



**U.S. Department of Housing and Urban Development
Community Planning and Development**

Special Attention of:

All HOPWA Renewal Grantees
All CPD Field Office Directors

Notice: CPD-15-01
Issued: January 20, 2015

This notice remains effective until amended, superseded, or rescinded.

Cross References: 24 CFR Part 574 –
Housing Opportunities for Persons With
AIDS (HOPWA)

Subject: Standards for Fiscal Year 2015 HOPWA Permanent Supportive Housing Renewal Grant Applications

I. Purpose

This Housing Opportunities for Persons With AIDS (HOPWA) notice announces renewal application requirements for eligible expiring FY2015 HOPWA Permanent Supportive Housing (PSH) renewal competitive grants. As established in the Renewal Application Procedural Guide incorporated into this notice, FY2015 renewal applications must be received by no later than 5:00PM on March 13, 2015. Pursuant to the authority provided by the Consolidated and Further Continuing Appropriations Act, 2015, Pub.L. No. 113-235, the Department will renew all eligible expiring HOPWA permanent supportive housing (PSH) competitive grants initially funded with appropriated funds from Fiscal Year 2010 or earlier provided they meet applicable program requirements.

II. Background

The FY2015 HOPWA renewal competitive application process contains revisions significantly altering HOPWA renewal procedures from the previously established process under which eligible applicants applied and received an award. Grantees are advised to pay close attention to the updated information contained in this notice. This notice contains updated information on:

- HUD's strategic goals;
- The utilization of the Integrated Disbursement and Information System (IDIS) for 1) project set-up, 2) financial transactions, and 3) reporting on project outputs and outcomes; and

- Sub-reporting requirements.

HOPWA grantees must also ensure that the qualifying beneficiaries of HOPWA maintain access to available healthcare benefits and participate in their healthcare plan. HOPWA grantees must promote adherence to prescribed HIV/AIDS medications in an effort to address the HIV Care Continuum outcomes of improved CD4 and optimal suppressed viral load counts.

This renewal procedure seeks to simplify the approval process and expedite grant awards for projects that meet statutory and regulatory requirements. For more information on the review process, please reference Section VII. Application Review and Approval Information. The following changes are expected to provide for a more efficient and effective review process:

- A review of the project's most recently submitted annual progress report (APR). This review will evaluate a renewal applicant's PSH performance under the existing grant agreement and the established benchmarks under the renewal application;
- An analysis of account balances on hand to determine eligibility for renewal under the 2015 renewal period;
- The removal of duplicative narratives received in previous applications;
- Providing applicants with the opportunity to provide HUD with information on plans to restructure supportive service activities in an effort to connect clients to employment/job training services; and
- A list of the grants that are potentially eligible for renewal, and a potential renewal award amount. (See Attachment A of the Renewal Application Procedural Guide incorporated into this notice).

Interested applicants must notify the Office of HIV/AIDS Housing with a letter of intent to apply for renewal funding and a projected expenditure of remaining funding on the expiring grant by February 3, 2015, or two weeks from the publication date of this notice whichever comes first. The projection of expenditure must demonstrate that your remaining balance is insufficient to fund activities beyond the cutoff date established in this memorandum, which is April 30, 2016. The letter of intent must be signed by the authorized representative (executive director or equivalent), and sent via email both to the Office of HIV/AIDS Housing in HUD Headquarters **and** to the local HUD field office. The Office of HIV/AIDS Housing in HUD Headquarters receives emails at HOPWA@hud.gov.

Applicants seeking renewal of HOPWA grants must comply with the requirements of Section III. C., Other Requirements and Procedures Applicable to All Programs of the General Section to HUD's Fiscal Year 2015 Notices of Funding Availability (NOFAs) for Discretionary Programs, posted October 21, 2014 (amended by technical correction on October 28, 2014) at www.grants.gov, and attached to this notice as Attachment B.

For additional information, please contact Benjamin Ayers, CPD Specialist, or Amy Palilonis, CPD Specialist, in the Office of HIV/AIDS Housing. Benjamin Ayers can be reached at (202) 402-2201 or by email at Benjamin.L.Ayers@hud.gov. Amy Palilonis can be reached at (202) 402-5916 or by email at Amy.L.Palilonis@hud.gov.

FY 2015

Renewal Application Procedural Guide

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I. Eligibility for Permanent Supportive Housing Renewal Grants

Eligible Applicants and Project Sponsors

To be eligible for renewal, grantees must meet the application requirements provided in this notice, including the following requirements:

- The grant to be renewed must expire on or between **April 30, 2015** and **April 30, 2016**, and grant funds will no longer be available to the grantee upon expiration;
- The grantee must demonstrate to HUD's satisfaction that it will fully expend funds provided under the expiring grant before May 1, 2016. HUD will analyze remaining balances on expiring grants to ensure that potential eligible renewal grant balances are insufficient to provide services beyond April 30, 2016;
- Project activities must provide permanent supportive housing (PSH) to eligible persons under an expiring HOPWA grant. For the purposes of this notice, PSH refers to activities that provide eligible persons with permanent housing and ongoing supportive services through qualified providers. For the purposes of this notice, "permanent housing" refers to housing in which the eligible person has a continuous legal right to remain in the unit established by a lease or occupancy agreement. The lease must be renewable after the first year of occupancy. HUD will consider the primary grant activity as PSH when at least 51 percent of a grant's funds provide for PSH services to eligible persons;
- Successfully demonstrate PSH efforts. The existing HOPWA competitive project must be operating in a manner that meets program requirements, including the HOPWA regulations found at 24 CFR part 574. The project must have a record of compliance with program requirements, and solid grant performance, including a history of submitting timely, accurate, and complete Annual Progress Reports (APRs) that demonstrate measurable progress in the implementation of the current grant award. Measurable progress is defined as meeting applicable program benchmarks including:
 - Applicable performance benchmarks/goals in program development and operation such as the HOPWA outputs for the actual number of households assisted, including the number who were homeless at program entry (if targeted to homeless families and/or chronically homeless persons), and persons at risk of homelessness assisted, in comparison to the planned and approved number of households;
 - Meeting HOPWA outcome objectives such as increasing the number of persons who maintain access to care and stable housing; and
 - Compliance with the terms and conditions of all existing HOPWA grant awards, including expending prior funding in a timely manner as outlined in the grant agreements with HUD, with no outstanding audit or unresolved monitoring issues that HUD deems significant.

- The grant to be renewed initially received appropriated funds from Fiscal Year 2010 or earlier

II. Ineligible Competitive Grants

If a HOPWA competitive grant expired prior to April 30, 2015, the grant is not eligible for renewal under this notice. If a grant agreement expires after April 30, 2016, renewal funding for that PSH grant will be addressed in a future HOPWA renewal memorandum or notice. Additionally, if, at any time during the renewal period, it is determined that an applicant's expiring grant contains a remaining balance that will fund activities beyond April 30, 2016, then the competitive grant will not be eligible for a renewal award. Instead, the grantee must seek an extension of its currently expiring grant, and renewal eligibility will be deferred to a future renewal application notice.

An application for renewal may be denied if a grantee has performed poorly and failed to meet program requirements. Applicants deemed not eligible for renewal due to noncompliance must continue to provide housing support for their housing beneficiaries, or coordinate the transfer of their beneficiaries to alternative PSH or appropriate rental assistance programs upon the expiration of their grant. Additionally, any closing programs involving facility-based housing and/or facilities acquired with HOPWA funding must comply with: the minimum use requirements at 24 CFR 574.310(c), the relevant Federal disposition requirements, and any other applicable Federal requirements. Examples of poor performance that may disqualify a grant for renewal include:

- Unresolved monitoring findings not addressed by the date of application that HUD deems to be significant;
- Failure to resolve program noncompliance issues identified in a HUD notice of default on a current grant in a timely manner;
- Documented misuse of HOPWA funding such as expending funds on ineligible activities and/or ineligible beneficiaries;
- Delays in program implementation;
- Failure to provide the level of housing and services committed to under the expiring grant agreement;
- History of other major capacity issues that have significantly impacted the operation of the project and its performance;
- Untimely filing, and inaccurate and/or incomplete submission of APRs that do not give an account of client outcomes;

- Significant citizen complaints about the grantee's poor performance, which have not been addressed with justified reasons, and remain unresolved;
- Outstanding obligation to HUD due to noncompliance that is in arrears, or for which a payment schedule has not been agreed upon;
- Audit finding for which a response is overdue or unsatisfactory;
- History of inadequate financial management accounting practices;
- If the applicant has been debarred or suspended from doing business with the federal government;
- If the applicant has federal delinquent debt;
- Other indicators of poor management, including an unwillingness to accept technical assistance or to implement identified program changes as a result of technical assistance;
- Loss of project site; and
- Other HUD-identified noncompliance with HOPWA's authorizing statute and regulations.

HUD may also identify concerns arising from an applicant's application content submitted under this memorandum that may disqualify a grant for renewal. Applicants will be provided with a notice of any identified concerns that may disqualify a grant from being renewed. Applicants will have an opportunity to respond to any identified concerns prior to any determination of disqualification.

In addition, all applicants and existing grantees must comply with all applicable fair housing and civil rights laws. Successful applicants and project sponsors must comply with the fair housing and civil rights requirements in Section III.C.2.b. of the 2015 General Section. Applicants who fail to meet any of the eligibility requirements in section III.C of the 2015 General Section will be deemed ineligible. This includes applicants that have any of the charges cause determinations, lawsuits or letters of findings referenced in the sub paragraphs (a)-(e) below that have not been resolved to HUD's satisfaction before or on the application deadline date.

- (a) Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex, national origin, disability or familial status;
- (b) Status as a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance pursuant to 42 U.S.C. 3614(a);

- (c) Status as a defendant in any other lawsuit filed or joined by the Department of Justice alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, Title II of the Americans with Disabilities Act, or a claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally, including an alleged failure to affirmatively further fair housing;
- (d) Receipt of a letter of findings identifying systemic noncompliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; or Title II of the Americans with Disabilities Act; or
- (e) Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the application deadline date are sufficient to resolve the matter. Examples of actions that may be considered sufficient to resolve the matter include, but are not limited to:

- Current compliance with a voluntary compliance agreement signed by all the parties;
- Current compliance with a HUD-approved conciliation agreement signed by all the parties;
- Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter;
- Current compliance with a consent order or consent decree; or
- Current compliance with a final judicial ruling or administrative ruling or decision.

Unless otherwise specified, the nondiscrimination provisions and other requirements section III.C.3 of the 2015 General Section apply to all programs including the following:

- Compliance with Fair Housing and Civil Rights Laws. Applicants and their prospective sub-recipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a), including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II and Title III of the Americans with Disabilities Act of 1990; and Section 109 of the Housing and Community Development Act of 1974.
- Applicants, and their prospective subrecipients, who are conducting programs or activities with funds received under this notice in a state or local jurisdiction that has passed a law

prohibiting discrimination in housing based upon sexual orientation or gender identity, or a law prohibiting discrimination in housing based on lawful source of income, must comply with the law(s) of the state or locality in which the program activities are conducted

Projects that are ineligible for renewal under this notice also include previous HOPWA competitive demonstration and transitional projects. In FY2011, HUD solicited and approved HOPWA Special Projects of National Significance (SPNS) grants. These SPNS grants were one-time awards to promote comprehensive community-wide planning for the integration and coordination of housing and services for low-income persons living with HIV/AIDS. Additionally, HUD has previously awarded transitional housing projects whose primary focus was the provision of emergency shelter or transitional housing activities. As such, these grant classifications **are not** eligible for renewal under the criteria of a PSH. Applicants interested in HUD grant competitions should visit the www.grants.gov and select the link for finding and applying for grant opportunities.

III. Eligible Activities

Renewal projects must establish that PSH for eligible persons is the primary grant activity. HUD will consider the primary grant activity to be PSH when at least 51 percent of the grant funds are used to undertake program activities that provide PSH to eligible persons. If an applicant is proposing to continue some level of emergency shelter or transitional housing assistance, then the plan must include linkages to the provision of PSH and show that the PSH activity is the primary activity of the grant.

Applicants seeking renewal funding must continue providing on-going forms of housing support over the three-year grant period, such as: Tenant-Based Rental Assistance (TBRA), operating costs for a permanent housing facility, leasing costs for permanent housing facilities, Permanent Housing Placement (PHP) services to place households into housing, and Short-Term Rent, Mortgage, and Utility (STRMU) payments to maintain current housing arrangements. These housing activities establish or maintain stable permanent housing, and reduce the risks of homelessness.

The eligible related non-housing costs are costs for supportive services, and housing information services. Eligible related supportive service activities provide access to mainstream resources, public benefits, and improve access to healthcare and other needed support to maintain stable housing and positive health outcomes. Housing information services may be used to assist beneficiaries in locating appropriate housing, which may or may not involve HOPWA funding.

Applicants should also expect to address the housing needs of homeless and chronically homeless persons living with HIV/AIDS by providing priority access to available units, and other supports to this vulnerable population. This priority access may be provided through a combination of PHP and TBRA. This may be accomplished by utilizing PHP services to pay for security deposits, first-time utility hookup fees, credit checks, application fees, and other costs associated with moving this population into permanent housing units. Grantees and/or project

sponsors may then utilize TBRA to provide long-term rental support to stabilize the client in permanent housing.

The standards for eligible activities are set forth in the HOPWA regulations at 24 CFR 574.300-574.340. HOPWA program regulations may be accessed at: <http://www.gpo.gov/fdsys/pkg/CFR-2014-title24-vol3/xml/CFR-2014-title24-vol3-part574.xml>. Staff costs associated with the delivery of housing assistance or supportive services activities are billable directly to those housing and supportive service line items, and are not eligible for billing under administration or entirely to the supportive services line item.

The Office of Management and Budget (OMB) has published a final rule entitled “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” which supersedes the OMB Circulars identified in 24 CFR 574.605 and replaces them with a uniform set of requirements at 2 CFR part 200, which was effective December 26, 2014. These requirements apply to FY15 PSH renewal grant awards made under this notice. HUD will publish conforming amendments to the HOPWA regulations soon to remove outdated references to the OMB Circulars.

IV. Ineligible Activities

In applying for renewal funding, please note the following:

- Acquisition, new construction, rehabilitation, operating costs, and leasing of new housing facilities and community residencies for the purposes of expanding existing operations to additional new locations and households are ineligible. However, this does not preclude relocating existing facility-based assistance to an alternative location.

If an applicant is interested in undertaking additional capital development activities or in significantly expanding HOPWA activities beyond those currently approved under the expiring grant, and allowed in this notice, the applicant should consider competing for funding under an annual HUD NOFA competitive process, or utilize leveraged resources to conduct these additional activities.

- Healthcare costs, such as costs for medications, are ineligible.
- Incidental moving costs such as van rentals, supplies, and moving equipment are not eligible.
- HOPWA funds cannot be used for personal items such as:
 - Clothing;
 - Property taxes and condominium fees;
 - Furniture and other household utensils including cookware and dishes, unless provided under housing facility operations where the furniture and household utensils stay with the unit;

- Grooming;
- Personal vehicle maintenance and repairs;
- Cash assistance and consumer credit payments;
- Entertainment activities;
- Pets; and
- Other non-housing-related costs or related services.

Funds currently awarded in any of the non-renewable Budget Line Items (BLIs) and activities listed above are not available for movement into BLIs that are eligible for renewal in an effort to expand other funded activities beyond their currently approved levels.

V. Funding Restrictions

Limitations on Maximum Grant Amounts

It is the Department's intent to fund HOPWA renewal grants up to 100% of current Budget Line Item (BLI) levels. In order to coordinate renewal actions for expiring grants based on need, the Department will award renewal grants that meet the requirements of this memorandum and provide funding in the order of grant expiration dates up to the available amount of funds. Further, HUD may announce renewal awards on a rolling basis, if needed, to help ensure continued operations of an expiring grant. Grantees selected for renewal are expected to expend the remaining balance of current funds on their approved schedule within their current approved grant period.

Renewal applicants may not utilize the renewal process to amend current approved grant activities and/or amend funding levels on currently approved activities, except as authorized by this memorandum. HUD reserves the right to redistribute incorrectly allocated costs to the correct line item. HUD also reserves the right to decrease BLIs if it is determined that the number of persons/units actually assisted (housing outputs) is substantially less than the amount agreed upon in the current executed grant agreement. Applicants may submit requests for reductions in BLIs due to reduced fair market rents, cost savings, use of leveraged resources, and items deemed non-essential.

The request for renewal funding must be consistent with the limitations on maximum grant amounts as listed below:

- The maximum grant amount for the supportive services BLI is no more than the previously approved amount. Costs for staff engaged in delivering the supportive service is part of the

supportive service activity BLI and should not be listed as operating cost or “other” cost in the application’s proposed budget. If there is a documented increase in local area housing costs that will impact TBRA, operating costs, scattered-site master leasing, STRMU, and/or PHP line items, an applicant may identify funds no longer needed in supportive service line items for realignment under housing line items affected by local area housing cost increases. Applicants must provide for how this realignment of funding will maintain current consumer levels in the Budget Justification Narrative.

- The potential maximum amount for program activities that directly benefit eligible persons is \$1,365,000. Note that program activity costs should support the same level of housing provided in the previous grant as agreed upon under the expiring grant agreement.
- The maximum grant amount for administrative costs of the grantee is subject to the limit of three percent of the amount requested for project activities (i.e., a potential maximum of \$40,950). Administrative costs for grantees and project sponsors include costs for data collection and annual performance reporting to HUD.
- The maximum grant amount for administrative costs of project sponsors is subject to the limit of seven percent of the amount requested for project activities (i.e., a potential maximum of \$95,550, if all program activities are carried out by sponsors).
- The total potential maximum grant amount is \$1,501,500, subject to applicable limitations in this section (see Attachment A for your potential maximum award).

VI. Application Submission Requirements

Application Headings and Page Numbering

HUD requires that applicants submit the narrative pages with the following formatting: 12-point font, double spacing, a footer on each page with pages numbered as “page 1 of 2,” and a header providing the name of the applicant or the project.

Required Application Forms

The following is a list of the forms that are required for the submission of a complete application for renewal funding. All required application forms are attached to this notice.

- The federal grant application form HUD-SF-424;
- HOPWA application budget summary and detailed project budget and housing outputs form HUD-40110-B. This form will provide: a summary of the total project budget, the annual HOPWA amounts to be used in each of the three years of operation for the grant as a whole, and for each individual organization (grantee and project sponsor(s)), the expected total unduplicated household number to be served over the total three year period, and the

leveraging commitments in hand at the time of application submission for each individual BLI;

- Certification of Consistency with the Consolidated Plan HUD-2991;
- Disclosure of Lobbying Activities HUD-SF-LLL. Applicants are subject to the provisions of Section 319 of Public Law 101-121 (approved October 23, 1989) (31 U.S.C. 1352) (The Byrd Amendment), which prohibit recipients for federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan. Applicants must disclose, using the SF-LLL, “Disclosure of Lobbying Activities,” any funds, other than federally appropriated funds, that will be used to lobby federal employees, members of Congress, or congressional staff; and

Additionally, applicants must update and resubmit their organization’s code of conduct. HUD will post the codes of conduct to the HUD grants management website, located at http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/grants/conduct for public viewing. Once posted, codes of conduct will be considered public record and grantees will not be required to resubmit this document to HUD in future funding requests. However, it is the applicant’s responsibility to ensure that HUD has the most updated code of conduct. The required information in a code of conduct is provided at 2 CFR 200.318(c).

Applicants may contact the Office of HIV/AIDS Housing staff listed on page 3 of this notice with questions on HOPWA program rules and the requirements of this notice. Responses will be limited to the extent permitted by section 103 of the HUD Reform Act, which is explained at 24 CFR 4.26.

Required Application Narratives

The following is a list of the required narratives for the submission of a complete application for renewal funding:

- Descriptive Budget Narrative/Budget Justification (4 double-spaced pages); and
- Organizational Capacity Narrative and proof of non-profit status, applicable only if a new organization is included in the application or if an organization has been dropped from the project (5 double-spaced pages).

Descriptive Budget Narrative/Budget Justification

To the degree that information is available to HUD prior to the application deadline date, the Office of HIV/AIDS Housing will notify each potential applicant (via email) with a project confirmation worksheet. This worksheet will provide the following: the project’s current approved budget, the project’s preliminary approved renewal budget, approved benchmarks, and achieved outputs as reported in the APR. Please make use of this worksheet in establishing annual outlays and output benchmarks in the application for a renewal award.

On no more than four double-spaced pages, applicants must provide a justification narrative for each BLI amount. A chart is the preferred method of submission (see the following example provided). Applicants must provide a complete description of activity costs that are to be reimbursed from each line item. Applicants should clearly break out the personnel and non-personnel costs by each BLI. All staff positions should be labeled with a job title and described with the associated personnel expenses by each funded line item. Additionally, the description must show the calculations justifying the requested amounts under the renewal award. This information may be provided in a simple chart with the following: a heading listing the line item, a breakdown of the personnel costs after the heading, a breakdown of the non-personnel costs listed after the personnel costs, and the costs totaled and listed at the bottom. If your project utilizes indirect cost rates to pay for office space rental and other eligible indirect costs, then these costs should also be identified and clearly broken out by BLI as well. All totals listed in this chart/narrative should equal the total amounts listed on your HUD-40110-B Budget form.

In the hypothetical example below (see Figure-1), the costs for providing TBRA are divided into personnel costs and non-personnel program activity costs. The personnel costs are defined by describing the activities conducted by staff, and the non-personnel program activity costs represent the actual cost of rental assistance paid to landlords. The example separates the costs by agency (grantee and project sponsor(s)) with subtotals that represent the same amount requested for the TBRA line item on each agency's HUD-40110-B detailed budget form. The subtotals are added to calculate the total TBRA request. This total TBRA amount represents the total requested for the TBRA line item on the HUD-40110-B budget summary page. Note: this example does not provide for indirect cost expenses, as indirect costs are not common in HOPWA programs. If you bill against indirect costs, those costs should be broken out by agency just like the personnel costs and non-personnel costs. The following example is the preferred method for submittal of your budget justification.

Figure-1

Tenant-Based Rental Assistance		
<u>Grantee Personnel Costs</u> Position: Housing Coordinator (.30 FTE) Activities: Conduct HOPWA HQS inspections, process new leases and renewals, prepare and issue rental assistance checks	(\$76,800 salary/year including 28% fringe/benefits) x (.30 FTE) x 3 years =	\$69,120
<u>Grantee Non-personnel Program Activity Costs</u> (financial assistance costs): Rent payments for 18 units with average rent and utility costs of \$990 per month	18 units x \$990 x 36 months =	\$641,520
<u>Project Sponsor 1 Personnel Costs</u> Position: Housing Coordinator (.30 FTE) Activities: Conduct HOPWA HQS inspections, process new leases and renewals, prepare and issue rental assistance checks	(\$76,800 salary/year including 28% fringe/benefits) x (.30 FTE) x 3 years =	\$69,120
<u>Project Sponsor 1 Non-Personnel Program Activity Costs</u> (financial assistance costs): Rent payments for 18 units with average rent and utility costs of \$990 per month	18 units x \$990 x 36 months =	\$641,520
<u>Project Sponsor 2 Personnel Costs</u> Position: Housing Coordinator (.30 FTE) Activities: Conduct HOPWA HQS inspections, process new leases and renewals, prepare and issue rental assistance checks	(\$76,800 salary/year including 28% fringe/benefits) x (.30 FTE) x 3 years =	\$69,120
<u>Project Sponsor 2 Non-Personnel Program Activity Costs (Financial assistance costs)</u> Activities: Rent payments for 18 units with average rent and utility costs of \$990 per month	18 units x \$990 x 36 months =	\$641,520
	Total TBRA	\$2,131,920

Organizational Capacity Narrative

Applicants should continue using currently-approved project sponsors to implement activities. If a non-profit organization is being added as a new project sponsor, a project sponsor is dropped from the program design, or if a project sponsor's legal status has changed, the organization must satisfy the non-profit requirements established in the definition for an eligible non-profit organization found in 24 CFR 574.3. HUD will consider the presentation of

information or documentation to demonstrate the merits for changes in project sponsor arrangements, such as whether the new project sponsor evidences the capacity to enhance project operations or to improve responsiveness in the provision of housing and/or supportive services to program beneficiaries. Sufficient reasons for realigning or changing a project sponsor include:

- Alignment of project service delivery with sufficient levels of grants management skills or financial management and efficiency;
- A desire to increase capacity or ensure continuing sustainability of project operations and adequate program service delivery;
- Dissolution or change in business plan of the prior project sponsor resulting in the loss of HOPWA service delivery component;
- A need for significant improvement in project staffing competency;
- A project default such as related unresolved monitoring or audit findings;
- Merger of the project sponsor or transfer of project components to another entity; or
- A loss of non-profit status.

HUD reserves the right to reject a project involving a change in project sponsors where an adequate justification is not provided, the capacity shown is too limited, or there are serious questions on the merits of this change.

If a new project sponsor is added to the renewal request, or a significant organizational change has occurred for an existing project sponsor, an Organizational Capacity Narrative is required along with the submission of the organization's non-profit status and statement pertaining to the organization's HIV/AIDS mission. The Organizational Capacity Narrative must describe the project sponsor's ability to conduct program activities and must identify the project sponsor's key staff, including the project director and staff members. HUD will award up to **20 points** based on the project sponsor's capacity to implement your planning, evaluation, housing, and service program activities. The Organizational Capacity Narrative must be no more than five double-spaced pages in 12-point font and should demonstrate the project sponsor's:

- Past experience and knowledge in serving persons with HIV/AIDS and their families;
- Past experience and knowledge in programs similar to those proposed in your application, including HOPWA formula and other mainstream housing funding;
- Past experience and knowledge in surveying and analyzing data on existing local resources for developing and implementing comprehensive community strategies, including participating and working with local stakeholders such as HIV and housing community planning bodies and Continuums of Care (CoCs);

- Past experience and knowledge in monitoring and evaluating program performance and disseminating information on project housing outputs and client outcomes similar to the HOPWA outcomes of stable housing, reduced risks of homelessness, and access to care; and
- Past experience as measured by expenditures and measurable progress in achieving the purpose for which funds were provided as demonstrated and reported in past data collection efforts.

In reviewing the elements described above, HUD will consider:

- The knowledge and experience of the proposed project director and staff, including the day-to-day program manager, consultants, and contractors in planning and managing the proposed activities. Project sponsor team members will be evaluated in terms of recent, relevant, and successful experience of staff in undertaking eligible program activities;
- The experience of team members in managing complex interdisciplinary programs, especially those involving housing and community development programs directly relevant to the work activities proposed and experience in carrying out grant management responsibilities including use of client-level information systems such as Homeless Management Information Systems (HMIS); and
- If any team members received HOPWA funding in previous years, then those past experiences will be evaluated in terms of the ability to attain demonstrated measurable progress in the implementation of your grant awards. Measurable progress is defined as:
 - Meeting applicable performance benchmarks in program development and operation;
 - Meeting project goals and objectives, such as the HOPWA output for the number of homeless persons assisted in comparison to the number that was planned at the time of the application;
 - Submitting timely performance reports and other results, such as client outcomes in maintaining stable housing, reducing risks of homelessness, and improving access to care; and
 - Expending prior funding as outlined in the existing HOPWA grant agreement with HUD with no outstanding audit or monitoring issues.

HUD reserves the right to reject an application if there is a change in project sponsorship and the new project sponsor does not provide evidence of sufficient capacity to manage the activities under this project (i.e., not receiving at least 14 of 20 points in an assessment by HUD).

VII. Application Review and Approval Information

Under this notice, HUD Headquarters staff will conduct a threshold review of applications in order to confirm that applicants are eligible for renewal under this notice. A list

of potential eligible renewal applicants under this notice along with potential maximum renewal award amounts is provided in Attachment A. The application reviewers will assess that the applicant submitted a complete application with all required forms and narratives. If applications, including related APRs, are partially incomplete or do not provide all the necessary information to conduct a full review, renewal applicants will be granted the opportunity to clarify any identified discrepancies and/or provide missing information.

Applications will be reviewed for eligible activities and BLI funding requests. To assist in developing an approvable renewal request, applicants should review their current HUD-approved budget as a guide in preparing the renewal application. In addition, this process enables a level of dialogue to negotiate an approvable request for renewal applicants that meet the threshold eligibility requirements. Renewal applicants will be allowed to clarify identified discrepancies and submit identified missing elements in an application.

Headquarters staff will review HUD Field Office comments regarding each applicant's performance to confirm existing operations are conducted with no unresolved monitoring findings. A monitoring finding is deemed unresolved if it is not addressed through a corrective action plan approved by the local HUD Field Office. Applicants with grants that have unresolved monitoring issues may be denied access to renewal funding. Grantees with programs that are denied access to renewal funding due to unresolved monitoring findings have an obligation to transfer existing clients to other suitable housing assistance. Additionally, if a grantee that is denied renewal funding operates a facility-based housing program, the grantee is required to: 1) abide by the minimum use requirements at 24 CFR 574.310(c); and 2) follow the disposition requirements at 24 CFR Parts 84 and 85 (or, 2 CFR part 200, as applicable)..

HUD Headquarters staff will review annual performance data submitted in the applicant's most recently submitted APR as part of the renewal application (for possible performance issues). The renewal applicant must demonstrate measurable progress in the implementation of the current grant award as reported in the most recent APR. **HUD reserves the right to deny an applicant for renewal if their APR is determined to be substantially incomplete or an applicant has failed to fulfill its reporting requirements.**

After the initial review, if needed, the applicant will be contacted with a notice via email requesting available dates to commence the negotiation period via conference call or other means. An applicant's designated primary contact must participate in this effort. Additionally, the Department suggests all staff who participated in the development of the application and most recent APR submission participate in the negotiation communication as well. During the negotiation conference, HUD will seek to have the applicant address identified issues regarding concerns, clarifications or missing information. The negotiation call will cover: eligible and ineligible activities, output and outcome achievements and goals, requested BLI amounts, descriptive narrative discrepancies, and consistency in budgets and content. HUD will formally notify the applicant by email of the issues discussed and the required clarification submittals. HUD will provide direct communication to no more than **three** contacts per renewal applicant. Applicants should make use of this email updating their application to reflect the additional required clarification on all issues, as well as budget corrections. Updated applications must be

received by HUD no more than **4 days** after the receipt of notification from HUD of the clarification needs.

This review and negotiation effort will be used to reach agreement on project plans to continue operations of projects meeting threshold and review requirements under this memorandum. The applicant is expected to resolve any concerns with the application, clarify information, and resubmit identified missing elements. If applicants fail to provide the information following a **third** negotiation call or notice, the **application will be deemed incomplete and ineligible for a renewal**. HUD will hold no more than **three** negotiation calls for each individual grant renewal application.

Rating New Project Sponsors

If a project sponsor is being added to an existing project, or a project sponsor's legal status has changed due to a merger or other action, HUD staff will conduct a substantive review based on the requirements established in Section III and the Organizational Capacity Narrative. If the application fails to demonstrate that a proposed project sponsor meets the threshold requirements to be added to the grant or fails to demonstrate that the proposed project sponsor has sufficient capacity to perform under the renewal grant, the project sponsor will be ineligible to receive program funds. HUD will rate the proposed new project sponsor in the following way: HUD will review the elements of organizational capacity under Section VI and will rate the proposed project sponsor on the basis of 20 points. A minimum of 14 points is required for selection of a new project sponsor as eligible in demonstrating sufficient capacity. A new project sponsor with unresolved management issues affecting the applicant's HOPWA proposal will be scored at the lowest level. If this element is not addressed, 0 points will be awarded.

VIII. Application Submission Directions

Application Due Date

Renewal applications must be received at HUD no later than 5:00 PM eastern standard time on March 13, 2015. As noted, currently funded HOPWA grantees that intend to apply for renewal funding are asked to email a letter of intent and expenditure projection as soon as practicable after receiving this memorandum.

Incomplete grant applicant submissions may jeopardize the funding and award of a renewal grant application if HUD is unable to accurately assess and measure grant performance and/or determine that an applicant is likely to successfully continue their HOPWA permanent supportive housing program activities. Grant applications will be deemed incomplete if, after three negotiation/clarification calls, the applicant is unable to submit a complete and accurate application.

Delivery and Receipt Procedures

The following procedures apply to the delivery and receipt of the HOPWA renewal applications in HUD Headquarters and field offices. Carefully read the following instructions:

1. HUD will not accept or consider any applications sent by facsimile.
2. One copy must be sent to HUD Headquarters via email at HOPWA@hud.gov.
3. One copy must be mailed or emailed to the local servicing HUD field office. The addresses for the local HUD field offices may be found at the following web site: <http://www.hud.gov/local>. For all packages sent to the HUD field offices, include the HOPWA program name in the address.
4. Applications must be submitted to the appropriate offices by the due date.

IX. Program Implementation Expectations

All successful applicants are expected to continue approved program activities under the three-year operating period, unless otherwise approved through grant amendment processes. The start date for the new grant agreement will immediately follow the expiration date of the existing grant for continuity of service. In the case that a grant expires and balances under the existing grant agreement are expended prior to the anticipated renewal award announcement under this memorandum, arrangements for pre-award costs may be made through an agreement with HUD. Pre-award costs are allowable costs incurred prior to the beginning date of the renewal grant agreement directly. Such costs are made in anticipation of the new award where such costs are necessary to comply with the proposed delivery schedule or period of performance for continued activities. Pre-award costs are authorized by 2 CFR part 200. Grantees are required to obtain written approval from HUD for incurring pre-award costs. Eligible costs under the new renewal grant agreement may include an authorization for pre-award costs to support continuation of the approved renewal activities. Note that applicants requesting this authorization would be undertaking activities at their own risk pending the obligation of those funds under the new grant agreement.

In providing PSH, grantees must maintain evidence that clients have a continuous legal right to remain in the unit and access to ongoing supportive services provided through qualified providers. Grantee and/or project sponsor files must include a copy of the standard lease form or occupancy agreement used for residents of the project. The lease or occupancy agreement must be for an initial term of at least one year that is automatically renewable upon expiration, except with reasonable prior notice by either the tenant or the landlord.

In all cases, the program must maintain or enhance access to other needed services that are available through mainstream resources, including healthcare assistance, AIDS drug assistance under the Ryan White HIV/AIDS Treatment Extension Act of 2009, the Affordable Care Act, and/or other federal, state, local, and private resources. To the extent possible, HUD encourages renewal grantees to incorporate and identify the commitment of mainstream resources in their project plans to maximize the benefit of HOPWA grants. HOPWA grantees must also ensure that the qualifying beneficiaries of HOPWA maintain access to available healthcare benefits, and participate in their healthcare plan. HOPWA grantees must promote adherence to prescribed HIV/AIDS medications in an effort to address the HIV Care Continuum outcomes of improved CD4 and optimal suppressed viral load counts.

HOPWA grantees must operate their programs within the framework of HUD's Strategic Plan for 2014-2018 and can expect to assist in achieving related goals provided in the National HIV/AIDS Strategy. Applicants must commit to undertaking efforts that help achieve: HUD's Strategic Plan Goal 2, meeting the need for quality affordable rental homes and Goal 3, utilizing housing as a platform for improving quality of life.

Under Strategic Goal 2, renewal applicants must report results on assisting vulnerable individuals and families that are at-risk of homelessness or who are homeless; through TBRA payments to eligible households, and use of permanent housing facilities that increase access to affordable rental housing. Renewal applicants are encouraged to provide priority access to homeless and chronically homeless persons with HIV/AIDS with available housing units, and other forms of assistance as they become available. This prioritizing may be conducted through the combination of PHP assistance and TBRA payments.

Under Strategic Goal 3, HOPWA renewal applicants are encouraged to evaluate the appropriateness of supportive service activities needed. The package of available supportive service activities may be updated if reasonable and necessary to appropriately address needs. HUD encourages the range of supportive service activities to involve opportunities for engaging beneficiaries in employment/job training programs and/or referral services linking beneficiaries to employment and job training programs to help promote greater client self-sufficiency. HOPWA renewal awardees that plan to participate in employment/job training supportive service activities can expect to report on how assistance facilitates income increases for HUD-assisted households through the promotion of employment training/education activities that lead to income-producing jobs.

HOPWA competitive renewal grants are now required to make use of IDIS for project activities, setup, financial transactions, and reporting. HOPWA grantees are required to utilize IDIS for reporting on financial outlays, housing outputs, and client outcomes. As a validation check on this new system usage, grantees should also submit a paper APR after the first operating year. This will allow HUD to review the functionality of this reporting system and help to identify technical assistance needs to promote accuracy in reporting.

HUD has issued a training manual and developed a webinar to assist grantees in using IDIS. These resources are available at the links provided below. Grantees may also submit questions to the HUD Exchange Ask-A-Question online help desk.

HUD Exchange Ask A Question

<https://www.hudexchange.info/get-assistance/my-question/>

Using IDIS Online for the HOPWA Program

<https://www.hudexchange.info/resource/1018/using-idis-online-for-hopwa/>

HOPWA Webinar Series: Using IDIS for the HOPWA Competitive Grant Program

<https://www.hudexchange.info/resource/2059/hopwa-webinar-series-using-idis-hopwa-competitive-grant-program/>

X. Information Collection Summary

Each year, HUD strives to improve the procedures for submitting a grant application request. Consistent with the Federal Financial Assistance Management Improvement Act of 1999, Pub. L. No. 106-107, HUD has made considerable changes to the format and presentation of its funding notice. HUD is continually seeking to ensure effective communication with current and potential program funding recipients. HUD has posted pertinent documents related to these efforts on its website. Applicants are encouraged to visit the Department's website on an ongoing basis to keep abreast of the latest developments. HUD's website address for information on this initiative is http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/dgms. Information on grant streamlining can be found at <http://portal.hud.gov/hudportal/documents/huddoc?id=frpl106107.pdf>. HUD continues to welcome comments and feedback from applicants and other members of the public on how HUD may further improve the HOPWA renewal grant process.

The information collection requirements contained in this document have been approved by the Office of Management and Budget under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and are assigned the OMB control number of 2506-0133 (exp. 12/31/2017).

Attachment A

Eligible Renewal Applicants and Preliminary Budget Awards

#	Grant Number	Applicant Name	Potential Award
1	AK-H120001	Alaska Housing Finance Corp	\$781,269
2	CA-H120002	City of Los Angeles	\$1,501,500
3	CA-H120003	Alameda County	\$1,483,179
4	CA-H120004	Lutheran Social Services of Northern California	\$1,276,170
5	CA-H120005	Salvation Army Alegria	\$1,062,519
6	DE-H120006	Ministry of Caring, Inc.	\$790,298
7	HI-H120007	Maui AIDS Foundation	\$1,440,477
8	HI-H120008	Gregory House Programs	\$1,390,650
9	IL-H120009	City of Chicago Public Health Dept.	\$1,487,815
10	IL-H120012	AIDS Foundation of Chicago	\$1,476,160
11	IL-H120011	Chicago House & Social Service Agency, Inc.	\$1,285,370
12	MA-H120013	Community Healthlink, Inc.	\$899,274
13	MA-H120014	AIDS Action Committee of Mass	\$1,415,025
14	MD-H120015	City of Baltimore	\$1,405,950
15	ME-H120016	Frannie Peabody Center	\$1,054,799
16	ME-H120017	Frannie Peabody Center	\$1,309,169
17	ME-H120018	Frannie Peabody Center	\$1,432,653
18	MI-H120019	Cass Community Social Services, Inc.	\$1,348,970
19	MO-H120020	Interfaith Residence DbA Doorways	\$1,109,912
20	IL-H120010	Interfaith Residence DbA Doorways	\$965,658
21	MT-H120021	State of Montana	\$1,482,040
22	NH-H120023	State of New Hampshire	\$734,770
23	NY-H120024	Bailey House, Inc.	\$1,081,922
24	PA-H120025	Calcutta House	\$837,303
25	TX-H120026	City of Dallas	\$746,853
26	VT-H120027	Burlington Housing Authority	\$392,906
27	WI-H120028	AIDS Resource Center of Wisconsin	\$1,310,577
Total			\$31,503,188

Attachment B

Fiscal Year (FY) 2015 Notice of Funding Availability (NOFA), General Section,
Section III.C. Other Requirements and Procedures Applicable to All Programs,
Published October 21, 2014 (Technical correction of October 28, 2014).

C. Other Requirements and Procedures Applicable to All Programs. Unless otherwise specified in a Program NOFA, the requirements below apply to all FY 2015 programs. See also Section VI Award Administration Information, part B.

1. Statutory and Regulatory Requirements. To be eligible for funding under a FY 2015 Program NOFA, applicants must meet all applicable statutory and regulatory requirements for the program under which they seek funding. Program regulations may be obtained from the program contact identified in each Program NOFA, or obtained from the annual edition of the CFR, available at www.gpo.gov/fdsys/browse/collectionCfr.action?collectionCode=CFR. Each Program NOFA will provide instructions on how HUD will address proposed activities that are ineligible for funding.

2. Threshold Requirements. Applicants who fail to meet any of the following threshold eligibility requirements will be deemed ineligible. Applications from ineligible applicants will not be evaluated. Each Program NOFA may specify threshold requirements in addition to those listed in this General Section.

a. **Timely Submission of Applications.** Applications submitted after the deadline stated within the Program NOFA and that do not meet the requirements of the grace period policy will be marked late. Late applications are deemed ineligible and will not be considered for funding. See also Section IV Application and Submission Information, part D.

b. **Resolution of Civil Rights Matters.** Outstanding civil rights matters must be resolved prior to the application deadline.

(1) Applicants having any of the charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (a) – (e) that have not been resolved to HUD's satisfaction before or on the application deadline date are ineligible for funding.

(a) Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex, national origin, disability or familial status;

(b) Status as a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance pursuant to 42 U.S.C. 3614(a);

(c) Status as a defendant in any other lawsuit filed or joined by the Department of Justice

alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, Title II of the Americans with Disabilities Act, or a claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;

(d) Receipt of a letter of findings identifying systemic noncompliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; or Title II of the Americans with Disabilities Act; or

(e) Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

(2) HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the application deadline date are sufficient to resolve the matter. Examples of actions that may be considered sufficient to resolve the matter include, but are not limited to:

(a) Current compliance with a voluntary compliance agreement signed by all the parties;

(b) Current compliance with a HUD-approved conciliation agreement signed by all the parties;

(c) Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter;

(d) Current compliance with a consent order or consent decree; or

(e) Current compliance with a final judicial ruling or administrative ruling or decision.

3. Compliance with Nondiscrimination and Related Requirements. Unless otherwise specified, the following nondiscrimination provisions and other requirements apply to all Program NOFAs. Please read the corresponding requirements in each Program NOFA carefully as there are some variations in requirements among HUD's programs.

a. **Compliance with Fair Housing and Civil Rights Laws.** With the exception of federally recognized Indian tribes and their instrumentalities, applicants and their prospective subrecipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a), including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II and Title III of the Americans with Disabilities Act of 1990; and Section 109 of the Housing and Community Development Act of 1974.

(1) Applicants, and their prospective subrecipients, who are conducting programs or activities with funds received under a Program NOFA in a state or local jurisdiction that has passed a law prohibiting discrimination in housing based upon sexual orientation or gender

identity, or a law prohibiting discrimination in housing based on lawful source of income, must comply with the law(s) of the state or locality in which the program activities are conducted.

(2) Federally recognized Indian tribe or Tribally Designated Housing Entity (TDHE) applicants must comply with the nondiscrimination provisions enumerated in the applicable program regulations. Each Program NOFA shall specify the applicable civil rights requirements for Indian tribes or TDHEs when they are listed as eligible applicants under the Program NOFA.

b. Affirmatively Furthering Fair Housing. Section 808(e)(5) of the Fair Housing Act requires HUD to affirmatively further the purposes of the Fair Housing Act in its housing and urban development programs. Accordingly, HUD requires recipients of funds, including those awarded and announced under HUD's FY 2015 Program NOFAs that are not specifically exempted, to take affirmative steps to further fair housing. See Section VI of this General Section, below, for more details. Unless otherwise specified in the Program NOFA, an applicant must discuss how it is going to carry out the proposed activities in a manner that affirmatively furthers fair housing in complete compliance with Section 808(e)(5) of the Fair Housing Act. Federally recognized Indian tribes are not subject to the requirement to affirmatively further fair housing in their use of certain HUD funds. Other tribal entities may also be exempt. Refer to the Program NOFAs for more information on exemptions.

c. Economic Opportunities for Low- and Very Low-income Persons (Section 3). Certain programs require recipients of assistance to comply with Section 3 of the Housing and Urban Development Act of 1968 (Section 3), 12 U.S.C. 1701u (Economic Opportunities for Low- and Very Low-Income Persons in Connection with Assisted Projects), and the HUD regulations at 24 CFR part 135. Section 3 requires recipients to ensure, to the greatest extent feasible, that training, employment, contracting and other economic opportunities will be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons in the area in which the project is located. To implement 24 CFR 135.9(a) of the Department's Section 3 rules, program NOFAs for which Section 3 is applicable shall, where not otherwise precluded by statute, include information regarding how Section 3 activities will be considered in rating the application, the evaluation criteria to be utilized, and the rating points to be assigned. Applicants subject to this requirement shall describe in their applications their plans to train and employ Section 3 residents and contract with Section 3 business concerns in furtherance of the proposed activities. Applicants for funding under programs covered by Section 3 shall, by signing the application, certify compliance. Recipients of covered funding are required to comply with the requirements of 24 CFR Part 135, particularly subpart B-Economic Opportunities for Section 3 residents and Section 3 Business Concerns, and Subpart E-Reporting and Recordkeeping. HUD encourages recipients to consult the national Section 3 Business Registry. Applicants and grant recipients can search the database to find local Section 3 businesses that put a priority on hiring public housing or low-income residents. To learn more about HUD's Section 3 Business Registry or to search for a Section 3 business, visit: www.hud.gov/sec3biz. Additional information on the requirements of Section 3 can be found at: <http://www.hud.gov/offices/fheo/section3/section3.cfm>. Program NOFAs to which Section 3 applies will have additional information here.

d. Improving Access to Services for Persons with Limited English Proficiency (LEP). Executive Order 13166 seeks to improve access to federally assisted programs and activities for individuals who, as a result of national origin, are limited in their English proficiency. Applicants obtaining federal financial assistance from HUD shall take reasonable steps to ensure meaningful access to

their programs and activities to LEP individuals. As an aid to recipients, HUD published Final Guidance to Federal Financial Assistance Recipients: Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) in the Federal Register on January 22, 2007 (72 FR 2732). For assistance and information regarding LEP obligations, go to www.lep.gov/guidance/HUD_guidance_Jan07.pdf . For more information on LEP, please visit <http://www.hud.gov/offices/fheo/lep.xml> .

e. Accessible Technology. Section 508 of the Rehabilitation Act (Section 508) requires HUD to ensure, when developing, procuring, maintaining, or using electronic and information technology (EIT), that the EIT allow persons with disabilities to access and use information and data on a comparable basis as is made available to and used by those without disabilities. Section 508 covers, but is not limited to, computers (hardware, software, word processing, email, and Internet sites), fax machines, copiers and telephones. Among other things, Section 508 requires that EIT allow individuals with disabilities who are federal employees or members of the public seeking information or services from a federal agency to have access to and use of information and data on a comparable basis as that made available to employees and members of the public without disabilities unless an undue burden would result to the federal department or agency. Where an undue burden exists to the federal department or agency, alternative means may be used to allow an individual with disabilities use of the information and data. Section 508 does not require that information services be provided at any location other than a location at which the information services are generally provided. HUD encourages its funding recipients to adopt the goals and objectives of Section 508 by ensuring, whenever EIT is used, that persons with disabilities have access to and use of the information and data made available through the EIT on a basis comparable as is made available to and used by persons without disabilities. This does not affect recipients' required compliance with Section 504 of the Rehabilitation Act and, where applicable, the Americans with Disabilities Act. Applicants and recipients seeking further information on accessible technology are directed to www.section508.gov.

4. Other Requirements. Evidence of the following issues may prevent an award from ultimately being granted to otherwise successful applicants.

a. Outstanding Delinquent Federal Debts. It is HUD policy, consistent with the purposes and intent of 31 U.S.C. 3720B and 28 U.S.C. 3201(e), that applicants with outstanding delinquent federal debt will not be eligible to receive an award of funds, unless:

(1) A negotiated repayment schedule is established and the repayment schedule is not delinquent, or

(2) Other arrangements satisfactory to HUD are made prior to the award of funds by HUD. If satisfactory arrangements cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the applicant, and instead offer the award to the next eligible applicant. HUD may act earlier than the above stated 90 days to ensure, in HUD's determination, that the funds can be obligated in a timely manner. Applicants selected for funding, or awarded funds, must report any changes in status of current agreements covering federal debt. HUD may withhold funding, terminate an award, or seek other remedies from a grantee if a previously agreed-upon payment schedule has not been followed or a new agreement with the federal agency to which the debt is owed has not been signed.

b. Pre-Award Accounting System Survey. HUD will not award or disburse funds to applicants

that do not have a financial management system that meets federal standards. HUD may arrange for a pre-award survey of any such financial management system for applicants selected for award who have not previously received federal financial assistance, where HUD Program officials have reason to question whether a financial management system meets federal financial management standards, or for applicants considered high risk based upon past performance or financial management findings.

c. Debarments and/or Suspensions. In accordance with 2 CFR part 2424, no award of federal funds may be made to debarred or suspended applicants, or those proposed to be debarred or suspended from doing business with the Federal Government.

d. False Statements. A false statement in an application is grounds for denial or termination of an award and possible punishment, as provided in 18 U.S.C. 1001.

e. Do Not Pay Website Review. As part of the Improper Payments Elimination and Recovery Improvement Act (IPERIA) of 2012, in making funding determinations HUD will look up applicant information on the Federal website <http://www.donotpay.treas.gov/>. The Do Not Pay Portal is intended to prevent improper payments and can be used by HUD to ensure that applicants that receive funding do not owe funds to the federal government; are not on the Excluded Parties List System (EPLS); the List of Excluded Individuals/Entities List (LEIE); the Social Security Administration (SSA) Death Master File (DMF); or other federal databases that would provide adverse information regarding the applicant. HUD reserves the right to:

(1) Deny funding, or in the case of a renewal or continuing award, consider suspension or termination of an award immediately for cause,

(2) Require the removal of any key individual from association with management or implementation of the award, and

(3) Make appropriate provisions or revisions with respect to the method of payment or financial reporting requirements.

f. Conducting Business in Accordance with Ethical Standards/Code of Conduct. Applicants are required to develop and maintain a written code of conduct in accordance with 2 CFR 200.112 and 200.318. Codes of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts or gratuities by officers, employees, or agents for their personal benefit in excess of minimal value; and outline administrative and disciplinary actions available to remedy violations of such standards. Pursuant to applicable Federal and HUD regulations, applicants must disclose in writing any potential conflict of interest and all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Before entering into an agreement with HUD, applicants selected to receive funding under a Program NOFA must submit an up-to-date copy of their code of conduct. Applicants with codes already on file with HUD do not need to resubmit a new code unless the information on file has changed. New or updated submissions must be dated and signed by the Executive Director, or Chair, or equivalent official, of the governing body of the organization. Applicants must also describe the methods to be used to ensure that all officers, employees, and agents are aware of and have agreed to adhere to the code of conduct.

g. Conflict of Interest of Consultants or Technical Experts Assisting HUD. Consultants and

technical experts who assist HUD in rating and ranking applications for funding under published FY 2015 Program NOFAs are subject to 18 U.S.C. 208, the federal criminal conflict-of-interest statute, and the Standards of Ethical Conduct for Employees of the Executive Branch regulation published at 5 CFR part 2635. As a result, consultants and technical experts who have assisted or plan to assist applicants with preparing applications for FY 2015 Program NOFAs may not serve on a selection panel and may not serve as a technical advisor to HUD. Anyone involved in rating and ranking FY 2015 Program NOFA applications, including departmental staff, experts and consultants must avoid conflicts of interest or the appearance of such conflicts. These individuals must also disclose to HUD's Office of General Counsel Ethics Law Division the following information, if applicable:

(1) How the selection or non-selection of any applicant under a FY 2015 Program NOFA will affect the individual's financial interests, as provided in 18 U.S.C. 208, or

(2) How the application process involves a party with whom the individual has a covered relationship under 5 CFR 2635.502. The consultant or technical expert assisting HUD must disclose this information before participating in any matter regarding an FY 2015 program NOFA. Applicants with questions regarding these provisions or concerning a conflict of interest, please call the Office of General Counsel, Ethics Law Division, at (202) 708-3815 (this is not a toll-free number). The phone number above may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Relay Service's teletype service at 1-800-877-8339.

h. **Prohibition Against Lobbying Activities.** Applicants are subject to the provisions of Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment) and 24 CFR part 87, which prohibit recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, loan, or cooperative agreement. In addition, applicants must disclose, using Standard Form LLL (SF-LLL), "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of Congress, or congressional staff regarding specific grants or contracts. Federally recognized Indian tribes and tribally designated housing entities (TDHEs) established by federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage of the Byrd Amendment, but state-recognized Indian tribes and TDHEs established only under state law shall comply with this requirement. Applicants must submit the SF-LLL if they have used or intend to use non-federal funds for lobbying activities.

i. **Consistency with the Consolidated Plan and Analysis of Impediments to Fair Housing Choice.** Certain competitive Programs require applications to contain a certification of consistency with a HUD-approved Consolidated Plan. This certification means that the proposed activities are consistent with the jurisdiction's strategic plan, and the location of the proposed activities is consistent with the geographic areas specified in the Consolidated Plan. The Consolidated Plan also includes the jurisdiction's certification to affirmatively further fair housing which means, among other requirements, that the jurisdiction has conducted an Analysis of Impediments to Fair Housing Choice (AI). If a program NOFA requires a certification of consistency with the Consolidated Plan and the applicant fails to provide the certification, and such failure is not cured as a technical deficiency, HUD will not fund the application. Please refer to the Program NOFAs for detailed guidance on compliance with this requirement.

