

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

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**CONTINUUM OF CARE HOMELESS  
ASSISTANCE PROGRAMS**

Supportive Housing Program (SHP)

Shelter Plus Care (S+C)

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



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

**Program Overview**

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

*Available Funds.* Approximately \$850 million.

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

*Application Deadline.* **May 31, 2000.**  
*Match.* Yes.

**Additional Information**

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

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

*Application Due Date.* Your completed application (an original containing the signed documentation and two copies) is due on or before 12:00 midnight, Eastern time, on May 31, 2000 to the addresses shown below.

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

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

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

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

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

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

*For Technical Assistance.* Before the application deadline, HUD staff will be available to provide you with general guidance. HUD staff, however, cannot provide you with guidance in actually preparing your application. HUD Field Office staff also will be available to help you identify organizations in your community that are involved in developing the Continuum of Care system and, in the case of renewals, to determine the HUD final year amount (e.g., leasing, supportive services and operations for SHP, and rental assistance for S+C). Following conditional selection of applications, HUD staff will be available to assist selected applicants in clarifying or confirming information that is a prerequisite to the offer of a grant agreement or Annual Contributions Contract by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of your application pertinent to HUD's funding decision.

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

**II. Amount Allocated**

Approximately \$850 million is available for this competition in FY 2000. Any unobligated funds from previous competitions or additional funds that may become available as a result of deobligations or recaptures

from previous awards or budget transfers may be used in addition to 2000 appropriations to fund applications submitted in response to this program section of this SuperNOFA. The funds available for the Continuum of Care program can be used under any of three programs that can assist in creating community systems for combating homelessness. The three programs are:

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

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

As in previous funding availability announcements for the Continuum of Care Homeless Assistance Programs, HUD will not specify amounts for each of the three programs this year. Instead, the distribution of funds among the three programs will depend largely on locally determined priorities and overall demand. Local priorities notwithstanding, due to recent Congressional action, not less than 30 percent of this year's total homeless assistance appropriation of \$1.020 billion must be used for permanent housing projects. (See Sections V(A)(4)(b) and V(A)(7) of this program section of the SuperNOFA for additional information.) Should Congress pass and the President sign legislation prior to this year's grant announcement permitting eligible S+C renewals selected for funding in the 2000 competition to be funded from sources other than the McKinney Act, HUD reserves the right to exercise this authority. Should this authority be exercised, HUD will skip over these selected S+C renewal projects funded from sources other than the McKinney Act in choosing projects from Continuum of Care priority lists for McKinney Act funding in this year's competition. These skipped over S+C renewal projects will not count against your continuum's prorata need amount, thus increasing the funds available for other projects. You should plan for this eventuality when developing your Continuum of Care priority list. All Shelter Plus Care renewals selected for funding, regardless of funding source, will count toward the 30 percent permanent housing requirement.

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

#### (A) Program Description.

(1) *Developing Continuum of Care Systems.* The purpose of the Continuum of Care Homeless Assistance Programs is to fund projects that will fill gaps in locally developed Continuum of Care systems to assist homeless persons move to self-sufficiency and permanent housing. The process of developing a Continuum of Care system to assist homeless persons is part of the community's larger effort of developing a Consolidated Plan. For a community to successfully address its often complex and interrelated problems, including homelessness, the community must marshal its varied resources—community and economic development resources, social service resources, housing and homeless assistance resources—and use them in a coordinated and effective manner. The Consolidated Plan, including the Analysis of Impediments to Fair Housing Choice, serves as the vehicle for a community to comprehensively identify each of its needs and to coordinate a plan of action for addressing them.

A Continuum of Care system consists of four basic components:

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

A Continuum of Care system is developed through a community-wide or region-wide process involving nonprofit organizations (including those representing persons with disabilities), government agencies, other homeless providers, housing developers and service providers, private foundations, neighborhood groups, and homeless or formerly homeless persons. A Continuum of Care system should address the specific needs of each homeless subpopulation: the jobless, veterans, persons with serious mental illnesses, persons with substance abuse

issues, persons with HIV/AIDS, persons with multiple diagnoses, victims of domestic violence, youth, and any others. The term "multiple diagnoses" may include diagnoses of multiple physical disabilities or multiple mental disabilities or a combination of these two types.

As an applicant, the community process you use in developing a Continuum of Care system should include interested veteran service organizations. To ensure that the Continuum of Care system addresses the needs of homeless veterans, it is particularly important that you involve veteran service organizations with specific experience in serving homeless veterans. In addition, given the large number of youths aging out of the Foster Care system each year, you should seek to include persons knowledgeable on this issue in the planning process and ensure that your continuum of Care system adequately addresses this need.

Your application will be given a high score under the Continuum of Care scoring factors if the application demonstrates the achievement of two basic goals:

- That you have provided maximum participation by non-profit providers of housing and services; homeless and formerly homeless persons; state and local governments and agencies; veteran service organizations; organizations representing persons with disabilities; the private sector; housing developers; foundations and other community organizations.
- That you have created, maintained and built upon a community-wide inventory of housing and services for homeless families and individuals; identified the full spectrum of needs of homeless families and individuals; and coordinated efforts to obtain resources, particularly resources sought through this program section of the SuperNOFA, to fill gaps between the current inventory and existing needs. This coordinated effort must appropriately address all aspects of the continuum, especially permanent housing.

Should HUD determine, in its sole discretion, that sufficient evidence exists to confirm that the entity responsible for convening and managing the Continuum of Care process in a community has failed in the past to conduct a fair process, including a priority selection process that gives equal consideration to projects proposed by non profit organizations, HUD reserves the right to prohibit that entity and the individuals comprising that entity from participating in that capacity in the future. In making this determination, HUD will consider as

evidence court proceedings and decisions, or the determinations of other independent and impartial review bodies. Entities and individuals so prohibited under this authority will be notified in writing within 15 days of the publication of this Continuum of Care NOFA in the **Federal Register**.

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

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

Since the basic concept of a Continuum of Care strategy is to create a single, coordinated, inclusive homeless assistance system for an area, the areas covered by Continuum of Care strategies should not overlap. If your Continuum of Care strategy geographically overlaps to the extent that they are essentially competing with each other, projects in the applications/Continuum of Care that receive the highest score out of the possible 60 points for Continuum of Care will be eligible for up to 40 points under Need. Projects in the competing applications/Continuum of Care with the less effective Continuum of Care strategies will be eligible for only 10 points under Need. In no case will the same geographical area be used more than one time in assigning Need points. The local HUD Field Office can help you determine if any of the areas proposed for inclusion by your Continuum of Care system is also likely to be claimed under another Continuum of Care system in this competition.

(2) *Prioritizing.* HUD's policy is that decisions about priority are best made through a locally-driven process and are key to the ultimate goal of reducing homelessness. Again this year, you must list all projects proposed for funding under this program section of the SuperNOFA in priority order from the highest priority to the lowest. Generally, this priority order will mean, for example, that if HUD has funds available only to award 8 of 10 proposed projects, then it will award funding to the first eight eligible projects listed, except as may be necessary to achieve the new 30 percent overall permanent housing requirement—in which case higher priority non-permanent housing projects may be skipped over to fund lower priority permanent housing projects. You should give non-profit organizations an opportunity to participate in establishing these priorities.

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

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

*Project renewals.* If your Supportive Housing, Supportive Housing Demonstration Program, SAFAH, or Shelter Plus Care grants will be expiring in calendar year 2001, you must apply under this Continuum of Care program section of the SuperNOFA to get continued funding.

Your local needs analysis process must consider the need to continue funding for projects expiring in calendar year 2001, and you must assign a priority to those projects requesting renewal. HUD will not fund renewals out of order on the priority list except as may be necessary to achieve the new 30 percent overall permanent housing requirement. HUD reserves the authority to use FY 2001 funds, if available, to conditionally select for one year of funding lower-rated eligible SHP renewal projects that are assigned 40

need points in continuum of care systems that: (1) Would not otherwise receive funding; and (2) have not previously been awarded funds under this authority.

Regardless of the priority assigned to expiring projects, you should fully consider how persons currently being served by those projects will continue to be served, and address this issue in your gaps analysis. In previous competitions, some renewal projects that were not assigned top priority by a locality did not receive funding. To the extent your community desires to have such projects renewed, you should give them the top priorities on the priority projects listing in the application. It is also important that they meet minimum project eligibility, capacity, and quality standards identified in this program section of the SuperNOFA or they will be rejected.

For the renewal of a Supportive Housing Program project, Supportive Housing Demonstration Program project or SAFAH project, you may request funding for one (1), two (2) or three (3) years. For the renewal of a Shelter Plus Care project, the grant term is fixed at five (5) years as required by statute. You may request up to the amount determined by multiplying the number of units under lease at the time of application for renewal funding under this SuperNOFA by the applicable current Fair Market Rent(s) by 60 months. While full funding of existing grants may be requested, there is no guarantee that the entire amount will be awarded. As is the case with SHP, HUD will recapture Shelter Plus Care grant funds remaining unspent at the end of the original grant period when it renews a grant.

This program section of the SuperNOFA is not applicable to the renewal of funding under the SRO program. For further guidance on SRO renewals, please contact your local HUD Field Office.

As a project applicant, you are eligible to apply for renewal of a grant only if you have executed a grant agreement for the project directly with HUD. If you are a project sponsor or subrecipient who has not signed such an agreement, you are not eligible to apply for renewal of these projects. HUD will reject applications for renewal submitted by ineligible applicants. If you have questions about your eligibility to apply for project renewal, contact the local HUD field office. To be considered an applicant when applying as part of a consolidated application, you must submit an originally signed HUD Form SF-424 and the necessary certifications and assurances.

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

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

#### IV. Program Requirements

(A) *Statutory and Regulatory Requirements.*

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

- Under section 8(e)(2) of the United States Housing Act of 1937, no single project may contain more than 100 assisted units;
- Under 24 CFR 882.802, applicants that are private nonprofit organizations must subcontract with a Public Housing Authority to administer the SRO assistance;
- Under section 8(e)(2) of the United States Housing Act of 1937 and 24 CFR 882.802, rehabilitation must involve a minimum expenditure of \$3,000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade conditions to comply with the Housing Quality Standards.

- Under section 441(e) of the McKinney Act and 24 CFR 882.805(d)(1), HUD publishes the SRO per unit rehabilitation cost limit each year to take into account changes in construction costs. This cost limitation applies to rehabilitation that is compensated for in a Housing Assistance Payments Contract. For purposes of Fiscal Year 2000 funding, the cost limitation is raised from \$17,500 to \$17,850 per unit to take into account increases in construction costs during the past 12-month period.

(2) *Shelter Plus Care/Section 8 SRO Component.* With regard to the SRO component of the Shelter Plus Care program, if you are a State or a unit of general local government, you must subcontract with a Public Housing Authority to administer the Shelter Plus Care assistance. Also with regard to this component, no single project may contain more than 100 units.

(3) *Supportive Housing Program.* Please be advised that:

- Where an applicant for Supportive Housing Program funding is a State or unit of general local government that utilizes one or more nonprofit organizations to administer the homeless assistance project(s), administrative funds provided as part of the SHP grant must be passed on to the nonprofit organization(s) in proportion to the administrative burden borne by them for the SHP project(s). HUD will consider States or units of general local government that pass on at least 50

percent of the administrative funds made available under the grant as having met this requirement which was contained in the congressional committees' report accompanying the FY 2000 HUD Appropriations Act. This requirement does not apply to either the SRO Program, since no administrative funds are provided as part of the grant, or to the S+C Program, since paying the costs associated with the administration of these grants is ineligible by regulation.

- HUD anticipates publishing an amendment to SHP program regulations in the near future, which amendment would allow HUD to pay up to 75% of the annual operating costs for supportive housing in every year of the grant. The current rule, found at 24 CFR 583.125(c), allows HUD to pay up to 75% in the first two years of the grant and up to 50% in the remaining years. If the amendment of this section is published with final effect before conditional selection of awards under this NOFA, the amendment will apply to grants awarded in this competition.

(B) *Match*. You must match Supportive Housing Program funds provided for acquisition, rehabilitation, and new construction with an equal amount of funds from other sources; for operating costs, see preceding paragraph. In addition, in this year's competition, you must match by 25% all funding for supportive services. The cash source may be you, the Federal Government, State and local governments, or private resources. You must match rental assistance provided through the Shelter Plus Care Program in the aggregate with supportive services.

(C) *Linking Supportive Housing Programs and AmeriCorps*. Applicants for the Supportive Housing Program are encouraged to link their proposed projects with AmeriCorps, a national service program engaging thousands of Americans on a full or part-time basis to help communities address their toughest challenges, while earning support for college, graduate school, or job training. For information about AmeriCorps SHP partnerships, call the Corporation for National Service at (202) 606-5000 extension 486. (This is not a toll-free number.)

(D) *Linking Housing and Supportive Services*. Many of the clients who will be served by the HUD programs covered by this Continuum of Care NOFA may need services in addition to housing. It is important that potential grantees design programs which enhance access to those needed services. While HUD recognizes that there are many ways to ensure that clients receive the services

they need, to the extent possible, the Department encourages providers to develop housing programs which do not require participation in services as a part of their tenancy requirements while ensuring that, in the case of Shelter Plus Care, the supportive service match requirement is met.

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

(1) *Supportive Housing Program*.

- HUD will deobligate SHP funds if you have not demonstrated site control within one (1) year after you were initially notified of the grant award, as provided in 24 CFR 583.320(a), subject to the exceptions noted in that regulation.

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

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

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

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

(2) *Shelter Plus Care Program*

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

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

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

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

For projects carried out under the SRO program and the SRO component

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

## V. Application Selection Process

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

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

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

- If you or the project sponsors are current or past recipients of assistance under a HUD McKinney Act program or the HUD Single Family Property

Disposition Homeless Program, there must have been no delay in implementing projects exceeding applicable program timeliness standards that HUD determines is within your or the project sponsor's control, unresolved HUD finding, or outstanding audit finding of a material nature regarding the administration of HUD McKinney Act programs or the HUD Single Family Property Disposition Homeless Program; and

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

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

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

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

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

- The type and scale of the housing or services clearly does not fit the needs of the proposed participants (e.g., housing homeless families with children in the same space as homeless individuals, or separating members of the same family, without an acceptable rationale provided);

- Participant safety is not ensured;

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

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

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

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

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

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

- For the Section 8 SRO program, at least 25 percent of the units to be assisted at any one site must be vacant at the time of application; and

- For those projects proposed under the SHP innovative category: Whether or not a project is considered innovative will be determined on the basis that the particular approach proposed is new within its geographic area, and can be replicated.

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

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

- The existence of a coordinated and inclusive community process, including organizational structure(s), for developing and implementing a Continuum of Care strategy which includes nonprofit organizations (such as veterans service organizations, organizations representing persons with disabilities, and other groups serving homeless persons), State and local governmental agencies, other homeless providers, housing developers and service providers, private foundations, local businesses and the banking community, neighborhood groups, and homeless or formerly homeless persons; and

- That a well-defined and comprehensive strategy has been developed which addresses the components of a Continuum of Care system (*i.e.*, outreach, intake, and assessment; emergency shelter; transitional housing; permanent and permanent supportive housing) and that strategy has been designed to serve all homeless subpopulations in the community (*e.g.*, seriously mentally ill, persons with multiple diagnoses, veterans, persons with HIV/AIDS), including those persons living in emergency shelters, supportive housing for homeless persons, or in places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

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

- Describes the gap analysis performed, uses reliable information and sources that are presented completely and accurately, and establishes the relative priority of

homeless needs identified in the Continuum of Care strategy; and

- Proposes projects that are consistent with the priority analysis described in the Continuum of Care strategy, describes a fair project selection process, explains how gaps identified through the analysis are being addressed, and correctly completes the priority chart.

When HUD reviews a community's Continuum of Care to determine the points to assign, HUD will consider whether the community took its renewal needs into account in preparing its project priority list. (See discussion on renewals in Section III(A)(2) of this NOFA.)

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

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

coordination include having common board or committee membership (EZ/EC and Continuum of Care), and having EZ/EC resources directed toward Continuum of Care activities. The greater the extent of EZ/EC involvement in and coordination with the implementation strategy for the Continuum of Care system and projects, the greater the likelihood that bonus points will be awarded.

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

(4) *Need.* HUD will award up to **40 points** for need. There is a three-step approach to determining the need scores to be awarded to projects:

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

(b) *Applying relative need:* HUD will then apply that relative need index to the total amount of funding estimated to be available under this program section of the SuperNOFA to determine a jurisdiction's pro rata need. However, in order to promote permanent housing for the homeless, if a Continuum of Care's number one priority project qualifies as an eligible, new permanent housing project, then the full amount of that project's eligible activities, up to \$250,000, will be added to the final pro rata need amount for the Continuum. HUD also reserves the right to adjust pro rata need, if necessary, to address the issue of project renewals.

(c) *Awarding need points to projects:* Once the pro rata need is established, it is applied against the priority project list in the application. Starting from the highest priority project, HUD proceeds down the list to award need points to each project. An eligible project will receive the full 40 points for need if at least one half of its requested amount falls within the pro rata need amount for that Continuum of Care (COC). Thereafter, HUD proceeds further down the priority project list and awards 20 points for need to each project if at least one half of its requested amount falls within the "second tier" of pro rata need amount for that Continuum of Care. The "second tier" is the amount between the pro rata need and twice the

pro rata need for the COC. Remaining projects each receive 10 points. If projects are not prioritized for the Continuum, then all projects will receive 10 points for Need.

In the case of competing applications from a single jurisdiction or service area, projects in the application that received the highest score out of the possible 60 points for Continuum of Care are eligible for up to 40 points under Need. Projects in the competing applications with lower Continuum of Care scores are eligible for only 10 points under Need.

(5) *Ranking.* HUD will add the score for Continuum of Care to the Need score to obtain a total score for each project. The projects will then be ranked from highest to lowest according to the total combined score.

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

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

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

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

COCs with the same total score, HUD will use the tie-breaking rules described above. In addition, if the highest priority project passing threshold requirements within a COC fails to meet the criteria for receiving 40 Need points, HUD reserves the right to reduce the total requested amount for that project to allow it to qualify for 40 Need points. HUD may otherwise adjust funding of applications in accordance with the provisions of Section III(E) of the **General Section** of the SuperNOFA. In addition, HUD reserves the right to ensure that a project that is applying for, and eligible for, selection under this competition is not awarded funds that duplicate activities.

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

In accordance with the appropriation for homeless assistance grants in the Fiscal Year 2000 Appropriation Act for HUD (Pub.L. 106-24, approved October 20, 1999; 113 Stat. 1047), HUD will use not less than 30 percent of the total FY 2000 homeless grant assistance appropriation to fund projects that meet the definition of permanent housing. Projects meeting the definition of permanent housing are: (1) new Shelter Plus Care projects; (2) Shelter Plus Care renewal projects; (3) Section 8 SRO projects; and (4) new and renewal projects designated as permanent housing for homeless persons with disabilities under the Supportive Housing Program. Since the FY 2000 homeless grant assistance appropriation is \$1.020 billion, not less than \$306 million must be awarded to permanent housing projects unless an insufficient number of approvable permanent housing projects is submitted in which case HUD will carry over the amount of the permanent housing funding shortfall to next year's competition. This permanent housing funding requirement may result in higher scoring non-permanent housing projects being skipped over to fund lower scoring permanent housing projects or, within a continuum, higher priority non-permanent housing projects being skipped over to fund lower priority permanent housing projects.

In accordance with section 429 of the McKinney Act, HUD will award Supportive Housing funds as follows: not less than 25 percent for projects that primarily serve homeless families with children; not less than 25 percent for projects that primarily serve homeless persons with disabilities; and not less than 10 percent for supportive services not provided in conjunction with supportive housing. After projects are



rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If not, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

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

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

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

applications received in response to this program section of the SuperNOFA.

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

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

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

In addition to the required narratives, the items that you must submit to HUD as part of the application for homeless assistance funding are as the following. The standard forms can be found in Appendix B to the General Section of the SuperNOFA. The remaining forms (i.e., excluding such items as narratives), referred to as the non-standard forms can be found as Appendix B to this program section of the SuperNOFA):

1. 2000 Application Summary Form.
2. Continuum of Care and Project Exhibits.
3. Gaps Analysis Form.
4. Project Priorities Form.
5. Project Leveraging Form.
6. EZ/EC Certification.
7. SF-424.
8. Applicant Certifications.
9. Consolidated Plan Certification(s).

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

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

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

*Two:* "Associated Applications" are submitted when applicants plan and organize a single Continuum of Care

strategy which is adopted by project sponsors or operators who choose to submit separate applications for projects while including the identical Continuum of Care strategy. In this case, project funding would go to each successful applicant individually and each would be responsible to HUD for administering its separate grant.

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

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

#### **VII. Corrections to Deficient Applications**

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

#### **VIII. Environmental and Local Resident Employment Requirements**

(A) *Environmental Requirements.* All Continuum of Care assistance is subject

to the National Environmental Policy Act of 1969 and related Federal environmental authorities. No Federal or non-Federal funds or assistance that limits reasonable choices or could produce a significant adverse environmental impact may be committed to a project until all required environmental reviews and notifications have been completed. Conditional selection of projects under the Continuum of Care Program is subject to the environmental review requirements under 24 CFR 582.230, 583.230, and 882.804(c), as applicable.

(B) *Local Resident Employment.* To the extent that any housing assistance (including rental assistance) funded through this program section of the SuperNOFA is used for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair, and replacement) or housing construction, then it is subject to section 3 of the Housing and Urban Rehabilitation Act of 1968, and the implementing regulations at 24 CFR part 135. Section 3, as amended, requires that economic opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be given to low- and very low-

income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

#### **IX. Authority**

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

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

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

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**APPENDIX A  
CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS**

<b>ELEMENT</b>	<b>SUPPORTIVE HOUSING</b>	<b>SHELTER PLUS CARE</b>	<b>SECTION 8 SRO</b>
<b>AUTHORIZING LEGISLATION</b>	Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act	Subtitle F of Title IV of the Stewart B. McKinney Homeless Assistance Act	Section 441 of the Stewart B. McKinney Homeless Assistance Act
<b>IMPLEMENTING REGULATIONS</b>	24 CFR part 583	24 CFR part 582	24 CFR part 882
<b>ELIGIBLE APPLICANT(S)</b>	<ul style="list-style-type: none"> <li>● States</li> <li>● Units of general local government</li> <li>● Special purpose units of government such as public housing agencies (PHAs)</li> <li>● Private nonprofit organizations</li> <li>● CMHCs that are public nonprofit organizations</li> </ul>	<ul style="list-style-type: none"> <li>● States</li> <li>● Units of general local government</li> <li>● PHAs</li> </ul>	<ul style="list-style-type: none"> <li>● PHAs</li> <li>● Private nonprofit organizations</li> </ul>
<b>ELIGIBLE COMPONENTS</b>	<ul style="list-style-type: none"> <li>● Transitional housing</li> <li>● Permanent housing for disabled persons only</li> <li>● Supportive services not in conjunction with supportive housing</li> <li>● Safe Havens</li> <li>● Innovative supportive housing</li> </ul>	<ul style="list-style-type: none"> <li>● Tenant-based</li> <li>● Sponsor-based</li> <li>● Project-based</li> <li>● SRO-based</li> </ul>	<ul style="list-style-type: none"> <li>● SRO housing</li> </ul>
<b>ELIGIBLE ACTIVITIES</b>  See footnotes 1, 2, and 3	<ul style="list-style-type: none"> <li>● Acquisition</li> <li>● Rehabilitation</li> <li>● New construction</li> <li>● Leasing</li> <li>● Operating costs</li> <li>● Supportive services</li> </ul>	<ul style="list-style-type: none"> <li>● Rental assistance</li> </ul>	<ul style="list-style-type: none"> <li>● Rental Assistance</li> </ul>

ELEMENT	SUPPORTIVE HOUSING	SHELTER PLUS CARE	SECTION 8 SRO
<b>ELIGIBLE POPULATIONS</b>  See footnote 2	<ul style="list-style-type: none"> <li>● Homeless persons</li> </ul>	<ul style="list-style-type: none"> <li>● Homeless disabled individuals</li> <li>● Homeless disabled individuals and their families</li> </ul>	<ul style="list-style-type: none"> <li>● Homeless individuals</li> <li>● Section 8 eligible current occupants</li> </ul>
<b>POPULATIONS GIVEN SPECIAL CONSIDERATION</b>	<ul style="list-style-type: none"> <li>● Homeless persons with disabilities</li> <li>● Homeless families with children</li> </ul>	Homeless persons who: <ul style="list-style-type: none"> <li>● are seriously mentally ill</li> <li>● have chronic problems with alcohol and/or drugs</li> <li>● have AIDS and related diseases</li> </ul>	N/A
<b>INITIAL TERM OF ASSISTANCE</b>	3 years	5 years: TRA, SRA, and PRA if no rehab 10 years: SRO and PRA with rehab	10 years
<b>MATCH</b>	<ul style="list-style-type: none"> <li>● For acquisition, rehabilitation and new construction, cash at \$1:\$1 (SHP);</li> <li>● For supportive services, cash at \$1:\$4 (SHP);</li> <li>● For operating costs, cash at \$1:\$3 (SHP)</li> </ul>	Rental assistance matched in the aggregate with supportive services	N/A

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

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

Footnote 3: **Acquisition, construction, rehabilitation, leasing, and operating costs for emergency shelters are statutorily ineligible**

#### APPENDIX B

The non-standard forms, which follow, are required for your Continuum of Care Homeless Assistance application.

# 2000 Application Summary

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

Continuum of Care Name: \_\_\_\_\_

Continuum of Care Contact Person: \_\_\_\_\_

Address : \_\_\_\_\_  
 \_\_\_\_\_

Phone Number: \_\_\_\_\_

## Continuum of Care Geography

Using the Geographic Area Guide, list the name and the six-digit geographic code number for *each* city and/or county participating in your Continuum of Care. Because the geography covered by your system will affect your Need score, it is important to be accurate. The information contained on this page must be cross-referenced and must match the information you provide in Exhibit 1: Continuum of Care of the application. Before completing, please read the NOFA guidance and page 4 of this application regarding geographically overlapping Continuum of Care systems.

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

Geographic Area Name	6-digit Code

Reproduce this page to include additional names and codes.

### Continuum of Care: Gaps Analysis

		Estimated Need	Current Inventory	Unmet need/ Gap	Relative Priority
<b>Individuals</b>					
<b>Example</b>	<b>Emergency Shelter</b>	115	89	26	M
<b>Beds/Units</b>	Emergency Shelter				
	Transitional Housing				
	Permanent Supportive Housing				
	Total				
<b>Supportive Services Slots</b>	Job Training				
	Case Management				
	Substance Abuse Treatment				
	Mental Health Care				
	Housing Placement				
	Life Skills Training				
	Other				
	Other				
<b>Sub-populations</b>	Chronic Substance Abusers				
	Seriously Mentally Ill				
	Dually-Diagnosed				
	Veterans				
	Persons with HIV/AIDS				
	Victims of Domestic Violence				
	Youth				
Other					

### Persons in Families With Children

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

### Continuum of Care: Project Priorities

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

Applicant	Project Sponsor/ Project Name	Numeric Priority	Requested Project Amount	Program (Check only one)				
				SHP new	SHP renew	S+C new	S+C renew	SRO new
Example: ABC Nonprofit	ABC Nonprofit/ Sarah's House	1	\$1,026,000	X				
Example: XYZ County	AJAY Nonprofit/ BeeJee's Place	2	\$500,000	X				
		1						
		2						
		3						
		4						
		5						
		6						
		7						
		8						
		9						
		10						
		11						
		12						
		13						
		14						
		15						

Total Requested Amount:

