

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**RENTAL ASSISTANCE FOR NON-
ELDERLY PERSONS WITH
DISABILITIES IN SUPPORT OF
DESIGNATED HOUSING PLANS**

Billing Code 4210-32-C

FUNDING AVAILABILITY FOR RENTAL ASSISTANCE FOR NON-ELDERLY PERSONS WITH DISABILITIES IN SUPPORT OF DESIGNATED HOUSING PLANS

PROGRAM OVERVIEW

Purpose of the Program. The purpose of the voucher funding being made available under the Housing Choice Voucher Program through this announcement is to enable non-elderly families with disabilities to access affordable private housing. The vouchers will assist public housing agencies (PHAs) in providing sufficient alternative resources to meet the housing needs of those non-elderly disabled families who would have been housed by the PHA if occupancy in a designated public housing project/building (or portion thereof) were not restricted to elderly households, and assist PHAs who wish to continue to designate their buildings as "mixed elderly and disabled buildings" but can demonstrate a need for alternative resources for non-elderly disabled families.

Available Funds. Approximately \$20 million in one-year budget authority for approximately 3,950 housing choice vouchers.

Eligible Applicants. Public housing agencies (PHAs). PHAs that fall into any of the categories in section VII(B)(2) of this announcement are ineligible to have an application funded under this announcement. Indian Housing Authorities, Indian tribes and their tribally designated housing entities are not eligible to apply because the Native American Housing Assistance and Self-Determination Act of 1996, does not allow HUD to enter into new housing choice voucher annual contributions contracts (ACC) with IHAs after September 30, 1997. Further, IHAs would not otherwise have been eligible to apply under this announcement because the requirements of section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) regarding designated housing plans are not applicable to IHAs.

Application Deadline. The application in its entirety must be submitted to HUD's Grants Management Center by July 23, 2002. By not later than May 20, 2002, the designated housing plan portion of the application must be submitted to HUD's Special Application Center.

Match: None.

ADDITIONAL INFORMATION

If you are interested in applying for funding under this program, please review carefully the **General Section** of

this SuperNOFA and the following additional information.

I. Application Due Dates, Application Kits, Further Information and Technical Assistance

Application Due Dates. Submit your original and one copy of your completed application (including the designated housing plan, as appropriate) to HUD on or before July 23, 2002. See the paragraphs titled "Mailed Applications" and "Applications Sent by Overnight/Express Mail Delivery" in section I of this funding announcement regarding the specific time on the application due date by which applications are to be submitted. This application deadline date is firm. In the interest of fairness to all competing PHAs, HUD will not consider any application that is received after the application deadline. Applicants should take this practice into account and make early submission of their materials to avoid any risk of loss of eligibility brought about by unanticipated delays or other delivery-related problems. HUD will not accept, at any time during the competition under this funding announcement, application materials sent via facsimile (FAX) transmission.

Address for Submitting Applications. Your completed application consists of an original and two copies. Submit the original application and one copy to: Michael Diggs, Director, Grants Management Center, Department of Housing and Urban Development, 501 School Street, SW, Suite 800, Washington, DC 20024. The Grants Management Center (GMC) is the official place of receipt for all applications in response to this announcement of funding availability. Applications not submitted to the GMC will not be considered.

Submit one copy of the designated housing plan portion of your application to the Office of Public Housing, Special Application Center (SAC), Room 2401, 77 West Jackson Boulevard, Chicago, IL 60604 (312-886-9754), so as to be received by the SAC by not later than May 20, 2002. See the paragraph titled "Mailed Applications" in section I of this funding announcement regarding the specific time on the application due date by which applications are to be submitted.

Note: The Special Application Center is allowed, by statute, 60 days in which to review a PHA's designated housing plan.

A PHA submitting an application for voucher funding under this announcement shall not be eligible for funding if it does not submit its entire application to the GMC, and the designated housing plan portion of its

application (as applicable) to the SAC, by the deadline dates specified above.

A copy of your application is not required to be submitted to the local HUD Field Office. For ease of reference, the term "local HUD Field Office" will be used in this announcement to mean the local HUD Field Office Hub and local HUD Field Office Program Center. A listing of HUD Field Offices is attached to the **General Section** of this SuperNOFA.

New Security Procedures. In response to the terrorist attacks in September 2001, HUD has implemented new security procedures that impact on application submission procedures. Please read the following instructions carefully and completely. HUD will not accept hand delivered applications. Applications may be mailed to the GMC in HUD Headquarters, or (for the designated housing plan portion of the application) to the SAC in Chicago, Illinois, using the United States Postal Service (USPS). Applications may also be shipped to the GMC via the following delivery services: United Parcel Service (UPS), FedEx, DHL, or Falcon Carrier. (Use of these delivery services or any other delivery services for the submission of the designated housing plan portion of the application to the SAC is not allowed.) No other delivery services are permitted into HUD Headquarters without escort. You must, therefore, use one of the four carriers listed above.

Mailed Applications. Your application will be considered to be timely filed if your application is postmarked on or before 12:00 midnight on the application due date and received by the GMC (the entire application) and the SAC (designated housing plan portion of the application) within fifteen (15) days of the application due dates applicable to each of these separate submissions. *All applicants must obtain and save a Certificate of Mailing showing the date when you submitted your application to the United States Postal Service (USPS). The Certificate of mailing will be your documentary evidence that your application was timely filed.*

Applications Sent to the GMC by Overnight/Express Mail Delivery. If your application is sent by overnight delivery or express mail, your application will be timely filed if it is received before or on the application due date, or when you submit documentary evidence that your application was placed in transit with the overnight delivery/express mail service by no later than the application due date. Due to new security measures, you must use one of four carrier services that do business with HUD

Headquarters regularly. These services are UPS, DHL, FedEx, and Falcon Carrier. Delivery by these services must be made during HUD Headquarters business hours, between 8:30AM and 5:30PM Eastern Time, Monday to Friday. If these companies do not service your area, you should submit your application via the USPS. (The submission by a PHA to the SAC of the designated housing plan portion of its application must be done solely by mail using the USPS.)

For Application Kits. An application kit is not necessary for submitting an application in response to this announcement. This announcement contains all the information necessary for the submission of your application for voucher funding under this announcement.

For Further Information and Technical Assistance. Prior to the application due date, you may contact George C. Hendrickson, Housing Program Specialist, Room 4216, Office of Public and Assisted Housing Delivery, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 708-1872, ext.4064. Subsequent to application submission, you may contact the Grants Management Center at (202) 358-0221. (These are not toll-free numbers.) Persons with hearing or speech impairments may access these numbers via TTY (text telephone) by calling the Federal Information Relay Service at 1-800-877-8339 (this is a toll-free number).

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

II. Amount Allocated.

(A) *Available Funding.* Approximately \$20 million in one-year budget authority is available for housing choice vouchers for non-elderly disabled families in support of designated housing plans to designate public housing for occupancy by elderly families only, or elderly families and disabled families only. This funding is expected to provide assistance to approximately 3,950 non-elderly disabled families.

The FY 2002 HUD Appropriations Act allows the Secretary of HUD to transfer any unobligated funds for support of designated housing plans to assist non-elderly disabled families to the extent they are not needed to fund approvable applications related to designated

housing plans during FY 2002. Accordingly, any funds remaining unobligated under this announcement will first be used to fund any approvable applications under HUD's announcement for Rental Assistance for Non-Elderly Persons with Disabilities Related to Certain Types of Section 8 Project-Based Developments and Section 202, Section 221(d)(3) and Section 236 Developments, for which there are insufficient funds. Any funds still remaining unobligated under this announcement for funding in support of designated housing plans shall be used to fund any approvable applications under HUD's announcement for Mainstream Housing Opportunities For Persons With Disabilities, for which there are insufficient funds.

(B) Voucher Funding.

(1) *Maximum Voucher Request.* A PHA may apply for only the number of units needed to house those non-elderly disabled families that otherwise would have been housed if not for the designation of a project/building (or portion thereof) for occupancy by the elderly only. The size of the units applied for must bear a direct relationship to the size of the units designated. PHAs are limited to applying for no more than a maximum of 200 units (vouchers).

(2) *Determination of Funding Amount for the PHA's Requested Number of Vouchers.* HUD will determine the amount of funding that a PHA will be awarded under this announcement based upon an actual annual per unit cost {except for Moving to Work (MTW) agencies the per unit cost will be calculated in accordance with the agency's MTW Agreement for MTW units} using the following two step process:

(a) HUD will extract the total expenditures for all the PHA's housing choice voucher and certificate programs and the unit months leased information from the most recent approved year end statement (form HUD-52681) that the PHA has filed with HUD. HUD will divide the total expenditures for all of the PHA's housing choice voucher and certificate programs by the unit months leased to derive an average monthly per unit cost.

(b) HUD will multiply the monthly per unit cost by 12 (months) to obtain an annual per unit cost.

Note: Applicants who do not currently administer a housing choice voucher program shall have their voucher funding based upon the actual annual per unit costs of the PHA in their most immediate area administering a housing choice voucher program, using the two step process described immediately above.

(3) *Preliminary Fee.* A preliminary fee of up to \$500 per unit for preliminary (start-up) expenses will be paid to PHAs that have not previously administered their own housing choice voucher program and that are selected for funding under this announcement. The preliminary fee will be provided to such PHAs only in their first year administering housing choice vouchers.

III. Program Description, Eligible Applicants, and Eligible Participants

(A) *Program Description.* This program provides housing choice vouchers to assist non-elderly disabled families who would have been housed by a PHA if occupancy in the designated public housing project/building (or portion thereof) were not restricted to elderly households, and assist PHAs that wish to continue to designate their projects/buildings (or portions thereof) as "mixed elderly and disabled buildings" and can demonstrate a need for alternative housing resources for non-elderly disabled families that is consistent with the jurisdiction's Consolidated Plan and the low-income housing needs of the jurisdiction.

(B) *Eligible Applicants.* PHAs are the eligible applicants. PHAs that fall into any of the categories in section VII(B)(2) of this announcement are ineligible to have an application funded under this announcement. A PHA may submit only one application under this announcement. This one application per PHA limit applies regardless of whether the PHA is a State or regional PHA, except in those instances where such a PHA has more than one PHA code number due to its operating under the jurisdiction of more than one HUD Field Office. In such instance, a separate application under each code shall be considered for funding, with the cumulative total of vouchers applied for under the applications not to exceed the maximum number of vouchers the PHA is eligible to apply for under section II (B)(1) of this announcement; i.e., no more than the number of vouchers the same PHA would be eligible to apply for if it only had one PHA code number.

Indian Housing Authorities (IHAs), Indian tribes and their tribally designated housing entities are not eligible to apply because the Native American Housing Assistance and Self-Determination Act of 1996, does not allow HUD to enter into new Housing Choice Voucher Program annual contributions contracts (ACC) with IHAs after September 30, 1997. Further, IHAs would not otherwise have been eligible to apply under this announcement because the requirements of section 7 of the U.S. Housing Act of 1937 (42 U.S.C.

1437e) regarding designated housing plans are not applicable to IHAs.

In some cases a PHA currently administering the housing choice voucher program has, at the time of publication of this SuperNOFA, been designated by HUD as a troubled PHA under the Section 8 Management Assessment Program (SEMAP), or has major program management findings from Inspector General audits that are unresolved. HUD will not accept an application from such a PHA as a contract administrator if, on the application due date, the troubled designation under SEMAP has not been removed by HUD, or the findings are not resolved. If the PHA wants to apply for funding under this announcement, the PHA must submit an application that designates another contractor that is acceptable to HUD. The PHA's application must include an agreement by the other contractor to administer the new funding increment on behalf of the PHA, and (in the instance of a PHA with unresolved major program management findings) a statement that outlines the steps the PHA is taking to resolve the program findings.

Immediately after the publication of this SuperNOFA, the Office of Public Housing in the local HUD Field Office will notify, in writing, those PHAs that have been designated by HUD as troubled under SEMAP, and those PHAs with unresolved major program management findings that are not eligible to apply without such an agreement. Concurrently, the local HUD Field Office will provide a copy of each such written notification to the Grants Management Center. The PHA may appeal the decision, in writing, if HUD has mistakenly classified the PHA as having unresolved major program management findings. The PHA may not appeal its designation as a troubled PHA under SEMAP. Any appeal with respect to unresolved major program management findings must be accompanied by conclusive evidence of HUD's error (i.e., documentation showing that the finding has been cleared) and must be received prior to the application deadline. The appeal should be submitted to the local HUD Field Office where a final determination shall be made. Concurrently, the local HUD Field Office shall provide the Grants Management Center with a copy of the PHA's written appeal and the Field Office's written response to the appeal. Major program management findings are those that would cast doubt on the capacity of the PHA to effectively administer any new housing choice voucher funding in accordance with

applicable HUD regulatory and statutory requirements.

(C) *Eligible Participants.* Only non-elderly disabled families that are income eligible under 24 CFR 982.201(b)(1) and who live in public housing that has been designated for occupancy by the elderly, or non-elderly disabled families who are on the PHA's public housing waiting list, may receive a voucher awarded in conjunction with an approved designated housing plan. Such families need not be listed on the PHA's housing choice voucher waiting list in order to be offered and receive a housing choice voucher. These families may be admitted to the housing choice voucher program as a special admission (24 CFR 982.203). Additional information on the eligibility requirements for a family or individual to receive a housing choice voucher are located at the following HUD Web site: www.hud.gov/offices/pih/programs/hcv.

IV. Program Requirements and Definitions

In addition to the civil rights compliance and nondiscrimination requirements listed in the **General Section** of this SuperNOFA, grantees must meet the following program requirements:

(A) *Affirmatively Furthering Fair Housing.* Each successful applicant will have a duty to affirmatively further fair housing. Applicants will be required to identify the specific steps that they will take to:

(1) Examine the PHA's own programs or proposed programs, including an identification of any impediments to fair housing (identified in the jurisdiction's Analysis of Impediments (AI) to Fair Housing Choice in its Consolidated Plan); develop a plan to (a) address those impediments in a reasonable fashion in view of the resources available; (b) work with the local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing; and (c) maintain records reflecting these analyses and actions;

(2) Remedy discrimination in housing; or

(3) Promote fair housing rights and fair housing choice.

Further, applicants have a duty to carry out the specific activities cited in their responses under this announcement to address affirmatively furthering fair housing.

(B) *Certifications and Assurances.* Each applicant is required to submit signed copies of Assurances and Certifications. The standard Assurances and Certifications are on Form HUD-

52515, Funding Application, which includes the Equal Opportunity Certification, Certification Regarding Lobbying, and Certification Regarding Drug-Free Workplace Requirements.

(C) *Voucher Assistance Requirements.*

(1) *Housing Choice Voucher Program Regulations.* PHAs must administer the housing choice vouchers received under this announcement in accordance with HUD regulations and requirements governing the Housing Choice Voucher Program.

(2) *Housing Choice Voucher Admission Requirements.* Housing choice vouchers must be provided to eligible applicants in conformity with regulations and requirements governing the Housing Choice Voucher Program and the PHA's administrative plan.

(3) *Turnover.* When a voucher under this announcement becomes available for reissue (e.g., the non-elderly disabled family initially selected for the program drops out of the program or is unsuccessful in the search for a unit), the rental assistance may be used only for another non-elderly disabled family eligible for assistance under this announcement for one year from the date the rental assistance is placed under an annual contributions contract (ACC). If there is ever an insufficient pool of non-elderly disabled families on the PHA's housing choice voucher waiting list, the PHA shall conduct outreach to encourage eligible non-elderly disabled families to apply for this special allocation of vouchers. Outreach may include contacting independent living centers, advocacy organizations for persons with disabilities, and medical, mental health, and social service providers for referrals of persons who would benefit from housing choice voucher assistance. If the PHA's housing choice voucher waiting list is closed, and if the PHA has insufficient non-elderly disabled applicants on that waiting list to use all awarded vouchers under this announcement, the PHA should open the waiting list for applications from non-elderly disabled families. PHAs must take care to keep track of the number of non-elderly disabled vouchers they have been awarded versus the number of such vouchers actually issued to non-elderly disabled families.

(D) *PHA Responsibilities.* In addition to PHA responsibilities under the Housing Choice Voucher Program and HUD regulations concerning nondiscrimination based on disability (24 CFR 8.28) and to affirmatively further fair housing, PHAs that receive voucher funding shall:

(1) Where requested by an individual, assist program participants to gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of participation or continued occupancy in the program.

(2) Identify public and private funding sources to assist participants with disabilities in covering the costs of structural alterations and other accessibility features that are needed as accommodations for their disabilities.

(3) Not deny persons who qualify for a housing choice voucher under this program other housing opportunities, or otherwise restrict access to PHA programs to eligible applicants who choose not to participate.

(4) Provide housing choice voucher search assistance.

(5) In accordance with regulatory guidance, provide higher rent to owners necessary for the provision of accessible units and structural modifications for persons with disabilities.

(6) Provide technical assistance to owners for making reasonable accommodations or making units accessible to persons with disabilities.

PHAs are encouraged to coordinate with/involve nonprofit disability organizations in meeting the requirements of sections 1, 2, 4 and 6 immediately above. PHAs are encouraged to seek out nonprofit disability organizations in this regard due to such organizations' capacity for assisting disabled families, and their in-depth knowledge of the disability community and the available resources to assist disabled persons.

(E) *Definitions.*

(1) *Designated Housing Plan.* A HUD-approved designated housing plan is required of PHAs seeking to designate a project/building (or portion thereof) for occupancy by elderly families only, or elderly and disabled families only. See section 10(a) of the Housing Opportunity Extension Act of 1996 (Pub. L. 104-120, approved March 28, 1996) as explained in Notice PIH 97-12 (HA), Requirements for Designation of Public Housing Projects. This Notice was extended by Notice PIH 2001-17 (HA). Section 10(a) amended section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e).

(2) *Elderly Family.* A family whose head of household, spouse, or sole member is 62 years or older.

(3) *Non-elderly Disabled Family.* A family who is not elderly, and whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons

with disabilities living with one or more live-in aides.

(4) *Person with disabilities.* Means a person who—

(a) Has a disability as defined in 42 U.S.C. 423;

(b) Is determined, pursuant to HUD regulations, to have a physical, mental or emotional impairment that:

(i) Is expected to be of long-continued and indefinite duration;

(ii) Substantially impedes his or her ability to live independently; and

(iii) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or

(c) Has a developmental disability as defined in 42 U.S.C. 6001;

(d) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome; and

(e) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence.

(5) *Housing choice voucher search assistance.* Assistance to increase access by program participants to housing units in a variety of neighborhoods (including areas with low poverty concentrations) and to locate and obtain units suited to their needs.

(F) *Homeownership and Family Self-Sufficiency (FSS).* Applicants are encouraged to establish or expand upon an existing housing choice voucher homeownership program, as well as complete the closing process on homeownership units. Applicants are also encouraged to fill slots under a mandatory FSS program and to establish a voluntary FSS program and fill slots thereunder where a mandatory FSS program is not required.

(G) *Increasing the Participation of Faith-Based and Community-Based Organizations in HUD Program Implementation.* HUD believes that grassroots organizations; e.g., civic organizations, congregations, and other community-based and faith-based organizations, have not been effectively utilized. These grassroots organizations have a strong history of providing vital community services such as assisting the homeless and preventing homelessness; counseling individuals and families on fair housing rights; providing elderly housing opportunities; developing first time homeownership programs; increasing homeownership and rental housing opportunities; developing affordable and accessible housing in neighborhoods across the country; and

creating economic development programs. The goal of this policy priority is to make HUD's housing choice voucher program more effective, efficient, and accessible by expanding opportunities for faith-based and other community-based organizations to participate in developing solutions for their own neighborhoods. PHAs are encouraged to coordinate with and otherwise involve faith-based and other community-based organizations in those activities under the housing choice voucher program where their services, expertise and knowledge may be most effective.

(H) *Conducting Business in Accordance With Core Values and Ethical Standards.* To reflect core values, all PHAs shall develop and maintain a written code of conduct in the PHA administrative plan that (1) requires compliance with the conflict of interest requirements of the Housing Choice Voucher Program at 24 CFR 982.161, and (2) prohibits the solicitation or acceptance of gifts or gratuities, in excess of a nominal value, by any officer or employee of the PHA, or any contractor, subcontractor or agent of the PHA. The PHA's administrative plan shall state PHA policies concerning PHA administrative and disciplinary remedies for violation of the PHA code of conduct. The PHA shall inform all officers, employees and agents of its organization of the PHA's code of conduct.

V. Application Selection Process

After the Grants Management Center has screened PHA applications and disapproved any applications found unacceptable for further processing, the Grants Management Center will review all acceptable applications (exclusive of the Designated Housing Plan portion of the application—which is reviewed by the Special Application Center) to ensure that they are technically adequate and responsive to the requirements of this announcement of funding availability.

The Special Application Center will send to the Grants Management Center the following information on each designated housing plan, or updated needs data in connection with a previously approved designated housing plan, submitted in conjunction with this announcement:

(1) A copy of the letter to the PHA approving or disapproving its designated housing plan, or updated needs data.

(2) Special Application Center contact person and telephone number.

HUD Headquarters will fund on a first-come, first-serve basis all

approvable applications from PHAs that are recommended for funding by the Grants Management Center and that the Special Application Center advises has an approved designated housing plan or acceptable updated needs data, based upon the date and time the application is received in the Grants Management Center. As PHAs are selected, the cost of funding the applications will be subtracted from the funds available. In the event approvable applications are received for more than the approximately \$20 million available under this announcement, funds will be transferred from the approximately \$20 million available under the announcement for non-elderly disabled families not receiving housing assistance in certain Section 8 project-based developments, or certain Section 202, Section 221(d)(3) or Section 236 developments, to the extent funds are not needed for approvable applications under that announcement. Applications will be funded for the total number of units requested by the PHA and approved by the Grants Management Center in accordance with this funding announcement for support of Designated Housing Plans. When remaining budget authority is insufficient to fund the last selected PHA application in full, however, HUD Headquarters will fund that application to the extent of the funding available, unless the PHA's application indicates that the PHA will only accept a higher number of units. In that event, the next selected application shall be one that has indicated a willingness to accept the lesser amount of funding for the units available.

VI. Application Submission Requirements

(A) *Form HUD-52515*. All PHAs must complete and submit form HUD-52515, Funding Application, for the Housing Choice Voucher Program, (dated January 1996). This form includes all the necessary certifications for Fair Housing, Drug Free Workplace and Lobbying Activities. PHAs are requested to enter their housing authority code number (for example, CT002), telephone number, facsimile number, and electronic mail address in the same place at the top of the form where they are also to enter the PHA's name and mailing address. The information entered in Section B of the form for bedroom size and number of requested units must bear a direct relationship to the bedroom size and number of units designated in the PHA's designated housing plan that will no longer be available for the future admission of non-elderly disabled families. Section C

of the form should be left blank. The form must be completed in its entirety, with the exception of Section C, signed and dated. A copy of Form HUD-52515 is included in the forms found in the *General Section* of the SuperNOFA. Copies of the form may also be downloaded from the following HUD Web site: www.hud.gov. (On the HUD Web site click on "handbooks and forms," then click on "forms," then click on "HUD-5" and click on "HUD-52515." In addition, the Form HUD-52515 will also be posted with the Designated Housing funding announcement at the following HUD Web site: www.hud.gov/offices/adm/grants/fundsavail.cfm.

(B) *Letter of Intent and Narrative*. The PHA must state in its cover letter to the application whether the PHA will accept a reduction in the number of vouchers, and the minimum number of vouchers that the PHA will accept, since the funding is limited and HUD may only have enough funds to approve a smaller amount than the number of vouchers requested. The maximum number of vouchers that a PHA may apply for under this announcement is limited to 200.

PHAs that do not currently administer a housing choice voucher program must identify the nearest PHA (including the full name, address, and tel. no.) that does administer a housing choice voucher program. This information will be necessary for HUD to calculate annual per unit costs for voucher funding awarded under this funding announcement to such PHAs (see section II (B)(2)(c) of this funding announcement).

(C) *Approvable Designated Housing Plan*. The application must include an approvable plan to designate housing in accordance with section 10(a) of the Housing Opportunities Extension Act of 1996 (Pub.L. 104-120, approved March 28, 1996) as explained in Notice PIH 97-12 (HA), Requirements for Designation of Public Housing Projects. This Notice was extended by Notice PIH 2001-17 (HA), dated May 16, 2001.

PHAs should also bear in mind that the HUD regulations require PHAs to submit an Annual Plan which must provide a statement regarding any public housing project (or portion thereof) which the PHA plans to designate as elderly only or mixed elderly and disabled {see 24 CFR 903.7 (1)(ii)}. Only those PHAs which are designated by HUD as high performing PHAs, or are small PHAs (less than 250 public housing units) that are not designated as troubled, are excluded from the requirement to address the designation of elderly and disabled

public housing units in the Annual Plan. The Special Application Center will not process a designated housing plan if the PHA's intent to designate is not covered in its Annual Plan.

(D) *Designated Housing Plan Previously Approved*. Any PHA wishing to rely on a designated housing plan previously approved by HUD, that did not require housing choice vouchers or certificates for non-elderly disabled families or that now requires more vouchers than previously justified, will be required to submit the information called for in sections (A) and (B) immediately above, a copy of the previously HUD-approved designated housing plan, and updated needs data supporting the need now for vouchers not previously deemed necessary as an alternative housing resource. The updated needs data should indicate why the PHA does not have the appropriate resources to carry out the previously approved plan, identify the number of vouchers needed for non-elderly disabled families, and address the housing needs in its Consolidated Plan. While updated needs data is not considered an amendment or revision of a previously approved designated housing plan, the updated needs data must be submitted to the Special Application Center for review. The deadline date and submission requirements for updated needs data are the same as for the designated housing plan (see section I of this announcement).

Conversely, any PHA wishing to rely on a designated housing plan previously approved by HUD, contingent upon the PHA's future submission of an application for housing choice vouchers as an alternative housing resource for non-elderly disabled families, will need to only submit the HUD-approval letter for the designated housing plan in lieu of the plan itself (updated needs data also unnecessary).

(E) *Statement Regarding the Steps the PHA Will Take to Affirmatively Further Fair Housing*. The areas to be addressed in the PHA's statement must include, but not necessarily be limited to:

(1) The examination of the PHA's own programs or proposed programs, including an identification of any impediments to fair housing (identified in the jurisdiction's Analysis of Impediments (AI) to Fair Housing Choice in its Consolidated Plan); and a description of a plan to (a) address those impediments in a reasonable fashion in view of the resources available; (b) work with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing; and

(c) the maintenance of records reflecting these analyses and actions;

(2) Remedy discrimination in housing for persons with disabilities regardless of race, color, religion, sex, familial status, national origin, or nature of disability; or

(3) Promote fair housing rights and fair housing choice.

The PHA's statement must fully address the above areas. A general statement that the PHA will promote fair housing choice by reason of not discriminating on the basis of race, color, religion, etc. will not be sufficient.

(F) *Moving to Work (MTW) PHA Information and Certification.* See section VII (B)(2)(c) regarding the 97 percent lease-up or budget authority utilization certification to be submitted by an MTW PHA not required to report under SEMAP.

(G) *Form HUD-2993.* All PHAs must complete and submit form HUD-2993, Acknowledgement of Application Receipt. In addition to the PHA entering its name and address on the form, the full title of the program under which the PHA is seeking funding must also be entered. This form is located in the **General Section** of the SuperNOFA and is also available at the following HUD Web site: www.hud.gov. On this Web site click on "handbooks and forms."

VII. Corrections to Deficient Applications

(A) *Acceptable Applications.* The application must include all of the information specified in section VI, Application Submission Requirements. The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications.

(B) *Unacceptable Applications.*

(1) After the 14-calendar day technical deficiency correction period, the Grants Management Center will disapprove all PHA applications that the Grants Management Center determines are not acceptable for processing. The Grants Management Center's notification of rejection letter must state the basis for the decision. The applicant may request an applicant debriefing. Beginning not less than 30 days after the awards for assistance are announced in the **Federal Register**, and for not longer than 120 days, HUD will, upon receiving a written request from the applicant, provide a debriefing to the requesting applicant. Applicants requesting to be debriefed must send a written request to Michael Diggs, Director, Grants Management Center, Department of Housing and Urban Development, 501 School Street, SW, Suite 800, Washington, DC 20024.

(2) Applications from PHAs that fall into any of the following categories will not be processed:

(a) Applications that do not meet the fair housing and civil rights compliance threshold requirements of the **General Section** of the SuperNOFA.

(b) The PHA is designated as troubled by HUD under SEMAP, or has major program management findings in an Inspector General audit for its voucher or certificate programs that are unresolved. The only exception to this category is if the PHA has been identified under the policy established in Section III (B) of this announcement and the PHA makes application with a designated contract administrator. Major program management findings are those that would cast doubt on the capacity of the PHA to effectively administer any new housing choice voucher funding in accordance with applicable HUD regulatory and statutory requirements.

(c) The PHA has failed to achieve a lease-up or budget authority utilization rate of 97 percent for its combined certificate and voucher units under contract for its fiscal year ending on either September 30, 2000; December 31, 2000; March 31, 2001; or June 30, 2001. PHAs that have been determined by HUD to have passed either the 97 percent lease-up, or 97 percent budget authority utilization requirement for their fiscal year ending on either September 30, 2000; December 31, 2000; March 31, 2001; or June 30, 2001, will be listed with this funding announcement at the following HUD Web site: www.hud.gov/offices/adm/grants/fundsavail.cfm. A PHA not listed may submit monthly lease-up and budget authority utilization information (following the methodology of Appendix A of this announcement and using the format in Appendix B which also includes a blank version of the format) as part of its application supportive of its contention that it should have been included among those PHAs HUD listed on the HUD website as having achieved either a 97 percent lease-up rate or 97 percent budget authority utilization rate for fiscal years ending on either September 30, 2000; December 31, 2000; March 31, 2001; June 30, 2001; or subsequent full fiscal year not yet processed by HUD but certified by the applicant. Unless utilization information is submitted on the blank form in Appendix B, the application will otherwise be determined ineligible for funding under this announcement.

Note: The lease-up and budget authority utilization requirement shall not apply to applicants not currently administering a voucher program, or to new units associated

with funding increments obligated during the applicant's last fiscal year and units obligated for litigation. In addition, lease-up or budget authority utilization rates of 96.5 percent but less than 97 percent shall be rounded up to 97 percent.)

Moving To Work (MTW) agencies that are required to report under the Section 8 Management Assessment Program (SEMAP) shall be held to the 97 percent lease-up and budget authority utilization requirements referenced above. MTW agencies which are not required to report under SEMAP must submit a certification with their application certifying that they are not required to report under SEMAP, and that they meet the 97 percent lease-up or budget authority utilization requirements.

(d) The PHA is involved in litigation and HUD determines that the litigation may seriously impede the ability of the PHA to administer the vouchers.

(e) An application that does not comply with the requirements of 24 CFR 982.102 and this program section after the expiration of the 14-calendar day technical deficiency correction period will be rejected from processing.

(f) The application was submitted after the application due date.

(g) The application was not submitted to the official place of receipt as indicated in the paragraph entitled "Address for Submitting Applications" at the beginning of this announcement.

(h) The applicant has been debarred or otherwise disqualified from providing assistance under the program.

(i) The PHA did not have its PHA plans approved by HUD for the FY 2000 plan cycle on the application due date for this funding announcement.

VIII. Environmental Requirements

In accordance with 24 CFR 50.19(b)(11) and 58.35(b)(1) of the HUD regulations, tenant-based rental activities under this program are categorically excluded from the requirements of the National Environmental Policy Act of 1969 (NEPA) and are not subject to environmental review under the related laws and authorities. Activities under the homeownership option of this program are categorically excluded from NEPA requirements and excluded from other environmental requirements under 24 CFR 58.5 in accordance with 24 CFR 58.35(b)(5), but PHAs are responsible for the environmental requirements in 24 CFR 982.626(c).

IX. Authority

Authority for this program is found in the Departments of Veteran's Affairs and Housing and Urban Development, and

Independent Agencies Appropriations Act, FY 2002 (Pub. L. 107-73, approved November 26, 2001). This FY 2002 Appropriations Act authorized appropriations for housing choice vouchers to assist non-elderly disabled families affected by the designation of a public housing development under section 7 of the United States Housing Act of 1937, as amended. The FY 2002

Appropriations Act also allows the Secretary to transfer any unobligated funds for this purpose to assist non-elderly disabled families affected by the establishment of preferences in accordance with section 651 of the Housing and Community Development Act (HCDA) of 1992 or the restriction of occupancy to elderly families in accordance with section 658 of the

HCDA of 1992. Thereafter, the FY 2002 Appropriations Act allows for any funds still remaining unobligated to be used to fund applications for vouchers for non-elderly disabled families under the Mainstream Program in the SuperNOFA.

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APPENDIX A
METHODOLOGY FOR DETERMINING LEASE-UP AND BUDGET
AUTHORITY UTILIZATION PERCENTAGE RATES

Using data from the HUDCAPS system, HUD determined which PHAs met the 97% budget authority utilization or 97% lease-up criteria. The data used in the determination was based on PHA fiscal years ending September 30, 2000; December 31, 2000; March 31, 2001; or June 30, 2001. The budget authority utilization and lease-up rates were determined based upon the methodology indicated below.

Budget Authority Utilization

Percentage of budget authority utilization was determined by comparing the total contributions required to the annual budget authority (ABA) available for the PHA year ending September 30, 2000; December 31, 2000; March 31, 2001; or June 30, 2001, for the PHA's combined certificate and voucher program. Annual budget authority associated with new funding increments obligated during the last PHA fiscal year and annual budget authority for litigation were excluded.

Total contributions required were determined based on the combined actual costs approved by HUD on the form HUD-52681, Year End Settlement Statement. The components which make up the total contributions required are the total of housing assistance payments, ongoing administrative fees earned, hard to house fees earned, and IPA audit costs. From this total any interest earned on administrative fees is subtracted. The net amount is the total contributions required.

ABA is the prorated portion applicable to the PHA year for each funding increment which had an active contract term during all or a portion of the PHA year. ABA is adjusted for new funding increments obligated during the last PHA fiscal year and for litigation funding increments.

EXAMPLE:

PHA ABC

Fiscal year 10/1/99 through 9/30/00

HUD 52681 Approved Data:

HAP	\$2,150,000
Administrative Fee	\$ 215,000
Hard to House Fee	\$ 1,000

Audit	\$ 2,000
Total	\$2,368,000
Program receipts other than Annual Contributions	(\$2,500)

Total contributions required **\$2,365,500**

Calculation of Annual Budget Authority

<u>Increments</u>	<u>Contract Term</u>	<u>Total BA</u>	<u>ABA</u>
001	11/01/99 -10/31/00	\$1,300,000	\$1,191,667
002	01/01/00-12/31/00	\$1,200,000	\$ 900,000
003	04/01/00-03/31/01	\$ 950,000	\$ 475,000
004	07/01/00-06/30/01	\$1,500,000	\$ 375,000
Totals		\$4,950,000	\$2,941,667
ABA associated with litigation			(\$475,000)
Total ABA			(\$2,466,667)

Budget Authority Utilization

Total contributions required	\$2,365,500
divided by	
Annual budget authority	\$2,466,667
equals	
Budget Authority Utilization	95.9%

Lease-up Rate

The lease-up rate was determined by comparing the reserved units (funding increments active as of the end of the PHA year) to the unit months leased (divided by 12) reported on the combined HUD 52681, Year End Settlement Statement(s) for September 30, 2000; December 31, 2000; March 31, 2001; or June 30, 2001.

Units associated with new funding increments obligated during the last PHA fiscal year and units obligated for litigation were excluded from the reserved units.

EXAMPLE:

<u>Increments</u>	<u>Contract Term</u>	<u>Units</u>
001	11/01/99-10/31/00	242
002	01/01/00-12/31/00	224
003	04/01/00-03/31/01	178

004	07/01/00-06/30/01	280
Totals		924
Increment 003 litigation		(178)
Adjusted contract units	746	

Unit months leased reported by PHA	8,726
divided by 12	727
Units Leased	727

Lease-up Rate

Units leased	727
divided by adjusted contract units	746
equals	
Lease-up Rate	97.5%

APPENDIX B

Example

Main Street HA 12/31/01 Year End January 1, 2001 through December 31, 2001

ACC units applicable: 653 (Litigation and new units obligated during the fiscal year are excluded)

Month	Total HAP	UMLs	Admin Fee	HH Fee	Requirements	Cumulative Total	Annual Budget Authority (ABA)
January	\$291,874	623	\$29,119	\$0	\$320,993	\$320,993	\$295,650
February	\$211,945	620	\$30,058	\$1,125	\$243,128	\$564,121	\$295,650
March	\$234,521	618	\$29,961	\$450	\$264,932	\$829,053	\$295,650
April	\$226,489	620	\$30,058	\$750	\$257,297	\$1,086,350	\$295,650
May	\$240,414	616	\$29,864	\$675	\$270,953	\$1,357,303	\$295,650
June	\$245,600	614	\$29,767	\$825	\$276,192	\$1,633,495	\$295,650
July	\$251,300	615	\$29,815	\$675	\$281,790	\$1,915,285	\$309,103
August	\$265,304	611	\$29,621	\$900	\$295,825	\$2,211,110	\$309,103
September	\$285,504	610	\$29,573	\$375	\$315,452	\$2,526,562	\$309,103
October	\$298,503	612	\$29,670	\$525	\$328,698	\$2,855,260	\$309,103
November	\$325,008	628	\$30,445	\$300	\$355,753	\$3,211,013	\$309,103
December	\$355,006	640	\$31,027	\$225	\$386,258	\$3,597,271	\$309,105
Totals	\$3,231,468	7,427	\$358,978	\$6,825		\$3,597,271	\$3,628,520

Leaseup Rate: 94.78% (UMLs/ACC units)
 ABA Utilization 99.14% (Requirements/ABA)

Certification:

 Executive Director

 Section 8 Program Administrator

