this application, the Form HUD-424M, indicating the dollars requested must be attached as Exhibit 10(c). Do NOT attach the whole service coordinator application.

(9) A description of your project's resources: (Items (9)(a)-(b) are not applicable to applicants of commercial property.)

(a) A copy of the most recent project Repair and Replacement (R4R) account statement, and an R4R analysis showing plans for its use over the next five years, and any approvals received from the HUD field office to date.

(b) A copy of the most recent Residual Receipts Account statement. Indicate any approvals for the use of such receipts from the field office for over \$500/unit.

(c) Annual Financial Statement (AFS). If your FY 2002 AFS was due to REAC more than 120 days BEFORE the due date for this application, in the interest of reducing work burden, only include the date that it was sent to REAC. If the AFS was due to REAC 120 days or less from the due date of this application, you MUST include a paper copy. For commercial properties, the most recent financial statement or annual report.

(10) *Forms, Certifications and Resolutions*. The following exhibits, forms, certifications and assurances are required:

(a) *Standard Form 424, Application for Federal Assistance* and indication of whether you are delinquent on any federal debt and compliance with Executive Order 12372 (a certification that you have submitted a copy of your application, if required, to the State agency (Single Point of Contact) for State review in accordance with Executive Order 12372 (see the General Section of the SuperNOFA for instructions in submitting this form).

(b) *Standard Form 424D, Assurances, Construction Programs*.

(c) *Form HUD 424M, Federal Assistance Funding Matrix*.

(d) *Form HUD-50070, Drug-free Workplace*. Certification to provide a drug-free workplace.

(e) *Form HUD-50071, Payments to Influence Federal Transactions and Standard Form-LLL, Disclosure of Lobbying Activities*. Certification of whether any of the funds received will be used to influence any federal transactions and disclosure of these activities, if applicable.

(f) *Form HUD 2880, Applicant/Recipient Disclosure/Update Report, including Social Security and Employment Identification numbers*. A disclosure of assistance from other government sources received in connection with the project.

(g) *Certification Regarding Debarment and Suspension (HUD-2992) (24 CFR 24.510)*.

(h) *Form HUD-2991, Certification of Consistency with the Consolidated Plan*

(Plan), for the jurisdiction in which the proposed ALF will be located. The certification must be made by the unit of general local government if it is required to have, or has, a complete Plan. Otherwise, the certification may be made by the State, or by the unit of general local government if the project will be located within the jurisdiction of the unit of general local government authorized to use an abbreviated strategy, and if it is willing to prepare such a Plan.

All certifications must be made by the public official responsible for submitting the plan to HUD. The certifications must be submitted as part of the application by the application submission deadline date set forth herein. The Plan regulations are published in 24 CFR part 91.

(i) *A certified Board Resolution that no officer or director of the Owner has or will have any financial interest in any contract with the Owner* or in any firm or corporation that has or will have a contract with the Owner, including a current listing of all duly qualified and sitting officers and directors by title, and the beginning and ending dates of each person's term.

## VII. Environmental Requirements

Your ALCP application is 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. Pursuant to 24 CFR part 55, ALCP projects are critical actions for purposes of floodplain management review.

## VIII. Authority

The Assisted Living Conversion Program is authorized by Section 202(b) of the Housing Act of 1959 (12 U.S.C. 1701q-2) and the Fiscal Year 2002 Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act.

## Appendix A.—HUD Field Office List for Mailing Assisted Living Conversion Program Applications

### HUD—Boston Hub

Boston Office, Room 301, Thomas P. O'Neill, Jr., Federal Building, 10 Causeway Street, Boston, MA 02222-1092, (617) 565-5234, TTY Number: (617) 565-5453.

### HUD—New York Hub

New York Office, 26 Federal Plaza—32nd Floor, New York, NY 10278-0068, (212) 264-8000, TTY Number: (212) 264-0927

### HUD—Buffalo Hub

Buffalo Office, Fifth Floor, Lafayette Court, 465 Main Street, Buffalo, NY 14203-1780, (716) 551-5755, TTY Number: (716) 551-5787

### HUD—Philadelphia Hub

Philadelphia Office, The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107-3380, (215) 656-0600, TTY Number: (215) 656-3452

### HUD—Baltimore Hub

Baltimore Office, Fifth Floor, City Crescent Building, 10 South Howard Street, Baltimore, MD 21201-2505, (410) 962-2520, TTY Number: (410) 962-0106

### HUD—Greensboro Hub

Greensboro Office, Koger Building, 2306 West Meadowview Road, Greensboro, NC 27407-3707, (336) 547-4000, TTY Number: (336) 547-4055

### HUD—Atlanta Hub

Atlanta Office, 40 Marietta Street—Five Points Plaza, Atlanta, GA 30303-2806, (404) 331-5001, TTY Number: (404) 730-2654

### HUD—Jacksonville Hub

Jacksonville Office, Suite 2200, Southern Bell Tower, 301 West Bay Street, Jacksonville, FL 32202-5121, (904) 232-2626, TTY Number: (904) 232-2631

### HUD—Chicago Hub

Chicago Office, Ralph H. Metcalfe Federal Building, 77 West Jackson Boulevard, Chicago, IL 60604-3507, (312) 353-5680, TTY Number: (312) 353-5944

### HUD—Detroit Hub

Detroit Office, Patrick V. McNamara Federal Building, 477 Michigan Avenue—17th Floor, Detroit, MI 48226-2592, (313) 226-7900, TTY Number: (313) 226-6899

### HUD—Columbus Hub

Columbus Office, 200 North High Street, 7th Floor, Columbus, OH 43215-2499, (614) 469-5737, TTY Number: (614) 469-6694

### HUD—Minneapolis Hub

Minneapolis Office, 220 Second Street, South, Minneapolis, MN 55401-2195, (612) 370-3000, TTY Number: (612) 370-3186

### HUD—Ft. Worth Hub

Ft. Worth Office, 801 N. Cherry Street, P.O. Box 2905, Fort Worth, TX 76113-2905, (817) 978-9000, TTY Number: (817) 978-9273

### HUD—Kansas City Hub

Kansas City Office, Room 200, Gateway Tower II, 400 State Avenue, Kansas City, KS 66101-2406, (913) 551-5462, TTY Number: (913) 551-6972

### HUD—Denver Hub

Denver Office, 633 17th Street, Denver, CO 80202-3607, (303) 672-5440, TTY Number: (303) 672-5248

*HUD—San Francisco Hub*

San Francisco Office, Philip Burton Federal Building and U.S. Courthouse, 450 Golden Gate Avenue, P.O. Box 36003, San Francisco, CA 94102-3448, (415) 436-6550, TTY Number: (415) 436-6594

*HUD—Los Angeles Hub*

Los Angeles Office, 611 West 6th Street, Suite 800, Los Angeles, CA 90017-3106, (213) 894-8000, TTY Number: (213) 894-8133

*HUD—Seattle Hub*

Seattle Office, Seattle Federal Office Building, 909 1st Avenue, Suite 200, Seattle, WA 98104-1000, (206) 220-5101, TTY Number: (206) 220-5185

**Note:** The first line of the mailing address for all offices is the U. S. Department of Housing and Urban Development. Telephone numbers listed are not toll free.

**Appendix B***HUD—Boston Hub*

Hartford Office, One Corporate Center, 19th Floor, Hartford, CT 06103-3220, (860) 240-4800, TTY Number: (860) 240-4665

Boston Office, Room 375, Thomas P. O'Neill, Jr., Federal Building, 10 Causeway Street, Boston, MA 02222-1092, (617) 565-5234, TTY Number: (617) 565-5453

Manchester Office, Norris Cotton Federal Building, 275 Chestnut Street, Manchester, NH 03101-2487, (603) 666-7681, TTY Number: (603) 666-7518

Providence Office, Sixth Floor, 10 Weybosset Street, Providence, RI 02903-2808, (401) 528-5230, TTY Number: (401) 528-5403

*HUD—New York Hub*

New York Office, 26 Federal Plaza, New York, NY 10278-0068, (212) 264-8000, TTY Number: (212) 264-0927

*HUD—Buffalo Hub*

Buffalo Office, Fifth Floor, Lafayette Court, 465 Main Street, Buffalo, NY 14203-1780, (716) 551-5755, TTY Number: (716) 551-5787

*HUD—Philadelphia Hub*

Philadelphia Office, The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107-3380, (215) 656-0600, TTY Number: (215) 656-3452

Charleston Office, Suite 708, 405 Capitol Street, Charleston, WV 25301-1795, (304) 347-7000, TTY Number: (304) 347-5332

Newark Office, Thirteenth Floor, One Newark Center, Newark, NJ 07102-5260, (973) 622-7900, TTY Number: (973) 645-3298

Pittsburgh Office, 339 Sixth Avenue, Sixth Floor, Pittsburgh, PA 15222-2515, (412) 644-6428, TTY Number: (412) 644-5747

*HUD—Baltimore Hub*

Baltimore Office, Fifth Floor, City Crescent Building, 10 South Howard Street, Baltimore, MD 21201-2505, (410) 962-2520, TTY Number: (410) 962-0106

Washington, DC Office, 820 First Street, NE, Suite 300, Washington, D.C. 20002-4205, (202) 275-9200, TTY Number: (202) 275-0772

Richmond Office, The 3600 Centre, 3600 West Broad Street, Richmond, VA 23230-4920, (804) 278-4500, TTY Number: (804) 278-4501

*HUD—Greensboro Hub*

Greensboro Office, Koger Building, 2306 West Meadowview Road, Greensboro, NC 27407-3707, (336) 547-4000, TTY Number: (336) 547-4055

Columbia Office, Strom Thurmond Federal Building, 1835-45 Assembly Street, Columbia, SC 29201-2480, (803) 765-5592, TTY Number: (803) 253-3071

*HUD—Atlanta Hub*

Atlanta Office, Richard B. Russell Federal Building, 75 Spring Street, S.W., Suite 600, 40 Marietta Street—Five Points Plaza, Atlanta, GA 30303-3388 2806, (404) 331-5136 5001, TTY Number: (404) 730-2654

San Juan Office, Edificio Administracion de Terrenos, 171 Carlos Chardon Avenue, Suite 301, San Juan, PR 00918-0903, (787) 766-5400, TTY Number: (787) 776-5609

Louisville Office, 601 West Broadway, P.O. Box 1044, Louisville, KY 40201-1044, (502) 582-5251, TTY Number: 1-800-648-6056

Knoxville Office, Third Floor, John J. Duncan Federal Building, 710 Locust Street, Knoxville, TN 37902-2526, (423) 545-4384, TTY Number: (423) 545-4559

Nashville Office, Suite 200, 251 Cumberland Bend, Nashville, TN 37228-1803, (615) 736-5213, TTY Number: (615) 736-2886

*HUD—Jacksonville Hub*

Jacksonville Office, Suite 2200, Southern Bell Tower, 301 West Bay Street, Jacksonville, FL 32202-5121, (904) 232-2626, TTY Number: (904) 232-2631

Birmingham Office, Suite 300, Beacon Ridge Tower, 600 Beacon Parkway, West, Birmingham, AL 35209-3144, (205) 290-7617, TTY Number: (205) 290-7624

Jackson Office, Suite 910, Doctor A.H. McCoy Federal Building, 100 West Capitol Street, Jackson, MS 39269-1096, (601) 965-4700, TTY Number: (601) 965-4171

*HUD—Chicago Hub*

Chicago Office, Ralph H. Metcalfe Federal Building, 77 West Jackson Boulevard, Chicago, IL 60604-3507, (312) 353-5680, TTY Number: (312) 353-5944

Indianapolis Office, 151 North Delaware Street, Indianapolis, IN 46204-2526, (317) 226-6303, TTY Number: (317) 226-7081

*HUD—Detroit Hub*

Detroit Office, Patrick V. McNamara Federal Building, 477 Michigan Avenue, Detroit, MI 48226-2592, (313) 226-7900, TTY Number: (313) 226-6899

Grand Rapids Office, Trade Center Building, 50 Louis Street, NW, Third Floor, Grand Rapids, MI 49503-2648, (616) 456-2100, TTY Number: (616) 456-2159

*HUD—Columbus Hub*

Columbus Office, 200 North High Street, 7th Floor, Columbus, OH 43215-2499, (614) 469-5737, TTY Number: (614) 469-6694

Cleveland Office, Renaissance Building, 1350 Euclid Avenue, Suite 500, Cleveland, OH 44115-1815, (216) 522-4058, TTY Number: (216) 522-2261

*HUD—Minneapolis Hub*

Minneapolis Office, 220 Second Street, South, Minneapolis, MN 55401-2195, (612) 370-3000, TTY Number: (612) 370-3186

Milwaukee Office, Suite 1380, Henry S. Reuss Federal Plaza, 310 West Wisconsin Avenue, Milwaukee, WI 53203-2289, (414) 297-3214, TTY Number: (414) 297-1423

*HUD—Ft. Worth Hub*

Little Rock Office, Suite 900, TCBY Tower, 425 West Capitol Avenue, Little Rock, AR 72201-3488, (501) 324-5931, TTY Number: (501) 324-5931

New Orleans Office, Ninth Floor, Hale Boggs Federal Building, 501 Magazine Street, New Orleans, LA 70130-3099, (504) 589-7200, TTY Number: (504) 589-7279

Ft. Worth Office, 801 N. Cherry Street, P.O. Box 2905, Fort Worth, TX 76113-2905, (817) 978-9000, TTY Number: (817) 978-9273

Houston Office, Suite 200, Norfolk Tower, 2211 Norfolk, Houston, TX 77098-4096, (713) 313-2274, TTY Number: (713) 834-3274

San Antonio Office, Washington Square, 800 Dolorosa Street, San Antonio, TX 78207-4563, (210) 475-6800, TTY Number: (210) 475-6885

*HUD—Great Plains*

Des Moines Office, Room 239, Federal Building, 210 Walnut Street, Des Moines, IA 50309-2155, (515) 284-4512, TTY Number: (515) 284-4728

Kansas City Office, Room 200, Gateway Tower II, 400 State Avenue, Kansas City, KS 66101-2406, (913) 551-5462, TTY Number: (913) 551-6972

Omaha Office, Executive Tower Centre, 10909 Mill Valley Road, Omaha, NE 68154-3955, (402) 492-3100, TTY Number: (402) 492-3183

Saint Louis Office, Third Floor, Robert A. Young Federal Building, 1222 Spruce Street, St. Louis, MO 63103-2836, (314) 539-6583, TTY Number: (314) 539-6331

Oklahoma City Office, 500 West Main Street, Suite 400, Oklahoma City, OK 73102-2233, (405) 553-7401, TTY Number: 1-800-877-8339

*HUD—Denver Hub*

Denver Office, 633 17th Street, Denver, CO 80202-3607, (303) 672-5440, TTY Number: (303) 672-5248

*HUD—San Francisco Hub*

Phoenix Office, Suite 1600, Two Arizona Center, 400 North 5th Street, Phoenix, AZ 85004-2361, (602) 379-4434, TTY Number: (602) 379-4464

San Francisco Office, Philip Burton Federal Building and U.S. Courthouse, 450 Golden Gate Avenue, P.O. Box 36003, San Francisco, CA 94102-3448, (415) 436-6550, TTY Number: (415) 436-6594

Honolulu Office, Suite 500, 7 Waterfront Plaza, 500 Ala Moana Boulevard, Honolulu, HI 96813-4918, (808) 522-8185, TTY Number: (808) 522-8193

*HUD—Los Angeles Hub*

Los Angeles Office, 611 West 6th Street, Suite 800, Los Angeles, CA 90017-3106,

(213) 894-8000, TTY Number: (213) 894-8133

*HUD—Seattle Hub*

Portland Office, 400 Southwest Sixth Avenue, Suite 700, Portland, OR 97204-

1632, (503) 326-2561, TTY Number: (503) 326-3656

**Note:** The first line of the mailing address for all offices is the U. S. Department of Housing and Urban Development. Telephone numbers listed are not toll free.

**APPENDIX C**

The non-standard forms required for the ALCP application.

**BILLING CODE 4210-32-P**

APPENDIX C

EXHIBIT I

**Multifamily Housing  
Assisted Living Conversion Program  
APPLICATION SUMMARY SHEET**

**U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

Owner (Funds Recipient) Name \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone (Include Area Code) \_\_\_\_\_

Grant Contact Person (Name) \_\_\_\_\_

Phone (Include Area Code) \_\_\_\_\_

E-mail address \_\_\_\_\_

List the specific development(s) targeted for assistance under this grant. Use additional sheets as needed.

Development Name \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

FHA/Project Number \_\_\_\_\_ Sec.8 Number \_\_\_\_\_

Project Type (e.g., 236) \_\_\_\_\_ No. of Units \_\_\_\_\_

Location (Urban, suburban, or rural) \_\_\_\_\_

Number of Residents \_\_\_\_\_ Estimated number of frail elderly \_\_\_\_\_

Estimated number of non-elderly people with disabilities \_\_\_\_\_

Estimated number of at-risk elderly \_\_\_\_\_

Are you applying for a Service Coordinator Grant? \_\_\_\_\_ Yes \_\_\_\_\_ No

Will this development share a service coordinator with other developments? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, please give name and address of the development(s) if different.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Senators 1. \_\_\_\_\_ 2. \_\_\_\_\_

Congressional Representative(s) Name(s) 1. \_\_\_\_\_ District(s) 1. \_\_\_\_\_

2. \_\_\_\_\_ 2. \_\_\_\_\_

**EXHIBIT 10(i)****OWNER'S CONFLICT OF INTEREST RESOLUTION**

**TO:** The Secretary of Housing and Urban Development

**SUBJECT:** Assisted Living Conversion Program (ALCP) for Eligible  
Multifamily Housing Projects - Application for Grant

**Owner:**

**Project Location:**

WHEREAS, Section 202b of the Housing Act of 1959, as amended, authorizes the making of grants to owners of eligible multifamily housing projects designated for the elderly for conversion (in whole or in part) into assisted living facilities for elderly persons.

WHEREAS, HUD has implemented this statutory requirement by promulgating a regulation providing that the owner may not be controlled by or under the direction of persons or firms seeking to derive profit or gain therefrom. The regulation also prohibits any officer or director of the owner from having any financial interest in any contract in connection with the rendition of services, the provision of goods or supplies, procurement of furnishings or equipment, construction of the project, procurement of the site or any other matters whatsoever, except with respect to management or supportive services contracts entered into by the owner with its nonprofit affiliate.

WHEREAS, HUD has determined that assurance of compliance with this prohibition can best be obtained by requiring that all officers and directors of the owner corporation, if different, certify that they do not have and will not have during their term of office, any prohibited financial interest.

WHEREAS, because of the time constraints imposed under the application process and difficulties in meeting these deadlines caused by such factors as large boards and unavailability of officers and directors of the board, some owners have been unable or experienced hardship in obtaining all of the required certifications for submission with the applications for fund reservation.

WHEREAS, HUD is willing to defer submission of the required owners Conflict of Interest and Disclosure Certifications until no later than 45 days after receipt by the owner of an approval letter for funding for a grant under the Assisted Living Conversion Program (ALCP) if such certifications are provided by all the owner's officers and directors listed below, who are duly qualified and sitting in these capacities from the date of submission of the owner's ALCP application.

[LIST THE NAME, TITLE, AND THE BEGINNING AND ENDING DATES OF THE TERM OF ALL OFFICERS AND DIRECTORS]

NOW, THEREFORE, in order to induce HUD to forego requiring submission of the Conflict of Interest and Disclosure Certifications until after ALCP conversion projects have been selected and funds granted, it is hereby resolved and agreed by the Boards of Directors of the owner:

1. That both entities will submit updated Incumbency Certificates, in a form prescribed by HUD, showing all changes in incumbency for submission with the Owner's Application for the ALCP grant.

2. That no officer or director of the owner has or will be permitted to have any prohibited interest which would prevent him or her from signing the required Conflict of Interest and Disclosure Certification.

3. That the grant will be subject to cancellation by HUD if the officers or directors of the owner fail to submit Conflict of Interest and Disclosure Certifications duly executed.

4. That no HUD ALCP grant will be expended on account of any contract or arrangement where a conflict of interest is determined to exist, and the owner shall be responsible for the payment of any and all obligations involving its officers and directors.

5. That should any contract or arrangement entered into by the Owner be determined by HUD to involve a conflict of interest, involving either the owner's officers or directors, the owner will exercise its best efforts to promptly cancel or terminate such contract or arrangement at HUD's request.

Adopted and approved by the Board of Trustees of the owner on the \_\_\_\_\_ date of \_\_\_\_\_.

\_\_\_\_\_  
Authorized Signature

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

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**SECTION 811 SUPPORTIVE HOUSING  
FOR PERSONS WITH DISABILITIES**

Billing Code 4210-32-C



**FUNDING AVAILABILITY FOR THE SECTION 811 PROGRAM OF SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811 PROGRAM)**

**Program Overview**

*Purpose of the Program.* This program provides funding for supportive housing for very low-income persons with disabilities who are at least 18 years old. Additionally, organizations receiving funds must assure that an array of community support services are identified and available. (Please note that funding for a related program, Mainstream Housing Opportunities for Persons with Disabilities, is found elsewhere in this SuperNOFA.)

*Available Funds.* Approximately \$117.5 million.

*Eligible Applicants.* Nonprofit organizations that have a section 501(c)(3) tax exemption from the Internal Revenue Service (See Section III(B) of this NOFA). (See Section VIII of this NOFA for information regarding the formation of the Owner corporation.)

*Eligible Activities.* New construction, rehabilitation, or acquisition (with or without rehabilitation) of housing (see Section III(C) of this NOFA).

*Application Deadline.* June 5, 2002.

*Match Requirements.* No.

**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.

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

*Application Due Date.* Submit your completed application on or before 6:00 pm, local time, on June 5, 2002, at the address shown below.

See the General Section of this SuperNOFA for specific procedures governing the application submission requirements to HUD field offices. Only Section 811 applications mailed via the United States Postal Service will be accepted.

*Address for Submitting Applications.* Submit your completed application (an original and four copies are required) to the Director of the appropriate Multifamily Hub Office or Multifamily Program Center as listed in Appendix A to this program section of the SuperNOFA with the following exceptions:

1. Applications for projects proposed to be located within the jurisdiction of the Seattle, Washington and the Anchorage, Alaska Offices must be

submitted to the Portland, Oregon Office.

2. Applications for projects proposed to be located within the jurisdiction of the Sacramento, California Office must be submitted to the San Francisco, California Office.

3. Applications for projects proposed to be located within the jurisdiction of the Cincinnati, Ohio Office must be submitted to the Columbus, Ohio Office.

4. Applications for projects proposed to be located within the jurisdiction of the Washington, DC Office must be submitted to the Baltimore, Maryland Office.

The application kit also includes a listing of the Multifamily Hubs and Program Centers, their addresses and telephone numbers, including TTY numbers. This information is also available from HUD's SuperNOFA Information Center at 1-800-HUD-8929 and from the Internet through the HUD web site at <http://www.hud.gov/grants>. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209.

*For Application Kits.* For an application kit and any supplemental information, please call HUD's SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. When requesting an application kit, please refer to the Section 811 Program and provide your name, address (including zip code), and telephone number (including area code). The application kit also will be available on the Internet through the HUD Web site at <http://www.hud.gov/grants> and from the appropriate Multifamily Hub Office or Multifamily Program Center.

*For Further Information and Technical Assistance.* You may contact the appropriate Multifamily Hub Office or Multifamily Program Center, Gail Williamson at HUD Headquarters at (202) 708-2866, or access the Internet at <http://www.hud.gov/grants>. Persons with hearing and speech impairments may access the above number via TTY (text telephone) by calling the Federal Relay Service at 1-800-877-8339 (this is a toll-free number).

HUD encourages minority organizations and grassroots organizations (e.g., civic organizations, congregations and faith-based and other community-based organizations) to participate in this program and strongly recommends prospective applicants attend the local HUD Office workshop. At the workshops, HUD will explain application procedures and requirements, as well as address

concerns such as local market conditions, building codes and accessibility requirements, historic preservation, floodplain management, displacement and relocation, zoning, and housing costs. If you are interested in attending the workshop, make sure that your name, address and telephone number are on the appropriate HUD Office's mailing list so that you will be informed of the date, time and place of the workshop. Persons with disabilities should call the appropriate HUD Office to assure that any necessary arrangements can be made to enable their attendance and participation in the workshop.

If you cannot attend the workshop, call the appropriate HUD Office if you have any questions regarding the submission of applications to that particular office and to request any materials distributed at the workshop.

*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**

For FY 2002, \$117,475,266 for capital advances is available for the Section 811 Program of Supportive Housing for Persons with Disabilities. The FY 2002 HUD Appropriations Act (Pub.L. 107-73, approved November 26, 2001) (HUD Appropriations Act) provides \$240,865,000 for capital advances, including amendments to capital advance contracts; for supportive housing for persons with disabilities, as authorized by section 811 of the National Affordable Housing Act of 1990 (NAHA); and for project rental assistance for supportive housing for persons with disabilities under section 811 of the NAHA, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term and for tenant-based rental assistance contracts entered into pursuant to section 811 of the NAHA. Of this amount, \$600,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

Twenty-five percent (25%) of \$215,823,000 or \$53.9 million (the amount remaining after the deductions for project rental assistance contract (PRAC) renewals, renewals of expiring contracts for tenant-based assistance and the amount to be transferred to the Working Capital Fund) is being set aside for tenant-based rental assistance for

persons with disabilities administered through public housing agencies (PHAs) and nonprofit organizations under the Mainstream Housing Opportunities for Persons with Disabilities Program which is found elsewhere in this SuperNOFA.

In accordance with the waiver authority provided in the HUD Appropriations Act, the Secretary is waiving the following statutory and regulatory provision: The term of the project rental assistance contract is reduced from 20 years to 5 years. HUD anticipates that at the end of the contract terms, renewals will be approved subject to the availability of funds. In addition to this provision, HUD will reserve project rental assistance contract funds based on 75 percent rather than on 100 percent of the current operating cost standards for approved units in order to take into account the average tenant contribution toward rent.

The allocation formula used for Section 811 reflects the "relevant characteristics of prospective program participants," as specified in 24 CFR 791.402(a). The FY 2002 formula consists of two data elements from the 1990 Decennial Census: (1) the number

of non-institutionalized persons age 16 or older with a work disability and a mobility or self-care limitation and (2) the number of non-institutionalized persons age 16 or older having a mobility or self-care limitation but having no work disability.

A work disability is defined as a health condition that had lasted for 6 or more months which limited the kind (restricted the choice of jobs) or amount (not able to work full time) of work a person could do at a job or business. A mobility limitation is defined as a health condition that lasted for 6 or more months, making it difficult for the person to go outside the home alone. This includes outside activities, such as shopping or visiting a doctor's office. A self-care limitation is defined as a health care limitation that had lasted for 6 or more months which made it difficult for the person to take care of his/her own personal needs such as dressing, bathing, or getting around inside the home. Temporary (short term) problems such as broken bones that are expected to heal normally are not considered problems.

Under the Section 811 Program, each HUD Office jurisdiction receives

sufficient capital advance funds for a minimum of 10 units. The total amount of capital advance funds to support this minimum set-aside is then subtracted from the total capital advance available. The remainder is fair shared to each HUD Office jurisdiction whose fair share would exceed the set-aside based on the allocation formula fair share factors described below.

The fair share factors were developed by taking the sum of the number of persons in each of the two elements for each state, or state portion, of each local HUD Office jurisdiction as a percent of the sum of the two data elements from the Decennial Census, described above, for the total United States. The resulting percentage for each local HUD Office is then adjusted to reflect the relative cost of providing housing among the local HUD Office jurisdictions. The adjusted needs percentage for each local HUD Office is then multiplied by the total amount of capital advance funds available nationwide.

The Section 811 capital advance funds have been allocated, based on the formula above, to 51 local HUD Offices as shown on the following chart:

**BILLING CODE 4210-32-P**