

Special Attention of

All HOPWA Renewal Grantees
All CPD Field Office Directors

Notice CPD-09-07

Issued 12-23-09

Expires **12-23-2010**

Cross References

24 CFR Part 574 -- Housing Opportunities for Persons With AIDS (HOPWA)

CPD Notice 09-01, Standards for FY 2009 HOPWA Permanent Supportive Housing Renewal Grant Applications

Subject:

Standards for Fiscal Year 2010 HOPWA Permanent Supportive Housing Renewal Grant Applications

Purpose:

This notice establishes the standards for the Fiscal Year (FY) 2010 Housing Opportunities for Persons With AIDS (HOPWA) Permanent Supportive Housing renewal of grants. This notice updates previously issued standards in Community Planning and Development (CPD) Notice 09-01, Standards for Fiscal Year 2009 HOPWA Permanent Supportive Housing Renewal Grant Applications, issued on January 27, 2009. As established in section I of this notice, FY2010 renewal applications are due on February 5, 2010.

Distribution: W-3-1

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I. Overview of the Funding Opportunity for HOPWA Grant Renewal

A. Overview Content:

- 1. Federal Agency Name(s):** The U.S. Department of Housing and Urban Development.
- 2. Title:** The title of this notice is, “Standards for Fiscal Year 2010 HOPWA Permanent Supportive Housing Renewal Grant Applications.”
- 3. Announcement Type:** This is the initial announcement of opportunity to renew HOPWA grants.
- 4. Funding Opportunity Number:** The funding opportunity number of this announcement is CPD Notice xx-xx.
- 5. Catalog of Federal Domestic Assistance (CFDA) Number:** The CFDA number for the HOPWA program is 14.241.

6. Dates: All eligible applicants should make use of the renewal application forms attached to this notice in developing a renewal application. To support the development of an application, please provide the Office of HIV/AIDS Housing with a intent to renew letter either by fax at (202) 708-9313 or by email at HOPWA@hud.gov promptly after receiving this notice. The email or faxed letter of intent should be signed by the authorized representative, Chief Executive Officer, Executive Director or equivalent of the grantee and sent both to HUD Headquarters, Office of HIV/AIDS Housing and to the local HUD field office. Eligible applicants should submit intent to renew letter as soon as practicable. Applicants must submit their renewal application by the deadline date of February 5, 2010. For more information on the deadline date and submission information please reference Section D, 3, of this notice.

II. Detailed Information About the Funding Opportunity for HOPWA Grant Renewal

A. Funding Opportunity Description:

1. Authority: Pursuant to the authority provided by the Continuing Appropriations Resolution for federal Fiscal Year 2010 found in the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2010, the Department is required to give priority funding to expiring HOPWA competitive grants that provide permanent supportive housing (PSH) and meet program requirements. Under this notice, the Department defines the process for approving renewal funding of eligible applicants.

2. Determining Eligibility: a. The most significant step in the renewal approval process is determining whether the primary activity of the expiring grant is PSH. HUD will consider the primary activity of the project as PSH when at least 51 percent of the grant funds are used to undertake program activities that provide PSH to eligible persons, including the direct housing costs and other related service costs. Permanent housing refers to housing in which the eligible

person has a continuous legal right to remain in the unit, and supportive housing refers to activities that provide eligible persons with access to ongoing supportive services through qualified providers. To assist in developing an approvable renewal request, grantees should review their current HUD approved budget and logic model for use as a guide in preparing the renewal application.

b. Applicants seeking renewal of HOPWA grants must continue to comply with the requirements of Section C. (Other Requirements and Procedures Applicable to all Programs) of Section III (Eligibility Information) of the Notice of HUD's Fiscal Year (FY) 2009 Notice of Funding Availability (NOFA); Policy Requirements and General Section to HUD's FY2009 NOFAs for Discretionary Programs, published on December 29, 2008 at 73 FR 79548.

B. Award Information:

1. Amounts Available: Under this Notice HUD is expected to renew up to 32 previously funded competitive PSH grants that meet the program requirements specified in this notice. The available funding for these awards is approximately \$32 million, subject to the availability of funding made available under the Continuing Appropriations Resolution for federal Fiscal Year 2010 and/or the 2010 Appropriations Acts once passed by Congress later this fiscal year. Awards made under this notice are expected to range from \$430,000 to \$1.430 million (maximum allowable). The individual renewal awards will be established from an eligible applicant's currently approved budget of the existing expiring PSH competitive grant agreement. Applications will be given a review for eligible activities and budget line funding requests.

2. Expected Award Date: This renewal procedure seeks to simplify the approval process and expedite grant awards for projects that meet the statutory requirements. In addition, this process enables a level of dialogue to negotiate an approvable request for renewal applicants that meet the threshold eligibility requirements. For more information on the negotiation and awarding process please review Section E. Application Review Information, in this notice.

It is important to note that funding available under this notice is currently subject to authority from a continuing resolution. In order to coordinate renewal actions for expiring grants on a need basis, the Department will select applications for renewal grants that meet the requirements of this notice and provide funding in the order of their expiration date 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 renewals are expected to expend their remaining balance of current funds on their approved schedule with their current expiration date. Grantees will be moved in this sequence of funding awards if they request and are approved for an extension for their expiring grant. This will help ensure remaining funds under the existing grant are used for project purposes prior to accessing funding awarded under a renewal grant. HUD will follow this sequence for expiring grants in awarding available renewal funds and may adjust this process once expiring grants with immediate needs for continued operation have been met and a full year of program appropriations is authorized and available for award later in the fiscal year, as expected.

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 notice, arrangements for pre-award costs may be made through an agreement with HUD subject to the funding made available by the 2010 Appropriations Acts. Pre-award costs are allowable costs incurred prior to the beginning date of the renewal grant agreement directly pursuant to the expiration of funds available under the existing expiring/expired grant agreement. 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 OMB Circulars A-87 and A-122, which are applicable to the HOPWA program under 24 CFR 574.605. Grantees are required to obtain written approval from HUD for incurring pre-award costs. Eligible costs under the new renewal award grant agreement may include an authorization for pre-award costs to support continuation of the approved renewal activities. Please note, those eligible renewal grantees requesting this authorization would be undertaking activities at their own risk until (and if) the new agreement is approved and funds obligated. HUD understands that potential renewal grantees need to plan for any possible gaps in accessing funds in order to prevent any disruption of services to clients. HUD expects to work with applicants that meet the renewal eligibility standards of this notice to ensure that the program's clients are supported.

It is anticipated that the applications that are selected as eligible renewal projects based on this review will continue providing their approved program activities under a new grant agreement for an additional three years. The start date for the new grant agreement is expected to immediately follow the expiration date of the existing grant for continuity of service. If justified, an adjustment to these dates could be negotiated to shorten or lengthen an existing grant period. Grantees that apply for renewal funding under this notice may not extend the term of their existing grant past the eligibility date issued in this notice. As such, due diligence is required in undertaking the analysis of remaining funding under the existing grant using recorded expenditure outlays to plan operations over the remaining months of the current project, as authorized. This outlay planning is essential in determining if a grantee has enough remaining funding to carry operations past the eligibility date published under this notice. If a grantee's plan for using the remaining funding will reasonably carry operations past the eligibility date, the grantee should contact the local HUD field office representative to request an extension that will also have the effect of placing the renewal of the grant under the next renewal cycle.

C. Eligibility Information:

1. Eligible Applicants: Under this notice, HUD will evaluate the renewal eligibility of an applicant's HOPWA project's current effort. If an applicant wishes to modify and/or expand activities beyond the scope of the currently approved and executed grant agreement, the applicant should consider seeking other available funding under HUD's NOFA announcement or through the availability of HOPWA formula funding from local and/or state allocations, or from other CPD formula funding sources, such as the Neighborhood Stabilization Program, (NSP) or Homelessness Prevention and Rapid Re-Housing Program (HPRP) Recovery Act programs. To be eligible for renewal, the project must provide PSH to eligible persons under an expiring HOPWA grant and meet the requirements established under this notice, including demonstrating results under the current HOPWA project. 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. Grant 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 a term of at least one year that is automatically renewable upon expiration, except with reasonable prior notice by either the tenant or the landlord. Grantees must provide a statement addressing a client's legal right to the unit in their renewal application Operations Procedure Narrative. Additionally, failure to maintain project documentation of leases or occupancy agreements will constitute a grant default, which may result in grant sanctions.

Grants that have successfully demonstrated PSH efforts and expire on or **between** October 1, 2009, and March 31, 2011, are eligible for renewal under this notice. If a grant agreement expired prior to October 1, 2009, the project is not eligible for renewal under this notice. If a grant agreement will expire after the noted eligibility date for applicants under this notice, it is expected that renewal funding for that PSH grant will be addressed in a future HOPWA notice.

To be eligible as a renewal grant, the existing HOPWA competitive project must be operating in a manner that meets program requirements and is in compliance with the HOPWA regulations found at 24 CFR part 574. This is demonstrated by having a record of solid grant performance. An application for renewal will be denied due to performance issues, as shown in unresolved monitoring findings not being addressed via a HUD approved corrective action plan by the date of award. HUD will also consider other evidence of poor performance up to the date of the public announcement of awards under this notice. Examples of poor and questionable performance include: continuing delays in program implementation; a significant reduction in the number of planned housing units to be assisted; untimely filing and inaccurate and/or incomplete submissions that remain uncorrected in annual performance reports, such as inadequate or incomplete reporting on client outcomes; or significant citizen complaints, which have not been addressed with justified reasons and remain unresolved. Further evidence of weak performance may be found if expenditures of the existing grant funds are not appropriately drawn down over the three-year grant period leaving a large unexpended balance at the time of the existing grant's expiration date, or expending the existing grant funding significantly in advance of the approved expiration date.

Renewal grant recipients are required to maintain the same PSH program design components and individual budget line activities as documented in the prior HOPWA grant agreement approved by HUD. In addition, grant recipients are required to continue using the same project sponsors to implement activities as previously approved. If a grant recipient wishes to revise its program activities and shift emphasis from the provision of one type of housing assistance to another or increase the amount of funding dedicated to supportive services for example, it is recommended that they consider using other leveraged resources to complement their approved activities, or they may want to consider applying for other HUD competitive grant funding announced in Departmental Notices of Funding Availability, or other available funding under other HUD formula allocations.

The Department recognizes that some adjustments to update service delivery may need to be undertaken to address community needs for specific types of supportive services related to carrying out the PSH purposes of these renewal projects. This change in the type or funding for supportive service delivery must be addressed in the Operations Procedure Narrative. For more information on the requirements for changing the type of supportive services an organization provides, please see Section D, 2, (a), (iii), of this notice. If a non-profit organization is being added as a new project sponsor, or if a sponsor's legal status has changed, the organization must satisfy the nonprofit requirements established in the definition for an eligible nonprofit organization found in 24 CFR 574.3 and submit the required information in the Organizational Capacity Narrative. HUD will consider the presentation of information or documentation to demonstrate the merits for changes in project sponsor arrangements, such as whether the new 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 changing a project sponsor may include failure to address program compliance issues or achieve client outcomes resulting in:

- A need for a higher level of grant management skills;
- A need for a higher degree of financial management and efficiency;
- A desire to increase capacity for stronger program service delivery;
- The prior project sponsor is no longer in operation;
- A need for significant improvement in project staffing competency;
- Related unresolved monitoring or audit findings;
- The project sponsor merged with another entity; or
- A loss of non-profit status.

HUD must also be advised of any significant changes in staffing or other indications of changes to a project sponsor's capacity to carry out program activities, including correcting any monitoring or audit findings on the organization's activities. HUD reserves the right to reject a project involving a change in 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.

Renewal projects must establish that PSH for eligible persons is the main focus of the grant. If an applicant is proposing to continue some level of emergency shelter or transitional housing assistance, the plan must include linkages to the provision of PSH and show that the PSH activity is the primary activity of the grant. For eligible persons who will also receive supportive services, such as case management services, the program must be designed to enhance access to other needed services that are available in existing mainstream resources, including healthcare assistance, AIDS drug assistance under the Ryan White HIV AIDS Extension Act of 2009, and other federal, state, local, and private resources. To the extent

possible, HUD encourages renewal grantees to incorporate and identify the commitment of mainstream resources into their project plans to maximize the benefit of HOPWA grants.

The renewal application must present demonstrated measurable progress in the implementation of the current grant award. 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 (if targeted to homeless families and/or chronic homeless persons) and persons at risk of homelessness assisted in comparison to the number that was planned and approved under the current project;
- Submitting timely and substantially complete performance reports and showing that other results have been disseminated to the public, such as results in client outcomes in maintaining stable housing, reducing risks of homelessness and improving access to care; and
- Expending prior funding in a timely manner as outlined in the existing HOPWA grant agreement with HUD, with no outstanding audit or unresolved significant monitoring issues.

(a) Ineligible Applicants: If a HOPWA competitive grant has expired prior to FY2010, the grantee is not eligible for renewal under this notice but may consider submitting an application under other HUD NOFA announcements for competitive programs, or may seek additional funding under local HOPWA or other HUD formula resources. For the purposes of this notice, the definition of an expired grant is one that has expired prior to October 1, 2009, and for which no extension was requested by the grantee and approved by HUD. In addition, if a HOPWA competitive grant will expire after the renewal eligibility date it is expected renewal funding for that PSH grant will be addressed in a future HOPWA notice and is not eligible for renewal under this FY2010 notice.

As discussed previously in the eligibility section, eligible HOPWA renewal grants must be operating in a timely manner. Grantees must expend grant funds in accordance with their current grant agreement operation dates. If individual grant award amounts are not expended proportionately to the year in which they are operating, the application will not be considered for renewal. Grantees should be expending at least 25% to 40% of their grant for each year of operation as part of a three-year plan of operation. If the expiring permanent supportive housing grant is significantly delayed in the expenditure of funding the grantee must seek a grant extension through the field office with the renewal of the grant at a future date.

If HUD is unable to accurately assess and measure grant performance and/or determine that an applicant is likely to successfully continue their program activities, due to untimely, inaccurate, or incomplete submittal of performance reports, the applicant will not be considered for renewal funding. Additionally, if an applicant has outstanding monitoring findings regarding grant mismanagement issues and has not begun corrective action under a HUD approved plan to

address these issues by the awarding date, the application for renewal will be denied due to poor performance.

In prior years, HUD solicited and approved HOPWA Special Projects of National Significance (SPNS) grants for special targeted housing activities. For example, HUD has approved funding for transitional housing projects whose primary focus was on the provision of emergency shelter or transitional housing activities. As such, continuation of a TH effort **is not** eligible for renewal under the criteria of a PSH project. Grantees currently operating TH housing programs may consider competing for funding under the Department's annual NOFAs as published each fiscal year. Persons interested in seeking funding from other HUD programs should visit the HUD.gov grants page at <http://www.hud.gov/grants/index.cfm> and select the link for finding and applying for grant opportunities.

In addition, grantees that operate permanent supportive housing grants are not eligible for renewal if any of the following applies:

- Have been charged with an ongoing systemic violation of the Fair Housing Act;
- Are a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or
- Have received a letter of findings identifying ongoing systemic noncompliance 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, and the charge, lawsuit, or letter of findings has not been resolved to HUD's satisfaction before the application deadline. HUD will determine if actions to resolve the charge, lawsuit, or letter of findings taken before the application deadline are sufficient to resolve the matter. Examples of actions that would normally be considered sufficient to resolve the matter include, but are not limited to:
 - A voluntary compliance agreement signed by all parties in response to a letter of findings;
 - A HUD-approved conciliation agreement signed by all parties;
 - A consent order or consent decree; or
 - Compliance with the terms of a final judicial ruling or a HUD Administrative Law Judge's decision.

(b) Eligible Permanent Supportive Housing Activities: Housing programs seeking renewal funding must provide on-going forms of housing and other support over three years, such as Tenant-Based Rental Assistance (TBRA) and maintain beneficiaries in their current housing via Short-Term Rent, Mortgage, and Utility (STRMU) assistance payments to prevent homelessness. These supportive housing activities establish or maintain stable permanent housing, reduce the risks of homelessness, and improve access to healthcare and other needed

support. PSH activities may also provide operating costs for permanent housing facilities and costs for leasing of permanent housing facilities, where beneficiaries have a legal right of continued occupancy.

Related project costs are also eligible to assist beneficiaries of these housing projects, such as costs for supportive services, permanent housing placement, and housing information services. Housing information services and permanent housing placement services may be used to assist beneficiaries in moving to other permanent housing, such as outplacement to independent living arrangements, homeownership, or other on-going forms of housing assistance that do not involve HOPWA funding. In prior years, some housing placement costs were included in other budget line items (BLI). These costs can be identified, deducted from their current BLI, and realigned to the permanent housing placement BLI.

Eligible activities with their standards and limitations may be found in the HOPWA regulations at 24 CFR 574.300-574.340. A copy of the regulations may be downloaded from http://www.access.gpo.gov/nara/cfr/waisidx_08/24cfr574_08.html.

(c) Ineligible Activities: In applying for renewal funding please note the following:

- Acquisition, new construction, rehabilitation, or costs involving new housing facility sites, such as operating costs or leasing of new housing facilities and community residences, for the purposes of expanding existing operations to additional new locations are ineligible. However, this does not preclude the leasing of individual housing units for the purpose of continuing TBRA or master leasing assistance nor does this apply to a justified replacement for an existing facility in which the lease expires and the facility operations and activities must be relocated to a new site. Applicants are cautioned that an environmental review with regard to any new site must be completed in accordance with 24 CFR 574.260 before a lease or other commitment is made with respect to the new site. The environmental review requirements are set forth in 24 CFR 574.510. If an applicant is interested in undertaking additional capital development activities, or in significantly expanding HOPWA activities beyond those allowed in this notice, the applicant should consider competing for funding under the annual HOPWA program NOFA competitive process or under other appropriate programs.
- Resource identification activities to establish, coordinate, and develop housing assistance resources, and/or technical assistance for community residence activities are ineligible for renewal funding.
- An additional BLI for data collection on project outcomes is ineligible. Collecting performance data and reporting to HUD are required as a central grants management function and are eligible administrative costs, subject to statutory limitations.
- Healthcare costs, such as costs for medications, are ineligible.
- HOPWA funds cannot be used for personal items such as:

- Clothing;
- Property taxes and condominium fees;
- Furniture, unless part of a permanent housing facility operations where the furniture stays with the unit;
- Grooming;
- Personal vehicle maintenance and repairs;
- Financial assistance and consumer credit payments;
- Entertainment activities;
- Pets; and
- Other non-housing-related costs.

Those funds currently awarded to any of the non-renewable BLIs listed above are not available for movement into BLIs that are eligible for renewal in an effort to expand activities beyond the currently approved levels.

2. Cost Sharing or Matching Requirement: The renewal application must show continued commitments for leveraged resources from federal, state, local, and/or private sources that are an essential part of carrying out service delivery plans under the approved current grant. Failure to use committed resources, as documented and approved by HUD, will constitute a grant default, which may result in grant sanctions. Be advised that HUD reserves the right to reject an application if there is a substantial loss of community coordination as shown in the amount of leveraged resources and the proposed amount of leveraging does not provide evidence of adequate continued provision of supportive housing or sufficient capacity to manage the project cooperatively through community efforts with adequate resources.

Each applicant must document the commitment of leveraged resources by providing either a list or a chart containing the following information: (1) the name and address of the organization(s) providing the commitment(s), including a note if the organization will serve as a project sponsor; (2) the type of commitment (applicant or third party cash resources, non-cash resources, volunteer time, contribution of a building, contribution of lease-hold interest); (3) the dollar value of the commitment; and (4) the name, title, and contact information of the organization's authorized representative.

The value of donated land, buildings and equipment are one-time only and **cannot** be claimed as leveraging more than once. For example, the value of donated land, buildings or equipment claimed in 2005 as leveraging **cannot** be claimed as leveraging by that project in the 2009 renewal cycle, unless the donated resource was a lease for an allotted period of time and, at the expiration of the lease, the donator renews that lease for an additional allotted period of time.

The value of the leveraging listed on the leveraging list or chart should roll up to the value of leveraging represented on the Application Budget Summary and Detailed Project Budget and Housing Outputs form HUD-40110-B. Other HOPWA funds, such as formula allocations, **cannot** be used as a leveraging resource. If leveraged resources are from a city or state office, list the program source of that funding to ensure it is not HOPWA formula funds that are counted as leveraged dollars. Applicants may also describe a plan for how the project will continue to operate in future years, with a decreased reliance on any leveraged federal resources. The Department will periodically monitor the use of these commitments by requiring the collection of information in annual progress reports to establish that the leveraged resources are being used, as committed, in undertaking the project. Attempts to falsify commitment of leveraged funds or failure to maintain and produce letters of commitment upon request could lead to the termination of the awarded grant and criminal penalties.

If the renewal application does not request HOPWA funding for supportive services, the grantee is obligated to utilize other leveraged sources to provide a reasonable level of supportive services similar to those previously provided by leveraged sources to be considered a permanent supportive housing program.

3. Dun and Bradstreet Universal Numbering System (DUNS) and Central Contractor Registration (CCR): As a new provision, all applicants and their project sponsor(s) must be registered with the CCR by the application due date and provide a valid DUNS number in the application. Additionally, each applicant and project sponsor(s), if awarded, must continue to maintain an active CCR registration with current information at all times during the grant agreement period. Prior to requesting a DUNS number, please check if your organization already has a DUNS number by contacting your chief financial officer or grant administrator. If your organization does not have a DUNS number you can immediately receive one by calling 866-705-5711. If you are not currently registered with CCR, you must start the registration process at www.ccr.gov. If you need assistance with your CCR registration please contact CCR Assistance Center at 888-227-2423 for assistance.

D. Application and Submission Information:

1. Address to Request Application Package: All eligible applicants have received application packages and materials along with this notice via email.

2. Content and Form of Application Submission: HUD requests that the renewal application be presented in narrative pages of 12 point typeface that includes a footer with pages numbered per the following example: “page 1 of 12.” In addition, narrative responses should include a header providing the name of the applicant or the project. The following is a list of the forms and narratives that are required for the submission of a complete application for renewal funding:

- The federal application form for grant funds HUD-SF4-24;
- HOPWA application budget summary and detailed project budget and housing outputs form HUD-40110-B;

- Logic Model form HUD-96010;
- Certification of Consistency with the Consolidated Plan HUD-2991
- Disclosure of Lobbying Activities HUD-SF-LLL;
- Operational Procedures Narrative (10 double-spaced pages);
- Current effort and program evaluation narrative (5 double-spaced pages);
- Continuing current efforts narrative (5 double-spaced pages);
- Documentation of leveraging for renewal projects (chart or list); and
- An organizational capacity narrative and proof of non-profit status (if applicable, 5 double-spaced pages for new project sponsors and for current project sponsors that have undergone significant organizational changes).

In an effort to streamline future funding requests, grantees may be asked to 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://www.hud.gov/grants/index.cfm>, for public viewing. Once posted, the 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 grantee's responsibility to ensure that HUD has the most updated code of conduct as revisions occurs. The required information in a code of conduct may be found in HUD regulations at 24CFR 84.42 and 85.36(b)(3).

In addition to the narratives, please complete the HOPWA Application Budget Summary form HUD-40110-B. This form will provide a summary of the total budget for this project, the annual HOPWA amounts to be used in each of the three years of operation, and a detailed description budget by grantee and project sponsor of the HOPWA funds to be used by each organization. In addition, consistent with the Federal Funding Accountability and Transparency Act of 2006 requirements (listed below), please include the following:

- The name of any other entity receiving part of a grant award;
- The amount allotted to each sub-recipient;
- Information on the sub-recipient activities, such as a descriptive title of the purpose of each funding action;
- The location of the project sponsor and any other sub-recipient entity receiving part of the award and primary location of performance under their award, including the city, state, congressional district, and country; and

- A unique identifier, such as the Employer Identification Number (EIN) of the project sponsor and any other sub-recipient receiving part of the award and the name of the parent entity of the sub-recipient, should the sub-recipient be owned by another entity.

Applicants receiving a renewal award from HUD should be aware that the Federal Funding Accountability and Transparency Act of 2006 calls for HUD to establish a central website in which the information requested above, and any other relevant information specified by the Office of Management and Budget (OMB), will be posted and available to the public for the full disclosure of all entities receiving federal funds. In fulfillment of the requirements of the Act, OMB launched <http://www.USAspending.gov> in December 2007. In January of 2009, data on sub-awards were made available on the same website. Federal transactions below \$25,000, credit card transactions prior to October 1, 2006, and information on individual program participants receiving HOPWA services are exempt. Furthermore, the data collection elements listed above are assimilated into the HOPWA Annual Performance Report data collection requirements. Please note consideration is being given to requiring the disclosure of additional data elements to track the flow of funding from the original federal award. Such data elements under consideration include: the tier at which the sub-award was made (to a project sponsor or additional sub-recipients by contract); the federal award number issued to the direct awardee; and the dollar amount of the federal award emanating from the direct award going to the sub-awardee as well as the total sub-award amount, which could include funds from other sources. Additional information regarding these requirements will be issued by OMB and will be provided when available.

Detailed descriptive budget amounts should roll up to the amounts represented on the budget summary page and Logic Model form (HUD-96010). In addition, all output levels listed on the detailed descriptive budget should roll up to those output levels listed on the Logic Model and in the Continuing Current Efforts narrative. Please make use of your existing budget, logic models, and APRs in submitting this information.

Applicants are required to complete the Application Budget Summary, the Detailed Project Budget and Housing Outputs form HUD-40110-B, and the Logic Model. Applicants should update and complete the current available edition of the Logic Model form (HUD-96010) to illustrate plans for the use of HOPWA and other resources. The Logic Model responses and project plan goals should be consistent with those amounts and levels listed on the HOPWA project budget (form HUD-40110-B) and Continuing Current Efforts narrative. Identify the major project activities and related housing output goals and dollar amounts, client outcomes (including the required HOPWA program outcomes), and other project goals. Awarded applicants must address the project management questions listed below in the reporting tab of the logic model on an annual basis with annual output updates to the Logic Model.

- How many households are served with each type of housing assistance?
- Who are they?
- What is their median income?

- How many individuals and households are served?
- What services do you provide?
- What does it cost? (cost of activity)
- What happened as a result of direct housing assistance?
- What happened as a result of related support activities?

In addition, the project plan goals will be reported on in the Annual Performance Report (APR).

HUD staff will be available to provide guidance and technical assistance regarding this notice of policy and procedural requirements. In complying with statutory requirements for priority treatment of renewal projects, HUD staff are permitted to assist in advising renewal applicants on how to successfully submit their application and negotiate approvable BLIs.

(a) Application Narratives:

(i) Report on Current Effort and Program Evaluation Narrative: On no more than five double-spaced pages, provide an overview of the accomplishments of the expiring HOPWA grant, including:

- A comparison between the project housing outputs and operating benchmarks by BLI, as approved in the current grant agreement, to the actual current accomplishments for the expiring project. For example, if the original grant application stated an estimated 12 households would be assisted each year, the comparison would show:
 - The actual number of households assisted, including the number of households assisted by each type of BLI component (outputs) and any related development benchmarks for undertaking the activity;
 - The outcome assessment on the status of assisted households with respect to: stable housing arrangements; and the use of individual housing service plans in accessing healthcare and/or supportive services;
 - If some housing support (such as use of STRMU funds) were for temporary arrangements, how recipient households reduced risks of homelessness and improved access to care; and
 - How stable housing was maintained, if provided by some other leveraged source.
- If the project had some unsuccessful results in helping clients or was unable to track the housing status of clients, please describe the situation and the program’s plan of action

for addressing these types of unstable housing situations in the new grant period. Grantees seeking renewal of their program should make use of the related data submitted in their previously submitted APRs for this section.

(ii) Continuing Current Permanent Housing Efforts Narrative: On no more than five double-spaced pages, describe the plan for continuing the permanent housing project over the next three year period, including:

- A description of how the project will utilize HOPWA and other funding to continue to provide permanent housing as the main focus of the project with housing outputs at about the level of the current grant. This description should include an explanation of any changes from the current project's housing outputs and outcome goals in order to establish a baseline for the planned efforts to achieve stable housing outcomes, reduce risks of homelessness, and improve access to care. All changes to housing outputs and outcome goals should be based on the actual achievements of the current program per activity type and as reported on in the Report on Current Effort and Program Evaluation Narrative and previously submitted APRs.
- A description of the method to be used for collecting data on HUD program measures to evidence achievement of the project's goals and objectives.

(iii) Operational Procedures for Support Narrative: On no more than ten double-spaced pages, provide an overview of the project's operational procedures to be used in providing this housing and related support including:

- A description of the outreach procedures, including affirmative marketing to hard-to-reach populations, and intake, enrollment and client assessment procedures;
- A description of how each client will access related case management or other support through the program, such as guidance to be provided under elements in an individual housing and service plan, for the purpose of maintaining or achieving permanent housing arrangements and be connected to mainstream resources of care such as Medicare, SSI, SSDI, food stamps, and other available resources;
- A description of the nature and type of supportive services to be provided under this competitive award and how the services will be coordinated with community partners. The Department recognizes that the need for certain types of supportive services may have changed in an applicant's community since previously awarded. If an applicant wishes to provide supportive services that are different from those services provided under the current award, the applicant must provide a justification narrative for this change. This justification narrative must include a description of the supportive services previously provided and a description of the new supportive services the applicant wishes to provide. Additionally, the applicant must describe how the need for services has changed in the community and the benefit of the new services to their program operations and client support.

(iv) Organizational Capacity Narrative: If a new project sponsor is added to the renewal request, or a significant organizational change has occurred for an existing sponsor, an organizational capacity narrative is required along with the submission of the organization's nonprofit status and statement pertaining to the organization's HIV/AIDS mission. On no more than five double-spaced typed pages per new project sponsor the Organizational Capacity Narrative must describe the project sponsor's ability in conducting program activities. The capacity statement must address the extent of the project sponsor's past organizational experience and knowledge: in serving persons with HIV/AIDS and their families; administering programs similar to those proposed in the application; monitoring and evaluating program performance and disseminating information on project outcomes; and achieving the purpose for which funds were provided, as measured by expenditures and measurable progress in providing grants management oversight of the project. HUD reserves the right to reject an application if there is a change in project sponsorship and the new sponsor does not provide evidence of sufficient capacity to manage the project.

3. Submission Dates and Times: Renewal applications are due at HUD no later than 5:00 PM on February 5, 2010. As noted, HOPWA grant recipients that intend to apply for renewal funding are asked to fax or email a letter of intent as soon as practicable after receiving this notice. Incomplete grant applicant submissions may jeopardize the funding and award of a renewal grant application

(a) 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 and completely read the following instructions:

- HUD will not accept or consider any applications sent by facsimile.
- To facilitate the review of an applicant's application, one copy must be sent to HUD Headquarters and a second copy must be sent to the local servicing HUD field office. Complete applications, including the required number of copies, must be submitted to the appropriate offices. Mail applications to HUD Headquarters at the following address:

U.S. Department of Housing and Urban Development
Attn: HOPWA Program
451 7th Street, SW, Room 7212
Washington, DC 20410

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.

- Applications delivered by courier service must be received at HUD Headquarters and HUD field offices no later than the application due date noted above. HUD urges applicants sending packages by courier service to HUD Headquarters to use Federal

Express or United Parcel Service. Both companies have access to the Headquarters building. Note: If a courier service is not granted access to the building due to security or other reasons, the package will not be determined delivered and accepted by HUD. HUD will not breach security measures to accept an undeliverable package. Proof of timely submission of an application sent to HUD will be: the delivery service receipt indicating the application was delivered to a courier service at least 24 hours prior to the application deadline; a postmark date at least 24 hours prior to the application deadline due date; and if the Postal Service does not normally postmark large packages, proof of timely submission may be evidenced by a receipt from the Postal Service that contains the post office name, location, date and time of mailing. No other proof of timely submission will be accepted for the use of the USPS to submit an application.

(b) Acknowledgement of Receipt: HUD will acknowledge the receipt of your application via email confirmation to the authorized representative listed on the SF-424.

4. Intergovernmental Review: This funding opportunity is not subject to Executive Order (EO) 12372, "Intergovernmental Review of Federal Programs." Application reviews will be conducted by HOPWA headquarters and CPD field office staff.

5. Funding Restrictions: A renewal grant can be funded up to 100 percent of current HUD-approved BLI funding levels for program activities, except for the Tenant Based Rental Assistance (TBRA) line item. If there is a documented increase in fair market rents that will impact TBRA activities, an applicant may request a funding increase up to 5% of the previously approved TBRA BLI. Any requested increase will be subject to availability of funding. Additionally, any requested increase in the TBRA BLI is subject to the funding restrictions on maximum amounts listed below. Grantees must provide for how the increase in FMRs will hinder abilities to maintain current consumer levels in a justification narrative. However, the Department recognizes the possibility of the need for a fair sharing of funding to ensure continued operations of all eligible renewal grantees. A fair sharing distribution of funding will be utilized if the amounts allocated under the 2010 Appropriations Act are below the level needed to fund all eligible renewal grantees at 100% of their current BLIs. Any reductions resulting from a fair sharing will first be deducted from any requested increase. Additionally, HUD reserves the right to decrease BLIs if it is determined that the number of persons/units assisted (housing outputs) is substantially less than the amount agreed upon in the current executed grant agreement.

In the case of a PSH project in which acquisition, new construction, or rehabilitation of a housing facility was a major component of the original HOPWA-funded project, a reasonable amount of funding for operating costs for the housing facility may be requested up to available amounts to continue operations of this facility over the next three-year grant period. The amount requested must be based on the current cost of operating the housing facility or a housing facility of a similar type and size. However, the request may not exceed the limit on maximum funding for program activities established in this section. HUD reserves the right to negotiate with the grantee and to adjust requests under this paragraph to the scale of projects of similar size and

purpose.

Administrative costs will be determined from the approved totals. Administrative costs for grantees and project sponsors include costs for data collection and annual performance reporting to HUD. Supplemental funding for these administrative grants management activities is not available. HUD expects that grantees will ensure strong program management that result in accurate reporting of housing outputs and client outcomes, as required by the program.

The request for renewal funding must be consistent with the limitations on maximum grant amounts. If a grantee's current BLIs exceed the limits listed below, HUD reserves the right to reduce those BLIs consistent with the following limitations:

- The maximum amount for program activities that directly benefit eligible persons is \$1,300,000. The request for program activity costs must include the amounts for continuing a previously approved project at about the same level of housing provided in the previous grant and as agreed upon under the signed grant agreement.
- The maximum amount for program activities for the supportive services BLI is no more than 35 percent of the maximum grant amount for program activities costs (i.e., not more than \$455,000 over a three-year period), excluding costs for permanent housing placement activities, which can be addressed as a separate BLI. 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.
- The maximum amount for grant administrative costs of the grantee is subject to the limit on administrative costs of three percent of the amount requested for project activities in the application for renewal (i.e., a maximum of \$39,000).
- The maximum amount for grant administrative costs for project sponsors is subject to the limit on administrative costs of seven percent of the amount requested for project activities to be conducted by project sponsors in the application (i.e., a maximum of \$91,000 if all program activities are carried out by sponsors).
- The total for the maximum grant amount is \$1,430,000 subject to applicable limitations in this section.

6. Other Submission Requirements: HUD recommends that the renewal application be presented in narrative pages of 12 point typeface that includes a footer with pages numbered per the following example: "page 1 of 12." In addition, narrative responses should include a header providing the name of the applicant or the project. For delivery and receipt procedures Please reference Section II, D, 3 (a) above.

E. Application Review Information:

1. Criteria: HUD Headquarters staff will conduct a threshold review of applications. The threshold review will confirm that applicants are eligible for renewal under the eligible criteria established in this notice. Additionally, HUD Headquarters staff will confirm that all applicants submit a complete application with all forms and narrative information required. The Headquarters staff will review the program operations narrative for consistency with previously approved activities in addition to the HOPWA statute and regulations. Headquarters staff will review field office comments regarding grantee performance to confirm existing operations are conducted with no outstanding monitoring findings. If applications are incomplete or do not provide all the necessary information to conduct a full review of program operations, renewal applicants will be granted the opportunity to clarify any identified discrepancies during the negotiation process with HUD. After the initial review, if needed, the applicant will be contacted via email with a request for 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 participate in the negotiation communication as well. During the negotiation conference, HUD will seek to have the applicant address the identified issues regarding clarifications, concerns or missing information covering: eligible and ineligible activities; output and outcome achievements and goals; activity BLI requested amounts; descriptive narratives; and consistency in budgets and logic models. HUD will confirm by email an outline or summary of the issues discussed. Grantees should make use of this email in preparing clarification statements on all issues as well as budget and logic model corrections. This effort will be used to reach agreement on project plans to continue operations of projects meeting threshold and review requirements under this notice. The clarification provided is expected to resolve any concerns with the application and allow for the submission of any identified application missing elements. If applicants fail to provide the information needed during the application negotiation process the application will be deemed incomplete and will not be funded. The clarification provided is expected to resolve any concerns with the application and allow for the submission of any identified application missing elements. If applicants fail to provide the information needed during the application negotiation process the application will be deemed incomplete and will not be funded. For more information on the review process please review Section II, E, 2 below.

(a) 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, CPD staff will conduct a substantive review based on the requirements established in Section C, 1, of this notice. If a proposed sponsor fails to meet the conditions for adding a sponsor, or fails to demonstrate sufficient capacity, the sponsor will be ineligible to receive program funds. HUD will rate the proposed new project sponsor in the following way: in reviewing the elements of Organizational Capacity Narrative under Section II, D, 2, (a), (iv), HUD will rate the proposed sponsor on the basis of 20 points, with a minimum of 14 points required for selection of a new sponsor as eligible in demonstrating sufficient capacity. A new 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.

2. Review and Selection Process: Once renewal applications are received by HUD headquarters, they will be reviewed by HOPWA program staff. After the initial review, if needed, the applicant will be contacted via email with a request for 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 participate in the negotiation communication as well. During the negotiation conference, HUD will seek to have the applicant address the identified issues regarding clarifications, concerns or missing information covering: eligible and ineligible activities; output and outcome achievements and goals; activity BLI requested amounts; descriptive narratives; and consistency in budgets and logic models. HUD will confirm by email an outline or summary of the issues discussed. Grantees should make use of this email in preparing clarification statements on all issues as well as budget and logic model corrections. This effort will be used to reach agreement on project plans to continue operations of projects meeting threshold and review requirements under this notice. Application reviews will be conducted by HOPWA Headquarters staff and CPD field office staff. CPD field office personnel are responsible for conducting an assessment on program performance. CPD field offices will provide headquarters HOPWA staff with the necessary monitoring information to determine if any applicant should be denied based on merit of performance. Headquarters HOPWA staff will review the application budget and content for clarity, appropriateness, and completeness. For more on the selection and awarding process see Section II, E, 1 above.

It is important to note that funding available under this notice is currently subject to authority from a continuing resolution. In order to coordinate renewal actions for expiring grants on a need basis, the Department will award renewal grants that meet the requirements of this notice and provide funding in the order of their expiration date 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 renewals are expected to expend their remaining balance of current funds on their approved schedule with their current expiration date. Grantees will be moved in this sequence of funding awards if they require and request an extension for their expiring grant. This will help ensure remaining funds under the existing grant are used for project purposes prior to accessing funding awarded under a renewal grant. HUD will follow this sequence for expiring grants in awarding available renewal funds and may adjust this process once expiring grants with immediate needs for continued operation have been met and a full year of program appropriations is authorized and available for award later in the fiscal year, as expected.

(a) Fair Share: Once appropriations are available on a full year for this program, and deducting amounts if awarded under procedures noted above, HUD will adjust the renewal selection process, as follows: if additional eligible applicants are approved for renewal awards and the total approved funding for all these eligible applicants is greater than the amount made available under the Department's fiscal year 2010 Appropriation Act, HUD will allocate awards to each applicant based on a pro-rata reduction of their approved requests. HUD will also review requests and adjust funding consistent with funding restrictions found in Section D, 5, of this Notice. These actions will help to ensure that all eligible and performing renewal grants receive funding and continue operations.

3. Recipient qualification: Consistent with the requirements of Section 872 of Public Law 110-417, HUD will review and consider any information listed on any applicant in the General Service Administration's (GSA's) recipient integrity, business ethics, and performance matters data system prior to making an award to an entity. All applicants may comment on any information found on their organization in the GSA system at [insert URL Link, TBD]. HUD will consider all comments provided in making a judgment regarding an applicant's integrity, business ethics, and record of performance under federal awards in determining if an applicant is qualified to receive an award.

F. Award Administration Information:

1. Award Notices: Once all grants are reviewed and all negotiations are complete, selected applicants will receive an award notification letter from the Office of HIV/AIDS Housing. This letter does not authorize an award recipient to begin conducting activities. Grantees will begin the grant agreement execution process with the field offices shortly after receiving their notification letter.

2. Administrative and National Policies: Successful applicants must operate their programs consistent with the HOPWA statute and the HOPWA regulations in 24 CFR 574, found at http://www.access.gpo.gov/nara/cfr/waisidx_05/24cfr574_05.html. Additionally, awardees must comply with the administrative requirements listed at 24 CFR 574.500.

3. Reporting: Awardees must fulfill their annual reporting obligations found at 24 CFR 574.520.

G. Agency Contact(s):

1. Point of contact: Entities wishing to submit an application and have questions regarding this funding announcement may contact David Vos, Director, Office of HIV/AIDS Housing, at phone: (202) 708-1934 and email: David.Vos@hud.gov or Benjamin Ayers at phone (202) 402-2201 and email: Benjamin.L.Ayers@hud.gov.

H. Other Information: Each year, HUD strives to improve the procedures for submitting a grant application request. Consistent with the Federal Financial 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://www.hud.gov/offices/adm/grants/egrants/egrants.cfm>. Information on grant streamlining can be found at <http://www.hud.gov/offices/adm/grants/pl-106107.cfm>. HUD continues to welcome comments and feedback from applicants and other members of the public on how HUD may further improve the HOPWA funding 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. 12/31/2010).

This Notice provides renewal funding under, and does not alter the environmental requirements of 24 CFR 574. Accordingly, under 24 CFR 50.19(c)(5), this Notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321). Activities under this NOFA are subject to the environmental review provisions set out at 24 CFR 574.510.