



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

MEMORANDUM FOR: HOPWA Renewal Grant Applicants and
CPD Field Office Directors

FROM: David Vos, Director, Office of HIV/AIDS Housing, DNH

SUBJECT: Standards for Fiscal Year (FY) 2013 Expiring HOPWA Permanent
Supportive Housing Renewal Applications

This memorandum provides guidance for the renewal of Housing Opportunities for Persons with AIDS (HOPWA) Permanent Supportive Housing (PSH) grants in FY2013. As established in Attachment A (Renewal Application Procedural Guide), FY2013 renewal applications are due on January 29, 2013. Pursuant to the authority provided by the Continuing Appropriations Act, 2013, Pub. L. 112-175, approved September 14, 2012, and successor authority, as may be provided for FY2013, the Department will renew all eligible expiring HOPWA competitive grants that provide permanent supportive housing (PSH) and meet applicable program requirements.

The FY2013 application process contains revisions that significantly alter HOPWA renewal procedures. The required narrative submission consists of a four page narrative budget justification that includes a discussion on the availability of additional Resource Identification funds for the alignment of HOPWA renewal grant activities with local Continuum of Care (CoC) activities in addressing the needs of homeless individuals and families living with HIV/AIDS. The Office of HIV/AIDS Housing will evaluate each eligible applicant's Annual Progress Report (APR) and field monitoring reviews, along with HUD financial records, to determine success in achieving established benchmarks under the expiring grant. This memorandum contains updated references on: HUD's strategic goals; the implementation of HOPWA competitive project setup, financial transactions, and reporting through the Integrated Disbursement Information System (IDIS); sub-reporting requirements; and increased collaboration with local CoC(s).

This year the Department is placing a greater emphasis on coordinating programs with local CoCs. Applicants must commit to coordinating with area CoC efforts within your primary service area in supporting local HIV/AIDS housing needs. This coordination effort is expected to reduce administrative burden and de-duplicate systems of support in order to provide an integrated and comprehensive approach to addressing the supportive housing needs of these special needs populations. Coordination efforts should include:

- Participating in local CoC planning bodies to coordinate the use of awarded HOPWA resources in providing housing and services to low income persons and families living with HIV/AIDS, including homeless individuals and families;
- Participating in the utilization of a local Homeless Management Information System (HMIS) or equivalent compatible homeless management system. This could include adapting Ryan White Care Act tools to collect data associated with HOPWA Annual Progress Report (APR) reporting requirements. A compatible system should be able to accurately capture your HOPWA output and outcome reporting elements and generate a HOPWA APR for you. Additionally, any compatible system must also incorporate the data elements of your local CoC's HMIS system. For more information please reference the HOPWA HMIS FAQs at <http://www.hudhre.info/index.cfm>;
- Integration with your local CoC's centralized or coordinated assessment system. CoCs are required to develop a centralized or coordinated assessment system as indicated in the CoC interim rule 24 CFR Part 578. § 578.3 and is defined as: *"centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool."*

The centralized or coordinated assessment system is meant to provide for a comprehensive assessment of the housing and service needs of individuals and households that are homeless or at risk of homelessness. This system allows CoCs to systematically analyze the housing and service needs of their local community. This information could be used to inform the development or redesign of new and existing local programs in response to current community needs. For more information on participating with existing CoC centralized or coordinated assessment systems, or participating with the CoC's development of the system, see sections V and VI of this memorandum;

- Addressing the needs of persons living with HIV/AIDS who are homeless by providing rapid re-housing with priority access to available units, housing vouchers, and other supports to this vulnerable population. Rapid re-housing activities may be conducted through a combination of Permanent Housing Placement (PHP) and Short-term Rent, Mortgage, and Utility (STRMU) assistance, as well as other housing assistance supported through leveraged resources; and
- Participation in point-in-time counts and housing inventory counts. All CoCs are required to conduct housing inventory counts and point-in-time counts of sheltered homeless persons at the same time annually. Programs providing transitional and emergency housing assistance should look to participate in these local CoC efforts to assess the numbers of sheltered and unsheltered homeless persons and beds/units dedicated for homeless persons in your communities. Please check in with your local

CoC(s) for more information on the point-in-time and housing inventory count activities in your community.

HOPWA competitive renewal grants are now required to make use of IDIS for project activities, setup, financial transactions, and reporting. The new IDIS enhanced data elements have been released and reporting functions are currently active. HOPWA grantees are required to utilize IDIS for reporting on financial outlays, housing outputs, and client outcomes. Renewal recipients may input data at least quarterly on housing output and beneficiary information into IDIS with annual reporting on results achieved on client outcomes reported in annual completed data in IDIS. As a validation check on this new system usage, grantees should also provide an APR after the first operating year. This will be the last APR due to HUD, and will allow HUD to review the functionality of this reporting system and help identify technical assistance needs to promote accuracy in reporting.

HOPWA grantees will continue to operate their programs within the framework of HUD's Strategic Plan for 2010-2015 and 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. Renewal applicants must report results on assisting vulnerable populations with risks of homelessness and/or households who are homeless through Tenant Based Rental Assistance (TBRA) payments to eligible households and use of permanent housing facilities that increase access to affordable rental housing. Additionally, HOPWA grantees can expect to report on how assistance facilitates income increases for HUD-assisted households through the access of benefits and the promotion of employment training/education activities that lead to income producing jobs.

Under this memorandum, the initial step in the renewal process is determining whether the primary activity of the expiring grant is PSH. Permanent housing refers to housing in which the eligible person has a continuous legal right to remain in the unit via a lease in the client's own name that is renewable after the first year of occupancy. PSH refers to activities that provide eligible persons with permanent housing and ongoing supportive services through qualified providers. 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, including direct housing costs and other related supportive service costs. Additional information on the types of grant programs that are considered permanent supportive housing is provided in the attached renewal guide. HUD will renew previously funded competitive PSH grants that meet the outlined program requirements. Applications will be reviewed for eligible activities and budget line item (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.

This renewal procedure seeks to simplify the approval process and expedite grant awards for projects that meet statutory and regulatory requirements. 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, submit identified missing elements in an application, and resolve other concerns

with the application. For more information on the negotiation 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 while maintaining a focus on accomplishments consistent with continuing PSH projects:

- A review of the project's most recently submitted APR. This review will evaluate a renewal applicant's PSH performance under the existing grant agreement and the established benchmarks under the renewal application;
- 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 potential budget award notification is provided (see Attachment B).

To support the development of an application, promptly notify the Office of HIV/AIDS Housing with a letter of intent to apply either by fax at (202) 708-9313 or by email at HOPWA@hud.gov after receiving this memorandum. The email or faxed letter of intent should be signed by the authorized representative and sent both to the Office of HIV/AIDS Housing in HUD Headquarters **and** to the local HUD field office.

Applicants seeking renewal of HOPWA grants must continue to comply with the requirements of Section III. C., Other Requirements and Procedures Applicable to All Programs of HUD's Fiscal Year (FY) 2013 Notice of Funding Availability (NOFA); Policy Requirements and General Section to HUD's FY2013 NOFAs for Discretionary Programs posted August 9, 2012 at www.grants.gov and attached to this memorandum as Attachment C. The document may be found at the follow link: <http://portal.hud.gov/huddoc/2013nofagensec.pdf>.

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 2013

Renewal Application Procedural Guide

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I. Eligibility for Permanent Supportive Housing Renewal Grant

Eligible Applicants and Project Sponsors

To be eligible for renewal, project activities must provide PSH to eligible persons under an expiring HOPWA grant and meet the requirements established in this memorandum, 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.

Grants that have successfully demonstrated PSH efforts and expire on or **between** March 30, 2013, and April 30, 2014, are eligible for renewal under this memorandum. If a grant agreement expires after April 30, 2014, it is anticipated that renewal funding for that PSH grant will be addressed in a future HOPWA renewal memorandum or notice.

To be eligible as a renewal grant, the existing HOPWA competitive project must be successfully providing permanent supportive housing and be operating in a manner that meets program requirements, including 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 addressed by the date of application. Applicants deemed not eligible for renewal due to unresolved monitoring findings must coordinate the transfer of their clients to alternative permanent supportive housing 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 Department's disposition requirements at 24 CFR parts 84 and 85; and the displacement and relocation regulations at 24 CFR 574.630, when applicable.

In addition to monitoring actions that identify findings or concerns, HUD may also identify concerns arising from applications submitted under this memorandum. Actions that may give rise to performance concerns include: failure to resolve problems identified in a HUD notice of default on a current grant; other HUD identified noncompliance with HOPWA's enabling statute and regulations; misuse of HOPWA funding; delays in program implementation; a significant reduction in the number of planned housing units to be assisted; untimely filing and inaccurate and/or incomplete submission of APRs that do not give an account of client outcomes; and significant citizen complaints, which have not been addressed with justified reasons and remain unresolved. Further concerns due to 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 proportionately large unexpended balance at the time of the existing grant's expiration date or expending the existing grant funding prior to the expiration date. The

applicant will be provided with notice of these concerns and an opportunity to respond prior to the point at which a determination on renewal funding is made.

The renewal applicant must demonstrate measurable progress in the implementation of the current grant award as reported in the most recent APR on the project. The renewal application may be used to update the APR, if necessary. Measurable progress is defined as:

- Meeting applicable performance benchmarks in program development and operation;
- Meeting project goals and objectives in the provision of permanent supportive housing, such as the HOPWA output for the number of households assisted, including the number who were homeless at program entry (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 complete performance reports; and
- Expending prior funding in a timely manner as outlined in the existing HOPWA grant agreement with HUD, with no outstanding audit or unresolved monitoring issues.

II. Ineligible Competitive Grants

If a HOPWA competitive grant has expired prior to March 30, 2013, the grant is not eligible for renewal under this memorandum but the applicant may consider the possibility of funding within the Department's NOFA announcement(s). For the purposes of this memorandum, the definition of an expired grant is one that has expired **prior** to March 30, 2013, and for which no extension was requested by the grantee and approved by HUD. In addition, if a HOPWA competitive grant expires after the renewal eligibility date (i.e., after April 30, 2014), it is ineligible for renewal under this memorandum.

Renewal projects must meet the project eligibility, timeliness, and performance standards identified in this notice to be eligible for renewal. When considering renewal projects for award, HUD will assess:

- The project applicant's performance against plans and goals established in the expiring grant;
- Timeliness in the expenditure of grant funds. Grantees must expend grant funds in accordance with their current grant agreement dates. If grant amounts are not expended proportionately to the year in which they are operating, the application may not be considered for renewal. Grantees should be expending approximately 1/3 (23% to 43%) of their grant for each year of operation as part of a three-year grant. If the expiring permanent supportive housing grant is significantly delayed in the expenditure of funding, the grantee must seek a grant extension through their local field office delaying the grant renewal for a future date;

- HUD reserves the right to reduce or reject a funding request from the project applicant for the following reasons:
 - Outstanding obligation to HUD 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;
 - Evidence of untimely expenditures on prior award;
 - History of other major capacity issues that have significantly impacted the operation of the project and its performance;
 - History of serving ineligible persons, expending funds on ineligible activities, or failing to expend funds within statutorily and/or regulatory established timeframes;
 - Other indicators of poor management, such as unwillingness to accept technical assistance, a continued history of inadequate financial management accounting practices, indications of mismanagement on the part of the recipient, drastic reduction of population served by the recipient, program changes made by the recipient without prior HUD approval, and loss of project site;
 - If the applicant has been debarred or suspended from doing business with the federal government; and
 - If the applicant has federal delinquent debt.

Ineligible renewal projects also include previous HOPWA competitive demonstration and transitional projects. In FY 2011, 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, the results of which will be published in Integrated HIV/AIDS Housing Plans (IHHP). 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 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, all applicants and existing grantees must be in compliance with 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.3 of the 2012 General Section. Grantees that operate permanent supportive housing grants are not eligible for renewal if any of the following applies as an actual unresolved matter:

- 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. HUD will determine if actions to resolve the charge, lawsuit, or letter of findings taken 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.

III. Eligible Permanent Supportive Housing Activities

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 program beneficiaries who receive supportive services, such as case management services, the program must be designed to 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, 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 in their project plans to maximize the benefit of HOPWA grants.

Applicants seeking renewal funding must continue providing on-going forms of housing support over three years, such as Tenant-Based Rental Assistance (TBRA), operating costs for a permanent housing facility, and Short-Term Rent, Mortgage, and Utility (STRMU) payments to maintain current housing arrangements. 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 leasing of permanent housing facilities.

Eligible related project costs include costs for supportive services, permanent housing placement, housing information services, and resource identification for coordination and collaboration with local CoCs. 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, or other on-going forms of rental housing assistance that do 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 rapid re-housing with priority access to available units, housing vouchers, and other supports to this vulnerable population. Rapid re-housing activities may be conducted through a combination of Permanent Housing Placement (PHP) and Short-term Rent, Mortgage, and Utility (STRMU) assistance. 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 STRMU to provide short-term rental support to stabilize the client in permanent housing with a transition to more permanent rental assistance if needed once the short-term time limits are met. For more information on the requirements of STRMU and PHP assistance please see the HOPWA STRMU Notice CPD 06-07, at:

<http://search.usa.gov/search?affiliate=housingandurbandevelopment&query=HOPWA+STRMU+Notice>.

The standards for eligible activities are set forth in the HOPWA regulations at 24 CFR 574.300-574.340. A copy of program regulations may be downloaded from <http://www.gpo.gov/fdsys/pkg/CFR-2012-title24-vol3/pdf/CFR-2012-title24-vol3-part574.pdf> <http://www.gpo.gov/fdsys/pkg/CFR-2012-title24-vol3/xml/CFR-2012-title24-vol3-part574.xml>.

IV. 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 by beneficiaries of individual housing units for the purpose of continuing TBRA or master leasing assistance.

If an applicant is interested in undertaking additional capital development activities, or in significantly expanding HOPWA activities beyond those allowed in this memorandum, the applicant should consider competing for funding under the 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, 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.

V. Funding Restrictions

Limitations on Maximum Grant Amounts

It is important to note that funding available under this memorandum is currently subject to authority from the Continuing Appropriations Act, 2013, Pub. L. 112-175, and successor authority, as may be provided for FY2013 appropriations. It is the Department's intent to fund HOPWA renewal grants up to their current BLI levels with additional one time funding under Resource ID for CoC alignment activities. However, action will follow based on authority to be established for this funding year. If amounts made available by the FY2013 Appropriations Act are insufficient to fully fund all renewal grants at requested amounts, HUD reserves the right to assign a prorated reduction to each of the renewal projects. The Department will provide any needed update regarding CoC alignment expectations if the prorated reduction action is taken.

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 memorandum 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 renewal are expected to expend the remaining balance of current funds on their approved schedule with their current expiration date.

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

- The maximum amount for program activities that directly benefit eligible persons is \$1,340,000. (Note: Program activity costs must support the same level of housing provided in the previous grant and agreed upon under the executed grant agreement).
- 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.
- The maximum grant amount for the Resource ID BLI is up to \$40,000 to be used for coordination with CoC activities over the three-year grant period. The Resource Identification activity should be utilized to facilitate the alignment and coordination of housing and service activities with local CoC(s) by: participating in your local CoC’s planning body meetings; development and/ or participation in centralized or coordinated assessment system; HMIS; and point-in-time and housing inventory counts. Renewal applicants are encouraged to utilize their local CoC as a point of entry into their program. As previously mentioned, the centralized or coordinated assessment system is a new requirement for CoCs. Some CoCs may not have an existing centralized or coordinated assessment system in place. Costs associated with assisting your local CoC in the development of a centralized or coordinated assessment system that captures data on the housing and service needs of homeless and low income HIV/AIDS populations is an eligible cost under Resource Identification.

This additional funding will be provided on a one time only basis and will not be a renewable line item. Grantees applying for more than one renewal grant must justify their need to receive the maximum amount available for each individual grant in their justification narrative. If both renewal grants operate in the same jurisdiction, then both grants may not be eligible for the maximum amount individually. Unless otherwise justified and approved, the applicant will be awarded no more than the maximum amount allowable if only one grant were renewed (i.e., \$40,000), and this amount should be shared between the two grants.

Additionally, during the first year of operation renewal grantees should conduct an assessment of existing operations and identify any changes that may need to be implemented in order to better coordinate activities and services with the local CoC. The costs associated with conducting the assessment are eligible Resource Identification costs. The results of the assessment should be submitted in the form of a grant agreement amendment request no later than the first year of operation. The amendment request should describe the efforts required to coordinate your HIV housing and supportive service activities with: CoC planning efforts; centralized or coordinated assessment system; and point in time and housing inventory counts. The amendment request should also describe activities related to addressing the needs of persons living with HIV/AIDS

who are homeless, such as providing rapid re-housing with priority access to available units, housing vouchers, and other supports for this population. The amendment should demonstrate a clear plan for improved cross-program coordination to enhance HIV service delivery, planning, and evaluations.

Your amendment request should include methods used in engaging CoC collaborators in addressing the most feasible and effective HIV housing interventions and strategies. The amendment may also identify any change in key stakeholders, partners, community-based organizations, local planning groups, and leveraged funding sources or services. A new HUD 40110-B HOPWA budget form must be submitted along with the amendment clearly identifying any changes needed in the provision of providing housing and services. This may include a shift in emphasis from one type of housing and/or service to another along with appropriately aligned outputs. These efforts should also reflect a de-duplication of services and systems of support in engaging homeless and low income households with HIV/AIDS for placement into appropriate housing and access to care.

Additionally, a portion of funding under this line item may be used in developing any related HMIS elements needed in coordinating housing and services. Applicants are reminded that use of funding for HMIS reporting purposes is an administrative expense. Funds utilized under Resource Identification for HMIS purposes must be pro-rated to efforts in coordinating housing and services.

- 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 maximum of \$40,200). Administrative costs for grantees and project sponsors include costs for data collection and annual performance reporting to HUD. 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 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 maximum of \$93,800, if all program activities are carried out by sponsors).
- The total maximum grant amount is \$1,474,000, subject to applicable limitations in this section.

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 other 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.

Additionally, HUD reserves the right to redistribute misaligned costs from one line item to the correct line item. If amounts made available by the FY2013 Appropriations Act are insufficient to process requested amounts, each awarded applicant will receive a prorated reduction and the Department will provide any needed update regarding the CoC alignment

actions. Reductions in budget line items (BLIs) due to reduced Fair Market Rents (FMR), cost savings, use of leveraged resources, and items deemed non-essential may also be requested and approved. 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.

VI. Application Submission Requirements

Application Headings and Page Numbering

HUD recommends that the renewal application be presented in narrative pages of 12 point typeface that include a footer on each page with pages numbered per the following example: “page 1 of 2.” In addition, the narrative response should include a header providing the name of the applicant or the project.

Required Application Forms

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

- The federal grant application form HUD-SF-424;
- HOPWA application budget summary and detailed project budget and housing outputs form HUD-40110-B;
- Certification of Consistency with the Consolidated Plan HUD-2991;
- Disclosure of Lobbying Activities HUD-SF-LLL; and
- Signed letter of commitment with your local CoC(s).

Application Forms and Technical Assistance

In an effort to streamline funding requests, the Logic Model form HUD 96010 is no longer a required submission. In lieu of a logic model, HUD will review the applicant's APR as the most current record of results reported under form HUD-40110-C.

Additionally, applicants 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://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 may be found in HUD regulations at 24 CFR 84.42 and 85.36(b)(3).

Please complete the HOPWA Application Budget Summary 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, the expected total unduplicated household number to be served over the total three year period, and descriptive budget by applicant and project sponsor of the HOPWA funds to be used by each organization.

Please complete the Disclosure of Lobbying Activities HUD-SF-LLL form. 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. In addition, applicants must disclose, using the SFLLL, "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. Applicants must submit the SFLLL if they have used or intend to use federal funds for lobbying activities.

Provide a signed letter of commitment with your local CoC(s). You must submit signed agreement(s) with your local CoC(s) regarding mutual intentions to: coordinate these awarded resources into local CoC planning efforts; participate in the development of or implementation of your CoC's centralized or coordinated assessment system; and coordinate efforts to engage in rapid-rehousing of homeless persons in your community. Applicants that have overlapping jurisdictions with more than one CoC should submit a letter of commitment with each of the CoCs operating in the jurisdictions in which you conduct your primary activities. It should also include concurrence on the part of the local CoC planning bodies as to their commitment to mutually participate in the planning and coordination of your program activities.

Additionally, the CoC centralized or coordinated assessment system process is a relatively new concept and some CoCs may not have an established centralized or coordinated assessment system. The letter should reflect your intentions to coordinate with the CoC(s) in the development of a centralized or coordinated assessment system to ensure that the housing and service needs of individuals and households with HIV/AIDS are captured and assessed. In some situations the CoC may only need to update the assessment data elements to ensure that existing systems capture this information. The letter should provide the name and title of the CoC representative(s) you'll be working with to conduct your assessment and in implementing program changes, and should include a potential meeting schedule for the first year.

Note: If renewal applicants are delayed in executing letters of commitment by the application due date, then applicants will be afforded extra time during the negotiation process to secure the letters prior to fully executing renewal grant agreements.

HUD staff will be available to provide guidance and technical assistance regarding this memorandum 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.

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
- If applicable due to change, Organizational Capacity Narrative and proof of non-profit status (5 double-spaced pages for additions of new project sponsors).

Descriptive Budget Narrative

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 be pre-populated with: the project's current approved budget and preliminary approved renewal budget, and approved benchmarks and achieved output as reported in the APR. Please make use of this worksheet in establishing annual outlays and output benchmarks under a renewal award.

On no more than four double-spaced pages, applicants must provide a justification narrative for each BLI amount. Applicants must provide a complete description of activity costs that are reimbursed from each line item. Applicants should clearly break out the costs of providing direct services from the staff costs by each funded line item. All staff positions should be labeled and described with the associated employment expenses by each funded line item. Additionally, the description must provide the mathematics justifying the requested amounts under the renewal award. This information may be provided in a simple chart with: a heading listing the line item, a breakdown of the staff costs under the heading, a breakdown of the direct service costs listed under the staff costs, and a total of costs added and listed at the bottom. All totals listed in this narrative should equal the total amounts listed on your HUD-40110-B Budget form.

In the hypothetical example below, the costs for providing TBRA are divided into staff costs and direct service costs. The staff costs are for a Housing Coordinator to spend 30% of their time providing direct service costs for TBRA to HOPWA beneficiaries. In the example illustrated below, are the rent payments to the property owners of the units in which the beneficiaries are residing.

Tenant-Based Rental Assistance

<u>Staff 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>Direct Service 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	\$710,640

Your budget justification narratives should include your organization's justification for the requested amount for Resource Identification activities. Please provide for the reasoning regarding the amount you have requested. The description should include FTE(s) in planning and coordinating the integration of your program into local CoC processes. The staff activities should provide for your strategy in engaging your local CoC(s) in your integration activities.

Grantees applying for more than one renewal grant must justify their need to receive the maximum amount available for Resource Identification activities for each individual grant in their justification narrative. If both renewal grants operate in the same jurisdiction, then both grants may not be eligible for the maximum amount individually. Unless otherwise justified and approved, the applicant will be awarded no more than the maximum amount allowable if only one grant were renewed, (i.e., \$40,000), and should be split between the two grants. Renewal applicants with programs that are already fully integrated to the extent required by this memorandum should identify themselves and will not be funded under the Resource ID line item. These applicants must fully describe how their program currently operates within their local CoC process. Additionally, applicants with service delivery areas that cross multiple boundaries should provide HUD with information pertaining to the number of CoCs they operate in and the percentage of work conducted in each area.

Organizational Capacity Narrative

In addition, applicants should continue using currently approved project sponsors to implement activities. 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. 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 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 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 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 to conduct program activities. You 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. You 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 CoC(s);
- 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 of the paragraph 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 HMIS; and
- If any team members received HOPWA funding in previous years 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 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 memorandum, HUD will evaluate the renewal eligibility of an applicant's HOPWA project's current effort. HUD Headquarters staff will conduct a threshold review of applications in order to confirm that applicants are eligible for renewal under this memorandum. A list of eligible applicants under this notice with potential approvable awards is provided in Attachment B. The reviewers will assess that the applicant submitted a complete application with all required forms and narrative information required.

Headquarters staff will review 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 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 closing program involves facility-based housing the grantee is required to: abide by the minimum use requirements at 24 CFR 574.310(c), the Department's disposition requirements at 24 CFR Parts 84 and 85, and must follow the displacement and relocation regulations at 24 CFR 574.630 when applicable.

HUD Headquarters staff will review performance information submitted in the applicant's most recent submitted APR as part of the renewal application (for possible performance issues). The renewal applicant must present demonstrated 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 their reporting requirements.**

If applications and 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 or missing information. 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 the identified issues regarding concerns, clarifications or missing information. The negotiation call will cover: eligible and ineligible activities, output and outcome achievements and goals, activity BLI requested amounts, descriptive narratives, 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 only provide direct communication to no more than two 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 by no more than 7 days after the receipt of notification of the clarification needs.

This 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 second negotiation call or notice the application will be deemed incomplete and ineligible for a renewal.

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 III and the Organizational Capacity Narrative. 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 under Section VI, 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.

VIII. Application Submission Directions

Application Due Date

Renewal applications are due at HUD no later than 5:00 PM on January 29, 2013. 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 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 supported permanent housing program activities. Grant applications will be deemed incomplete if after two 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. To facilitate the review of an applicant's application, one copy must be sent to HUD Headquarters via email at HOPWA@hud.gov 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. As an alternative, applications may be mailed 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.

IX. Program Implementation Expectations

It is expected that all awarded applications will continue approved program activities under a 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 225 (OMB Circular A-87) and 2 CFR 230 (OMB Circular 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 grant agreement may include an authorization for pre-award costs to support continuation of the approved renewal activities. It should be noted that applicants requesting this authorization would be undertaking activities at their own risk pending the obligation of those funds under the new agreement.

In previous renewal memorandums, renewal grant applicants were required to maintain the same program design components and to commit grant and/or leveraged resources to the related budget line activities as documented in the currently approved HOPWA grant agreement. The program design requirement stated above is only required for the renewal grant's first year of operation. Renewal applicants must commit to working with their local CoC(s) for up to one year to assess and identify any changes in program design or function that need to occur to ensure increased alignment with the CoC(s) resources. The assessment period may be extended for an additional six months if justified. Once this assessment is complete, grantees may submit a grant amendment detailing the proposed program design changes. This process should be utilized to eliminate duplication of services and service delivery costs. The assessment may show a need to: switch housing emphasis from one type of housing to another, eliminate certain services to be replaced by others, redesign the program's implementation structure, or adapt output and outcome goals.

HOPWA grantees must operate their programs within the framework of HUD's Strategic Plan for 2010-2015 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 needs for quality affordable rental homes, and Goal 3, utilize housing as a platform for improving quality of life.

Under Strategic Goal 2, renewal applicants must report results on assisting vulnerable populations with risks of homelessness and/or families 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 engage in rapid re-housing of homeless persons with HIV/AIDS by prioritizing this population for vouchers, available housing units, and other forms of assistance as they become available. Rapid re-housing activities may also be conducted through the combination of PHP assistance and STRMU payments. HOPWA grantees target and report on persons who are homeless can expect to assist HUD in understanding results in sub-populations (i.e., homeless Veterans, homeless families with children, and the chronically homeless). HOPWA grantees awarded under this notice are expected to coordinate with their local CoC(s) in providing housing and services to homeless and low income households with HIV/AIDS. Coordination activities are further envisioned to more effectively serve and house homeless individuals and households.

Renewal recipients will be expected to participate in the utilization of local CoC grants management tools such as: centralized or coordinated assessment systems, HMIS or comparable data systems, and point-in-time counts and housing inventory counts, (if providing emergency and transitional housing services). The integration with HMIS will support the reporting of results achieved for vulnerable clients, as well as tracking the housing and service patterns and needs of individuals and families over a period of time. Integration into the centralized or coordinated assessment systems and CoC point-in-time and housing inventory counts will assist HUD, CoCs, and local communities in assessing the special needs populations living with HIV/AIDS in their geographic areas.

Under Strategic Goal 3, HOPWA renewal applicants are encouraged to evaluate the appropriateness of supportive service activities needed by continuing clients. The package of available supportive service activities may be updated if reasonable and to appropriately address needs. HUD encourages that the range of activities involve opportunities for engaging beneficiaries in employment/ job training programs and/or referral services linking to employment and job training programs to help promote greater client self-sufficiency when possible. HOPWA renewal applicants 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.

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 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. 10/31/2014).

Attachment A

Summary of Renewal Application Changes

Content	2012 Renewal Notice	2013 Renewal Notice
Documentation of Leveraged resources, (letters)	Leveraging Chart	N/A, (utilizing APR reporting on leveraging and application budget form)
Budget Justification Narrative	2 Pages	4 pages
Executive Summary	Required 2 pages, (project description including any focus on homelessness)	N/A
Organizational Capacity Narrative (New Project Sponsors)	Required if applicable 5 pages (to assess new project sponsors)	Required if applicable 5 pages (to assess new project sponsors)
Certificate of Consistency with Con. Plan Form HUD-2991	Required	Required
HOPWA Budget Form HUD-40110-B	Required	Required
Lobbying Activities Form HUD-SF-LLL	Required	Required
The Federal grant application form HUD-SF 424	Required	Required
Letter of commitment with local CoC(s) to coordinate services; utilize HMIS, centralized or coordinated assessment system and to participate in point-in-time counts, and housing inventory counts.	N/A	Required

Attachment B

Eligible Renewal Applicants and Preliminary Budget Awards

#	Grant Number	Applicant Name	Potential Renewal Award
1	AL-H100001	AIDS Alabama	\$923,042
2	AL-H100002	Health Services Center, Inc.	\$902,424
3	AZ-H100003	Pima County	\$1,357,826
4	CA-H100004	City of San Jose	\$1,306,800
5	CA-H100005	City of San Francisco, Mayor's Office of Housing	\$1,474,000
6	CA-H100006	Housing Services Affiliate, Bernal Heights Neighborhood Center	\$552,420
7	DE-H100008	Delaware HIV Consortium	\$793,291
8	FL-H100009	I.M. Sulzbacher	\$1,264,738
9	FL-H100010	City of Key West	\$1,474,000
10	GA-H100011	City of Savannah (Daniel-Flagg Villas)	\$313,278
11	GA-H110001	City of Savannah (Project House Call)	\$729,696
12	IL-H060014	University of Illinois, College of Medicine at Peoria (Riverside Apartments)	\$856,841
13	IL-H080006	University of Illinois, College of Medicine at Peoria (Peoria Area AIDS Housing Options Program)	\$459,757
14	IL-H110002	Cornerstone Services, Inc.	\$967,451
15	KY-H100013	Kentucky Housing Corporation	\$478,160
16	LA-H100014	Unity of Greater New Orleans	\$848,913
17	MA-H100015	Action, Inc.	\$1,334,069
18	MA-H100016	Justice Resource Institute	\$1,450,272
19	MD-H100018	Health Care for the Homeless, Inc.	\$1,307,538
20	MN-H080024	Clare Housing	\$1,068,628
21	NJ-H100020	New Jersey Department of Health & Senior Services	\$1,341,066
22	NM-H110003	Santa Fe Community Housing Trust	\$1,355,480
23	NY-H100021	The Fortune Society	\$1,187,862
24	OR-H100023	Our House of Portland	\$1,058,751
25	OR-H100024	Oregon Department of Human Services (Behavioral Health)	\$1,266,670
26	OR-H100025	Oregon Department of Human Services (Re-entry)	\$1,416,220
27	PA-H100026	Asociacion De Puertorriquenos en Marcha, Inc.	\$1,380,200
28	RI-H100027	Rhode Island Housing Mortgage Finance Corporation (Sunrise Project)	\$1,284,605
29	RI-H100028	Rhode Island Housing Mortgage Finance Corporation (New Transitions)	\$785,355
30	WA-H100030	Housing Resources Group/ Sound Mental Health	\$758,766
31	WA-H100031	Downtown Emergency Service Center	\$705,693
32	WI-H110004	AIDS Resource Center of Wisconsin	\$1,380,200
Total			\$33,784,013

Attachment C

Fiscal Year (FY) 2013 Notice of Funding Availability (NOFA), General Section, Section III.C. Other Requirements and Procedures Applicable to All Programs, Published August 9, 2012 (Technical correction of October 13, 2012).

C. Other Requirements and Procedures Applicable to All Programs.

Except as may be modified by the individual program NOFAs, the requirements listed below apply to all FY2013 HUD programs for which funding is announced by NOFA and posted to www.Grants.gov. 9

1. **Statutory and Regulatory Requirements.** To be eligible for funding under HUD's FY2013 program NOFAs, applicants must meet all statutory and regulatory requirements applicable to the program or programs for which they seek funding. Applicants requiring program regulations may obtain them from the Program Contact identified in the individual program NOFA. Each individual program NOFA will provide instructions on how HUD will address proposed activities that are ineligible.

2. Threshold Requirements.

a. Ineligible Applicants. HUD will not evaluate an application from an ineligible applicant.

b. D&B Data Universal Numbering System (DUNS) Number Requirement. All applicants seeking funding directly from HUD must have a DUNS number and include the number in their Application for Federal Assistance. The DUNS number must reflect the applicant organization that is to receive funding from HUD and correspond to the legal name that is entered into Box 8a of Standard Form 424 (SF424). The legal name entered into Box 8a of the SF424 must correspond to the information provided to D&B and CCR/SAM. Failure to provide a DUNS number and Taxpayer Identification Number (TIN) that is registered at CCR/SAM.gov will prevent an applicant from obtaining an award, regardless of whether it is a new award or renewal of an existing one. This policy is pursuant to the OMB policy issued in the Federal Register on June 27, 2003 (68 FR 38402). HUD published its regulation implementing the DUNS number requirement on November 9, 2004 (69 FR 65024).

c. Active Registration at CCR/www.SAM.gov. All applicants must have an active registration in the Central Contractor Registration. As of July 2012, the General Services Administration (GSA), which operates CCR.gov, is consolidating a number of its systems to a single platform called the "System for Award Management" (SAM) found at www.SAM.gov. For registrants with active registrations in the Central Contractor Registration, this transition will be seamless as registrations will automatically migrate to the new SAM platform. However, anyone that did not have an active registration in SAM as of July 2012 will have to update/renew their registration in SAM. Please check with www.SAM.gov and www.Grants.gov for updates on this transition. HUD will not make an award of funds to an applicant organization listed in Box 8a of the SF424 that does not have an active registration in CCR/SAM.gov. HUD will not make an award of funds to an applicant where the DUNS number, Tax Identification Number (TIN), name or address of the applicant organization does not match CCR/SAM data files. Registrations in CCR/SAM are active for one year. HUD will not make a payment to an awardee's who's CCR/SAM Registration has expired. See Interim Rule published July 15, 2010 (75 FR 41087) and Final Rule published December 8, 2010 (75 FR 76260).

d. Resolution of Outstanding Civil Rights Matters Must Be Completed Prior to the Application Deadline.

(1) If you, the applicant, have one of the following charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (a), (b), (c), (d), or (e) that has not been resolved to HUD's satisfaction before the application deadline, then you, the applicant, are ineligible for funding.

(a) You have received a charge from HUD concerning a systemic violation of the Fair Housing Act or received 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) You are 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 interest pursuant to 42 U.S.C. 3614(a);

(c) You have received a letter of findings identifying 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;

(d) You have received 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 proscribing discrimination in housing based on sexual orientation or gender identity; or

(e) You have received a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a state or local law proscribing discrimination in housing based on lawful source of income.

(2) HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the 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) 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.

e. No Debarments and/or Suspensions. In accordance with 2 CFR part 2424, no award of federal funds may be made to an applicant that is debarred or suspended, or proposed to be debarred or suspended from doing business with the Federal Government.

f. Consistency with the Consolidated Plan and Analysis of Impediments to Fair Housing Choice. Certain competitive programs require that the application for HUD funds contain a certification of consistency with a HUD-approved Consolidated Plan. This certification of consistency means the jurisdiction's plan shows need, 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 the jurisdiction will conduct an Analysis of Impediments to Fair Housing Choice (AI). In making consistency determinations, the jurisdiction should consider information contained in the AI relevant to the Consolidated Plan. If a program NOFA requires a certification of consistency with the Consolidated Plan and the applicant fails to provide a certification, and such failure is not cured as a technical deficiency, HUD will not fund the application. If a program NOFA requires a certification of consistency with the Consolidated Plan and HUD finds that one or more activities are not consistent with the Consolidated Plan, HUD will not fund the inconsistent activities or will deny funding the application if a majority of the activities are not consistent with the approved Consolidated Plan. The determination not to fund an activity or to deny funding may be determined by a number of factors, including the number of activities being proposed, the impact of the elimination of the activities on the proposal, or the percent of the budget allocated to the proposed activities.

g. 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 an outstanding federal debt will not be eligible to receive an award of funds from the Department unless:

- (1) A negotiated repayment schedule was 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 arrangements satisfactory to HUD cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the applicant, but offer the award to the next eligible applicant. Applicants selected for funding, or awarded funds, must report to HUD 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 adhered to or a new agreement with the federal agency to which the debt is owed has not been signed.

h. Pre-Award Accounting System Survey. HUD will not award or disburse funds to any applicant that does not have a financial management system that meets federal standards. HUD may arrange for a pre-award survey of the applicant's financial management system if the recommended applicant has no prior federal support, if HUD's program officials have reason to question whether the applicant's financial management system meets federal financial management standards, or if the applicant is considered a high risk based upon past performance or financial management findings. Please see 24 CFR 84.21 if you are an institution of higher education, hospital, or other nonprofit organization. See 24 CFR 85.20 if you are a state, local government, or federally recognized Indian tribe.

i. Name Check Review. Applicants are subject to a name check review process. Name checks are intended to reveal matters that significantly reflect on the applicant's management and financial integrity, including if any key individual has been convicted or is presently facing criminal charges. If the name check reveals significant adverse findings that reflect on the business integrity or responsibility of the applicant or any key individual, 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.

j. 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.

k. Do Not Pay.gov Review. In making funding determinations, HUD will look up applicant information on the Federal website "Do Not Pay.gov". The Do Not Pay website consolidates several federal websites into a single portal. 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 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.

1. Each individual program NOFA may have additional threshold requirements in addition to those listed in this General Section. Section III.C.4 is renumbered to be Section III.C.3. Compliance with Nondiscrimination and Other Requirements. In addition, lettering in the section subparagraphs has been corrected. No changes have been made to the content of the requirements.

3. Compliance with Nondiscrimination and Other Requirements.

The following requirements apply to all individual program NOFAs. Because there are some variations in requirements between the programs, please read the corresponding requirements in the individual program notices carefully.

a. Compliance with Fair Housing and Civil Rights Laws.

(1) With the exception of federally recognized Indian tribes and their instrumentalities, applicants and their 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 American With Disabilities Act of 1990; and Section 109 of the Housing and Community Development Act of 1974.

(2) If the applicant is conducting programs or activities with funds received under a HUD program NOFA in a state or local jurisdiction that has passed a law or laws proscribing discrimination in housing based upon sexual orientation or gender identity, or a law or laws proscribing discrimination in housing based on lawful source of income, the applicant and its subrecipients must comply with those laws of the states or localities in which the programs or activities are conducted;

(3) If you are a federally recognized Indian tribe or Tribally Designated Housing Entity (TDHE), you must comply with the nondiscrimination provisions enumerated in the regulations applicable to the HUD assistance programs that you administer. Each program NOFA shall specify the applicable civil rights requirements for Indian Tribes or tribally designated entities when they are listed as eligible applicants under the program NOFA.

b. Affirmatively Furthering Fair Housing (AFFH).

Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act in its housing and urban development programs. Accordingly, HUD requires recipients of HUD funds, including those awarded and announced under HUD's FY2013 program NOFAs that are not specifically exempted, to take affirmative steps to further fair housing.

NOTE: Federally recognized Indian tribes are not subject to the requirement to affirmatively further fair housing. Other tribal entities may also be exempt. Refer to the individual program NOFAs for more information on exemptions.

Unless otherwise specified in the individual program NOFAs, your application must discuss how you are going to carry out your proposed activities in a manner that affirmatively furthers fair housing.

To affirmatively further fair housing, your proposed activities must help overcome any impediments to fair housing choice that are identified in the "Analysis of Impediments to Fair Housing Choice" (AI) produced by the state and/or local government(s) in which your program activities occur, the effects of those impediments, and any other impediments in housing or urban development activities you may identify. State and local governments produce an AI as a condition of receipt of certain HUD funds, and a copy must be made available for inspection by the public. (See, for example, HUD's rule at 24 CFR §§ 91.225(a)(1); 91.5.) In addition, the proposed activities must address at least one of the following objectives: (1) help overcome any impediments to fair housing choice related to the assisted program or activity itself; (2) promote racially, ethnically, and socioeconomically diverse communities; or (3) promote housing-related opportunities that overcome the effects of past discrimination because of race, color, national origin, religion, sex, disability, and familial status. Eligible activities and means for fulfilling this requirement will be more specifically identified in the individual program NOFAs.

Alternative or additional requirements to Affirmatively Furthering Fair Housing will be identified in the individual program NOFAs. The following are examples of how to meet the AFFH requirements. These examples are not intended as exclusive alternatives; grantees are encouraged to select activities and outcomes that best meet their specific context.

(1) For programs that focus on planning, activities that affirmatively further fair housing include those that promote racially, ethnically, and economically diverse communities and integrated living patterns and avoid patterns where persons are forced to live in high poverty areas, or in areas suffering from a lack of accessible services, or a lack of integration in terms of income, race, or ethnicity, or disability status.

(2) For programs that focus on redevelopment of existing neighborhoods, activities that affirmatively further fair housing include those that:

(a) Integrate housing development with access to effective schools, job training, child care, financial services, health care services, social services, or public transportation;

(b) Increase economic and racial and ethnic diversity within the neighborhood; and

(c) To the extent permitted by program and relocation assistance requirements, provide existing residents with the choice to remain in their current neighborhood or pursue housing choices in areas of greater racial, ethnic and income or diversity and in areas that provide improved housing opportunities, effective schools, access to jobs or job training, financial services, medical and social services, health care facilities, and transportation.

(3) For programs that focus on rehabilitation or new construction of housing, activities that affirmatively further fair housing include those that:

(a) Ensure that housing is sited in a manner to enhance racial or ethnic diversity;

(b) Ensure that housing units are affordable to persons of low, very low, and moderate income;

(c) To the extent permitted by program requirements, ensure that buildings and housing units are accessible beyond federal accessibility requirements and visible to persons with disabilities;

(d) To the extent permitted by program and relocation assistance requirements, ensure that any existing residents relocated to facilitate construction are afforded preference or first right of refusal, and first right of return for the new units; and

(e) Ensure that the units are placed in an area of opportunity, which includes factors such as access to employment, retail and cultural centers, effective schools, health care facilities, social services, and public transportation. New construction activities must refrain from geographically concentrating housing for persons with physical, mental or developmental disabilities. Such housing are encouraged to be placed in the most integrated setting appropriate to the needs of qualified individuals with disabilities.

(4) For programs that include or require marketing, affirmative marketing activities include:

(a) Making the availability of the affordable housing units or other new development widely known throughout the market area, including to persons who are not likely to be aware of the housing opportunity, such as persons with impaired vision or hearing and persons with Limited English proficiency and

(b) Affirmative marketing of the redevelopment to landlords, real estate professionals, and developers. (See 54 FR 3232 and 3235, January 23, 1989.)

(5) For programs that provide counselling, social services, technical assistance, or fair housing services, activities that affirmatively further fair housing include:

(a) Providing clients with training and information on rights and remedies available under the federal, state and local fair housing and civil rights laws;

(b) Where there are instances suggesting that violations of such laws have occurred or are occurring, provide information to HUD to investigate such potential violations; and are affirmatively marketed, as described above.

(6) For programs that involve community-based education, and/or outreach, examples of activities that affirmatively further fair housing include:

(a) Where appropriate, designing and implementing education, and outreach and marketing initiatives that maximize communication with, and dissemination of information to, persons unlikely to have access to information or benefits, including persons of different ethnic and racial backgrounds, and persons with disabilities;

(b) Conducting activities in a manner that provides meaningful access to persons with Limited English Proficiency (LEP); and underserved or hard-to-house populations, including large families, persons with disabilities, single parents with children, persons residing in institutions, and racial or ethnic minorities.

(7) For programs involving community-based or academic research, examples of activities that affirmatively further fair housing include:

(a) Where appropriate engaging with minorities, persons with disabilities, and vulnerable populations in the research program either as participants, interviewees within the research, or as beneficiaries of the HUD programs that are being examined for effectiveness or improvements under the research program;

(b) Making persons with LEP, vulnerable populations, minorities, and persons of different ethnic and racial backgrounds aware of opportunities to participate in research being conducted through information dissemination and solicitation of input into the research study; (3) disseminating the results of the research to persons with LEP in languages they understand, to vulnerable populations, to diversity of racial and ethnic groups, and to minority-serving academic and other institutions; and

(4) ensuring that community-based research reflects diverse racial and ethnic populations, including persons with LEP and vulnerable populations.

c. Executive Order 13166, "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: http://www.justice.gov/crt/lep/guidance/HUD_guidance_Jan07.pdf. For more information on LEP, please visit <http://www.hud.gov/offices/fheo/promotingth/lep.cfm>.

d. 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. Applicants are advised to carefully review the individual program NOFAs to determine if Section 3 applies to the program for which you are seeking funding. 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, applicants for funding under programs covered by Section 3 shall, by signing the application, certify compliance. Also, the program NOFAs for which Section 3 is applicable will include information regarding how Section 3 activities will be considered in rating the application. Applicants subject to this requirement will 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.

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. Additional information on the requirements can be found at: <http://www.hud.gov/offices/fheo/section3/section3.cfm>.

e. Ensuring the Participation of Small Disadvantaged Businesses, and Women-Owned Businesses. HUD is committed to ensuring that small businesses, small disadvantaged businesses, and women-owned businesses participate fully in HUD's direct contracting and in contracting opportunities generated by HUD financial assistance. Too often, these businesses still experience difficulty accessing information and successfully bidding on federal contracts. State, local, and Indian tribal governments are required by 24 CFR 85.36(e) and nonprofits recipients of assistance (grantees and subgrantees) by 24 CFR 84.44(b) to take all necessary affirmative steps in contracting for the purchase of goods or services to assure that minority firms, women-owned business enterprises, and labor surplus area firms are used whenever possible or as specified in the individual program NOFAs.

f. Accessible Technology. Section 508 of the Rehabilitation Act (Section 508) requires HUD and other federal departments and agencies to ensure, when developing, procuring, maintaining, or using electronic and information technology (EIT), that the EIT allow, regardless of the type of medium, persons with disabilities to access and use information and data on a comparable basis as is made available to and used by persons without disabilities. Section 508's coverage includes, but is not limited to, computers (hardware, software, word processing, email, and Internet sites), facsimile machines, copiers, and telephones. Among other things, Section 508 requires that, EIT must allow individuals with disabilities who are federal employees or members of the public seeking information or services 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 who are not disabled 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 a disabled individual 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, procured, or developed, 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 should go to: <http://www.section508.gov/>.

g. Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity. As the Nation's housing agency, HUD policy is to ensure that its programs do not involve arbitrary discrimination against any individual or family otherwise eligible for HUD-assisted or -insured housing, and that its policies and programs serve as models for equal housing opportunity. Toward this goal, HUD revised its program regulations on February 3, 2012 (77 FR 5662) to ensure that its core programs are open to all eligible individuals and families without regard to sexual orientation, gender identity, or marital status in housing assisted with HUD funds or subject to FHA insurance. Applicants are encouraged to become familiar with HUD's February 3, 2012 final rule, which requires equal access to HUD-assisted and insured housing without regard to sexual orientation, gender identity, or marital status and prohibits inquiries on sexual orientation or gender identity for the purpose of determining eligibility for HUD-assisted or -insured housing or otherwise making such housing available.

h. Executive Order 13279, "Equal Protection of the Laws for Faith-Based and Community Organizations" and Executive Order 13559. In accordance with Executive Order 13279, faith-based organizations are eligible, on the same basis as any other organization, to participate in HUD's programs and activities. HUD-funded programs are subject to 24 CFR 5.109, which implements Executive Order 13279 and prescribes Departmental policies and requirements governing the equal participation of faith-based organizations. HUD's rule at section 5.109 provides, among other things, that religious organizations may not engage in inherently religious activities as part of a HUD-funded program or activity; a religious organization that participates in a HUD-funded program or activity may retain its independence and continue to carry out its mission; and an organization that receives direct HUD funds is not permitted to discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief in providing program assistance. Executive Order 13559 amends Executive Order 13279 to require agencies to:

Administer or award Federal financial assistance for social service programs to implement protections for the beneficiaries or prospective beneficiaries of such programs by providing referrals to alternative providers if the beneficiary objects to the religious character of the organization providing services, as well as written notice of these protections to beneficiaries before enrolling in or receiving services; State that decisions about awards of Federal financial assistance must be free from political interference or even the appearance of such interference, and must be made on the basis of merit, not on the basis of the religious affiliation, or lack of affiliation, of the recipient organization; State that the Federal government has an obligation to monitor and enforce all standards regarding the relationship between religion and government in ways that avoid excessive entanglement between religious bodies and governmental entities; Clarify the principle that organizations engaging in explicitly religious activity must separate these activities in time or location from programs supported with direct Federal financial assistance and that participation in such activities must be voluntary for the beneficiaries of the social service program supported with Federal financial assistance; Emphasize that religious providers are welcome to compete for government social service funding and maintain a religious identity as described in the order; Require agencies that provide Federal financial assistance for social service programs to post online regulations, guidance documents, and policies that have implications for faith-based and neighborhood organizations and to post online a list of entities receiving such assistance; and Clarify that church-state standards and other standards apply to subawards as well as prime awards. HUD's NOFAs providing social services shall include provisions consistent with the amendments to the Executive Order.

i. Real Property Acquisition and Relocation. Except as otherwise provided by federal statute, HUD-assisted programs or projects are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act or URA) (42 U.S.C. 4601-4655), and the government-wide implementing regulations issued by the Federal Highway Administration at 49 CFR part 24. The Uniform Act applies to acquisitions of real property and displacements resulting from the acquisition, rehabilitation, or demolition of real property for Federal or Federally-assisted programs or projects. With certain limited exceptions, real property acquisitions for a HUD-assisted program or project must comply with 49 CFR part 24, subpart B. To be exempt from the URA's acquisition requirements, real property acquisitions conducted without

the threat or use of eminent domain, commonly referred to as “voluntary acquisitions,” must satisfy the applicable requirements of 49 CFR 24.101(b)(1) through (5). Records demonstrating compliance with these requirements must be maintained by the recipient.

PLEASE NOTE: The URA's relocation requirements remain applicable to any tenant who is displaced by an acquisition that meets the requirements of 49 CFR 24.101(b) (1) through (5).

The relocation requirements of the Uniform Act, and its implementing regulations at 49 CFR part 24, cover any person who moves permanently from real property or moves personal property from real property as a direct result of acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance. While there are no URA statutory provisions for “temporary relocation”, the URA regulations recognize that there are circumstances where a person will not be permanently displaced but may need to be moved from a project for a short period of time. Appendix A of the URA regulation (49 CFR 24.2(a)(9)(ii)(D)) explains that any tenant who has been temporarily relocated for a period beyond one year must be contacted by the displacing agency and offered URA relocation assistance. Some HUD program regulations provide additional protections for temporarily relocated tenants. Before planning their project, applicants should review the regulations for the programs for which they are applying. Generally, the URA does not apply to displacements resulting from the demolition or disposition of public housing covered by Section 18 of the United States Housing Act of 1937. Individual Program NOFAs may have additional relocation guidance and requirements.

j. Conducting Business in Accordance with Core Values and Ethical Standards/Code of Conduct. Applicants subject to 24 CFR parts 84 or 85 (most nonprofit organizations and state, local, and Indian tribal governments or government agencies or instrumentalities that receive federal awards of financial assistance) are required to develop and maintain a written code of conduct (see 24 CFR 84.42 and 85.36(b) (3)). Consistent with regulations governing specific programs, your code 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 your 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. Before entering into an agreement with HUD, an applicant awarded assistance under a HUD program NOFA issued in FY2013 will be required to submit a copy of its code of conduct and describe the methods it will use to ensure that all officers, employees, and agents of its organization are aware of its code of conduct. The code of conduct must be dated and signed by the Executive Director, or Chair of the governing body of the organization. An applicant is prohibited from receiving an award of funds from HUD if it fails to meet this requirement for a code of conduct. An applicant that previously submitted an application and included a copy of its code of conduct will not be required to submit another copy if the applicant is listed on HUD's website at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/conduct and if the information is still accurate. An applicant not listed on the website must submit a copy of its code of conduct with its application or if the information listed on the above website has changed (e.g., the person who submitted the previous application is no longer the authorized organization representative, the organization has changed its legal name or merged with another organization, or the address of the organization has changed.).

k. Prohibition Against Lobbying Activities. 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 prohibits 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, or loan. In addition, applicants must disclose, using Standard Form LLL (SFLLL), “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 tribal entities 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 must comply with this requirement. Applicants must submit the SFLLL if they have used or intend to use federal funds for lobbying activities. (See 24 CFR part 87 subpart A, including Appendix A)

l. Procurement of Recovered Materials. State agencies and agencies of a political subdivision of a state that are using assistance under a HUD program NOFA for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act. In accordance with Section 6002, these agencies and persons must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

m. Participation in HUD-Sponsored Program Evaluation. As a condition of the receipt of financial assistance under a HUD program NOFA, all successful applicants will be required to cooperate with all HUD staff, contractors, or designated grantees who perform HUD-funded research or evaluation studies.

n. Salary Limitation for Consultants. Fiscal Year 2013 funds may not be used to pay or provide reimbursement for payment of the salary of a consultant at a rate more than the equivalent of Executive Schedule level IV (currently \$155,500) which is in accord with the Office of Personnel Management. The FY2012 tables are found at: <http://www.opm.gov/oca/12tables/html/ex.asp>.

o. Environmental Requirements. If you become a recipient under a HUD program that assists in physical development activities or property acquisition, you are generally prohibited from acquiring, rehabilitating, converting, demolishing, leasing, repairing, or constructing property, or committing or expending HUD or non-HUD funds for these types of program activities, until one of the following has occurred:

(1) HUD has completed an environmental review in accordance with 24 CFR part 50; or

(2) For programs subject to 24 CFR part 58, HUD has approved a recipient's Request for Release of Funds (form HUD7015.15) following a responsible entity's completion of an environmental review.

You, the applicant, should consult the individual program NOFA for any program for which you are interested in applying to determine the procedures for, timing of, and any modifications or exclusions from environmental review under a particular program.

p. OMB Administrative Requirements and Cost Principles. The following OMB Circulars apply to the awards under the individual program NOFAs, based on the type of grantee. The requirements of the applicable Circular may be modified by the individual program NOFAs. Particular attention should be given to the provisions concerning the use of federal funds for matching requirements. Certain OMB Circulars found in title 2 of the Code of Federal Regulations, and HUD's implementing regulations at 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations) and 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments) may apply to the award, acceptance, and use of assistance under the individual program NOFAs, except when inconsistent with the provisions of applicable federal statutes or regulations, the provisions of this notice or as may be modified by the individual program NOFAs.

(1) *OMB Circular A-102* (24 CFR part 85) (Administrative Requirements For Grants and Cooperative Agreements To State, Local And Federally Recognized Indian Tribal Governments).

(2) *OMB Circular A-110* (24 CFR part 84) (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations)

(3) *OMB Circular A-87* (2 CFR part 225) (Cost Principles for State, Local, and Indian Tribal Governments)

(4) *OMB Circular A-21* (2 CFR part 220) (Cost Principles for Education Institutions)

(5) *OMB Circular A-122* (2 CFR part 230) (Cost Principles for Non-Profit Organizations)

(6) *OMB Circular A-133* (Audits of States, Local Governments, and Non-Profit Organizations)

Copies of the OMB circulars may be obtained from the following site: http://www.whitehouse.gov/omb/circulars_default, or from the Executive Office of the President Publications, New Executive Office Building, Room 2200, Washington, DC 20503; telephone number 202-395-3080 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number by dialling 800-877-8339 (toll-free TTY Federal Relay Service).

q. Drug-Free Workplace. Applicants awarded funds from HUD are required to provide a drug-free workplace. Compliance with this requirement means that the applicant will:

(1) Publish a statement notifying employees that it is unlawful to manufacture, distribute, dispense, possess, or use a controlled substance in the applicant's workplace and that such activities are prohibited. The statement must specify the actions that will be taken against employees for violation of this prohibition. The statement must also notify employees that, as a condition of employment under the federal award, they are required to abide by the terms of the statement and that each employee must agree to notify the employer in writing if the employee is convicted for a violation of a criminal drug statute occurring in the workplace, no later than 5 calendar days after such conviction;

(2) Establish an ongoing drug-free awareness program to inform employees about:

(a) The dangers of drug abuse in the workplace;

(b) The applicant's policy of maintaining a drug-free workplace;

(c) Any available drug counselling, rehabilitation, or employee assistance programs;
And

(d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(3) Notify HUD, and every federal agency on whose award the convicted employee was working, in writing within 10 calendar days after receiving notice from an employee of a drug abuse conviction or otherwise receiving actual notice of a drug abuse conviction. The notification must be provided in writing to HUD's Office of Strategic Planning and Management, Grants Management and Oversight, Department of Housing and Urban Development, 451 7th Street, SW, Room 3156, Washington DC 20410-3000, along with the following information:

(a) The program title and award number for each HUD award covered;

(b) The HUD staff contact name, telephone and fax numbers;

(c) A grantee contact name, telephone and fax numbers;

(d) The convicted employee's position and title; and

(4) Require that each employee engaged in the performance of the federally funded award be given a copy of the drug-free workplace statement required in item (1) above and notify the employee that one of the following actions will be taken against the employee within 30 calendar days of receiving notice of any drug abuse conviction:

(a) Institution of a personnel action against the employee, up to and including termination consistent with requirements of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended; or

(b) Imposition of a requirement that the employee participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency; and

(5) Identify to the agency making the award all known workplaces under the award. Your workplace identification must include the actual address of buildings or other sites where work under the award will take place. You must also inform the agency of any workplace changes during the performance of the award. Your identification of the workplaces must occur either:

(a) At the time of application or upon award; or

(b) In documents that you keep on file in your offices during performance of the award, in which case you must make the information available for inspection upon request by the agency.

r. Conflicts of Interest. If you are a consultant or expert who is assisting HUD in rating and ranking applicants for funding under HUD FY2013 program NOFAs published, you 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, if you have assisted or plan to assist applicants with preparing applications for FY2013 program NOFAs, you may not serve on a selection panel and you may not serve as a technical advisor to HUD. Persons involved in rating and ranking HUD FY2013 program NOFAs, including HUD staff, experts and consultants, must avoid conflicts of interest or the appearance of such conflicts. Persons involved in rating and ranking applications must disclose to HUD's General Counsel or HUD's Ethics Law Division the following information, if applicable; how the selection or non-selection of any applicant under FY2013 program NOFAs will affect the individual's financial interests, as provided in 18 U.S.C. 208, or how the application process involves a party with whom the individual has a covered relationship under 5 CFR 2635.502. The person must disclose this information before participating in any matter regarding an FY2013 program NOFA. If you have questions regarding these provisions or concerning a conflict of interest, you may call the Office of General Counsel, Ethics Law Division, at 202-708-3815 (this is not a toll-free number).

s. Safeguarding Resident/Client Files. In maintaining resident and client files, HUD funding recipients shall comply with the Privacy Act of 1974 (the Act), the agency rules and regulations issued under the Act, and observe state and local laws concerning the disclosure of records that pertain to individuals. Further, recipients are required to comply with the Act in the design, development, or operation of any system of records on individuals and take reasonable measures to ensure that resident and client files are safeguarded. This includes when reviewing, printing, or copying client files.

t. Executive Order 12372, "Intergovernmental Review of Federal Programs". Executive Order 12372, "Intergovernmental Review of Federal Programs," was issued to foster intergovernmental partnership and strengthen federalism by relying on state and local processes for the coordination and review of federal financial assistance and direct development. HUD implementing regulations are published at 24 CFR part 52. The Executive Order allows each state to designate an entity to perform a state review function. To determine if your state has designated a State Point of Contact (SPOC), please go to http://www.whitehouse.gov/omb/grants_spoc/. States not listed on the website have chosen not to participate in the intergovernmental review process and, therefore, do not have a SPOC. If your state has a SPOC, you should contact the SPOC to see if it is interested in reviewing your application before you submit it to HUD. Please make sure that you allow ample time for this review when developing and submitting your application. If your state does not have a SPOC, you can submit your application directly to HUD using Grants.gov. Not all programs require this review.

u. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended.

(1) Prime Grant Awardee Reporting. Prime recipients of HUD financial assistance are required to report certain subawards in the Federal Government-wide website www.fars.gov or its successor system. Starting with awards made October 1, 2010, prime financial assistance awardees receiving funds directly from HUD were required to report subawards and executive compensation information both for the prime award and subaward recipients, including awards made as pass-through awards or awards to vendors, if (1) the initial prime grant award is \$25,000 or greater, or the cumulative prime grant award will be \$25,000 or greater if funded incrementally as directed by HUD in accordance with OMB guidance; and (2) the subaward is \$25,000 or greater, or the cumulative subaward will be \$25,000 or greater. For reportable subawards, if executive compensation reporting is required and subaward recipients' executive compensation is reported through the SAM system, the prime recipient is not required to report this information. The reporting of award and subaward information is in accordance with the requirements of Federal Financial Assistance Accountability and Transparency Act of 2006, as amended by section 6202 of Public Law 110-252, hereafter referred to as the "Transparency Act" and OMB Guidance issued to the Federal agencies on September 14, 2010 (75 FR 55669) and in OMB Policy guidance. The prime awardee will have until the end of the month plus one additional month after a subaward or pass-through award is obligated to fulfill the reporting requirement. Prime recipients are required to report the following information for applicable subawards:

- (a) Name of entity receiving award;
- (b) Amount of award;
- (c) Funding agency;
- (d) North American Industry Classification System (NAICS) code for contracts/CFDA program for financial assistance awards;
- (e) Program source;
- (f) Award title descriptive of the purpose of the funding action;
- (g) Location of the entity (including Congressional district);
- (h) Place of Performance (including Congressional district);

(i) Unique identifier of the entity and its parent; and

(j) Total compensation and names of top five executives.

For the purposes of reporting into the FFATA Subaward Reporting System (FSRS) reporting site, the unique identifier is the DUNS number the entity has obtained from Dun and Bradstreet and, for prime awardees, the DUNS number registered in SAM as required by HUD regulation 24 CFR 5.1004. This information will be displayed on a public government website pursuant to the Transparency Act.

(a) Prime Grant Awardee Executive Compensation Reporting. Prime awardees must also report in the government-wide website the total compensation and names of the top five executives in the prime awardee organization if:

(i) More than 80 percent of the annual gross revenues are from the Federal Government, and those revenues are greater than \$25 million annually; and

(ii) Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC).

(b) Subaward Executive Compensation Reporting. Prime grant awardees must also report in the government-wide website the total compensation and names of the top five executives in the subawardees if:

(i) More than 80 percent of the annual gross revenues are from the Federal Government, and those revenues are greater than \$25 million annually; and

(ii) This required compensation information is not readily available through reporting to the SEC. For applicable subawards, if executive compensation reporting is required and subaward recipients' executive compensation is reported through the SAM system, the prime recipient is not required to report this information.

(c) Transparency Act Reporting Exemptions. The Transparency Act exempts any subawards less than \$25,000 made to individuals and any subawards less than \$25,000 made to an entity whose annual expenditures are less than \$300,000. Subawards with a cumulative total of \$25,000 or greater are subject to subaward reporting beginning the date the subaward total award amount reaches \$25,000. The Transparency Act also prohibits reporting of any classified information. Any other exemptions to the requirements must be approved by the Office of Management and Budget.

v. Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), hereafter referred to as "Section 872". Section 872 requires the establishment of a government-wide data system – the Federal Awardee Performance and Integrity Information System (FAPIIS) - to contain information related to the integrity and performance of entities awarded federal financial assistance and making use of the information by federal officials in making awards. OMB is in the process of issuing regulations regarding federal agency implementation of Section 872 requirements. A technical correction to this General section may be issued when such regulations are promulgated.

w. Eminent Domain. Section 409 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2012 (Pub. L. 111-117), prohibits the use of funds to support any federal, state, or local project that seeks to use the power of eminent domain, unless eminent domain is employed only for a public use. Section 409 provides that public use shall not be construed to include economic development that primarily benefits private entities. Use of funds for mass transit, railroad, airport, seaport, or highway projects, as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related, and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfields, as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. 107-118), shall be considered a public use for purposes of Section 409. Applicants for FY2013 assistance under the programs governed by this General Section may be subject to this restriction if it is incorporated in HUD's FY2013 appropriation. Subsequent to the passage of HUD's FY2013 appropriation HUD will publish a notice indicating if this provision applies.

Dated: October 13, 2012 _____

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