

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

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**ASSISTED LIVING CONVERSION  
PROGRAM (ALCP) FOR ELIGIBLE  
MULTIFAMILY HOUSING PROJECTS**

Billing Code 4210-32-C



### Assisted Living Conversion Program (ALCP) for Eligible Multifamily Housing Projects Overview Information

A. *Federal Agency Name:* Department of Housing and Urban Development, Office of Housing Assistance and Grant Administration.

B. *Funding Opportunity Title:* The Assisted Living Conversion Program for Eligible Multifamily Projects.

C. *Announcement Type:* Initial announcement.

D. *Funding Opportunity Number:* The OMB Approval Number is: 2502-0542. The **Federal Register** number for this NOFA is: FR-4900-N-16.

E. *Catalog of Federal Domestic Assistance (CFDA) Number:* The Assisted Living Conversion Program for Eligible Multifamily Housing Projects is 14.314.

F. *Dates:* Application Deadline Date: The application is due to the appropriate HUD Multifamily Hub Office on July 22, 2004.

G. *Optional, Additional Overview Content Information:* The purpose of this program is to provide grants for the conversion of some or all of the dwelling units in an eligible project into assisted living facilities (ALFs) for frail elderly persons. Private nonprofit owners of eligible developments interested in applying for funding under this grant program should carefully review the General Section of the SuperNOFA and the detailed information listed in this program NOFA. Funding will only be provided for those items related to the conversion. There is no separate Application Kit for this NOFA.

The ALCP will fund those applications that may impact federal problem solving and policymaking and that are relevant to HUD's policy priorities and annual goals and objectives. (Refer to the General Section of the SuperNOFA for discussion of these priorities and annual goals and objectives).

#### Full Text of Announcement

#### I. Funding Opportunity Description

*Program Description.* Assisted living facilities (ALFs) are designed to accommodate frail elderly persons and people with disabilities who need certain support services (e.g., assistance with eating, bathing, grooming, dressing, and home management activities). ALFs must provide support services such as personal care, transportation, meals, housekeeping, and laundry. Frail elderly person means an individual 62 years of age or older who is unable to perform at least three activities of daily living (ADLs) as

defined by the regulations for HUD's Section 202 Program (Supportive Housing for the Elderly) at 24 CFR 891.205. Assisted living is defined in section 232(b)(6) of the National Housing Act (12 U.S.C. 1715w).

The ALCP provides funding for the physical costs of converting some or all of the units of an eligible multifamily development into an ALF, including unit configuration and related common and services space and any necessary remodeling, consistent with HUD or the state's statute/regulations (whichever is more stringent). Typical funding will cover basic physical conversion of existing project units, as well as related common and services space. There must be sufficient community space to accommodate a central kitchen or dining facility, lounges, recreation, and other multiple-areas available to all residents of the project, or office/staff spaces in the ALF. When food is prepared at an off-site location, the preparation area of the facility must be of sufficient size to allow for the installation of a full kitchen, if necessary. You must provide supportive services for the residents either directly or through a third party. Your application must include a firm commitment for the supportive services to be offered within the ALF as part of the application. You may charge assisted living residents for meals and/or service fees. Residents may contract with third party agencies directly for nursing, therapy, or other services not offered by the ALF.

The Assisted Living Conversion Program is authorized by Section 202(b) of the Housing Act of 1959 (12 U.S.C. 1701q-2) and the Consolidated Appropriations Act, 2004 (Pub. L. 108-199, approved January 23, 2004) (FY2004 Appropriations Act). The FY2004 Appropriations Act provides \$24,852,500 (which reflects a .59 percent across-the-board rescission pursuant to Public Law 108-199) for grants under Section 202b of the Housing Act of 1959 for the conversion of eligible projects to assisted living or related use and for emergency capital repairs. The Department has set-aside \$10 million for emergency capital repairs. The eligibility requirements for obtaining funding for emergency capital repairs will be described in a separate Notice. Any unused funds from the emergency capital repairs set-aside will be returned to the funds allocated for eligible multifamily assisted projects.

#### II. Award Information

##### A. Available Funds

This NOFA makes available approximately \$55.5 million including carryover funds. Approximately \$7,500,000 will be provided for the conversion of up to two unused or underutilized commercial properties to ALFs. The remaining \$47,980,500 will be fair shared and used for the physical conversion of eligible multifamily assisted housing projects or portions of projects to ALFs.

The allocation formula used to fair share the \$47,980,500 for the ALCP reflects demographic characteristics of age and incidence of frailty that would be expected for program participants. The FY2004 formula consists of one data element from the 2000 decennial census: The number of non-institutional elderly population aged 75 years or older with a disability. A fair share factor for each state was developed by taking the sum of the persons aged 75 or older with a disability within each state as a percentage of the sum of the same number of persons for the total United States. The resulting percentage for each state was then adjusted to reflect the relative difference in the cost of providing housing among the states. The total of the grant funds available was multiplied by the adjusted fair share percentage for each state, and the resulting funds for each state were totaled for each Hub.

The ALCP grant funds fair share allocations, based on the formula above, to the 18 multifamily Hubs are as shown on the following chart:

##### B. FY2004 Allocation

#### FY2004 ALLOCATION FOR THE ASSISTED LIVING CONVERSION PROGRAM (ALCP) OF ELIGIBLE ASSISTED MULTIFAMILY PROJECTS

| HUB                 | Grant authority |
|---------------------|-----------------|
| Boston .....        | \$2,907,396     |
| Buffalo .....       | 1,286,468       |
| New York .....      | 2,766,642       |
| Philadelphia .....  | 5,245,844       |
| Baltimore .....     | 1,958,343       |
| Greensboro .....    | 2,015,569       |
| Atlanta .....       | 3,514,056       |
| Jacksonville .....  | 4,149,827       |
| Chicago .....       | 3,664,614       |
| Columbus .....      | 2,057,739       |
| Detroit .....       | 1,681,452       |
| Minneapolis .....   | 1,748,837       |
| Fort Worth .....    | 3,673,859       |
| Kansas City .....   | 2,978,315       |
| Denver .....        | 1,063,086       |
| Los Angeles .....   | 2,813,804       |
| San Francisco ..... | 2,860,287       |

**FY2004 ALLOCATION FOR THE ASSISTED LIVING CONVERSION PROGRAM (ALCP) OF ELIGIBLE ASSISTED MULTIFAMILY PROJECTS—Continued**

| HUB           | Grant authority |
|---------------|-----------------|
| Seattle ..... | 1,594,360       |
| Total .....   | 47,980,500      |

The ALCP Grant Agreement, when fully executed, obligates and contracts the HUD funds. This Agreement establishes the legal relationship between HUD and the ALCP award recipient. The period of performance will be based on the scope of work.

### III. Eligibility Information

#### A. Eligible Applicants

Only private nonprofit owners of eligible multifamily assisted housing developments specified in section 683(2) (B), (C), (D), (E), and (F) of the Housing and Community Development Act of 1992 (Pub. L. 102-550, approved October 28, 1992) and private nonprofit owners of an unused or underutilized commercial property are eligible for funding.

1. *Ineligible Applicants.* Ineligible applicants are:

- a. Owners of developments designed specifically for people with disabilities.
- b. Owners of Section 232 developments.
- c. Property management companies and agents of property management companies.
- d. Limited dividend partnerships.
- e. Nonprofit Public Agencies.
- f. Owners of unused/underutilized hospitals or other health-related facility which are considered to be eleemosynary institutions rather than commercial enterprises.

2. *Eligible Developments.* Eligible projects must be owned by a private, nonprofit entity and designated primarily for occupancy by elderly persons. Projects must have been in occupancy for at least five years from the date the form HUD-92485, Permission to Occupy Project Mortgage, was approved by HUD's Construction Manager as Chief Architect, and have completed final closing. Additionally, eligible projects must meet one of the following criteria:

- a. Section 202 direct loan projects with or without Section 8 rental assistance,
- b. Section 202 capital advance projects receiving rental assistance under their Project Rental Assistance Contract (PRAC),

- c. Section 515 rural housing projects receiving Section 8 rental assistance,
- d. Other projects receiving Section 8 project-based rental assistance,
- e. Projects subsidized with Section 221(d)(3) below-market interest mortgage,
- f. Projects assisted under Section 236 of the National Housing Act.
- g. Unused and underutilized commercial properties owned by a private nonprofit.

#### B. Cost Sharing or Matching

No matching required.

#### C. Other

1. Eligible conversion activities are:
  - a. Retrofitting to meet Section 504 accessibility requirements, minimum property standards for accessibility and/or building codes and health and safety standards for ALFs in that jurisdiction. Examples are items such as addition of:
    - (1) Sprinkler systems;
    - (2) An elevator or upgrades thereto;
    - (3) Lighting upgrades;
    - (4) Major physical or mechanical systems of projects necessary to meet local code or assisted living requirements;
    - (5) Upgrading to accessible units for the ALF with moveable cabinetry, accessible appliances, sinks, bathroom and kitchen fixtures, closets, hardware and grab bars, widening of doors, etc.;
    - (6) Upgrades to safety and emergency alert systems;
    - (7) Addition of hallway railings; and
    - (8) Medication storage and work stations;
  - b. Retrofitting to add, modify and/or outfit common space, office or related space for ALF staff including a service coordinator and file security, and/or a central kitchen/dining facility to support the ALF function (e.g., outfit lounge/common space/dining furniture, kitchen equipment for cooking/serving and dishware).
  - c. Retrofitting to upgrade a regular unit to an accessible unit for a person/family with disabilities who is being displaced from an accessible unit in the portion of the project that is being converted to the ALF, where another accessible unit is not available.
  - d. Temporary relocation (not applicable to commercial property).
  - e. Consultant, architectural, and legal fees.
  - f. Vacancy payments not more than 30 days after conversion to an ALF.
  - g. Any excess Residual Receipts (over \$500/unit) and Reserve for Replacement funds (over \$1000/unit) in Project Accounts that are not approved for another use at the time of application to HUD under this NOFA are considered

available funds and must be applied toward the cost of conversion activities. Before making this determination, however, HUD staff will consider the extent of repair/replacement needs indicated in the most recent Real Estate Assessment Center (REAC) physical inspection and not yet approved and any ongoing commitments such as non-grant-based service coordinator or other funding, where existing, deduct the estimated costs of such items from the reserve for replacement and residual receipts balances to determine the extent of available residual receipts and reserve for replacement funds for the ALCP. (This paragraph is not applicable to commercial properties.)

#### 2. Threshold Requirements.

Applicants must meet the following requirements to receive funding for this program.

- a. Be an eligible applicant. HUD will only award funding to eligible applicants.
- b. Obtain a DUNS number. To receive ALCP funds, you must obtain a DUNS number. (Refer to Section III.C.2.b. of the General Section of the SuperNOFA for information regarding the DUNS requirement.)
- c. You must be in compliance with all fair housing and civil rights laws, statutes, regulations, and executive orders as enumerated in Section III.C. of the General Section of the SuperNOFA.
- d. You cannot request more funds than advertised in this NOFA.
- e. You must provide commitment and funding support letters from the appropriate funding organizations and the appropriate licensing agency(ies). HUD will reject your application if the commitment and support letter(s) from the appropriate funding organizations and the appropriate licensing agency(ies):
  - (1) Are not submitted with your application;
  - (2) Indicate that the ALF units, facilities, meals and supportive services to be provided are not designed to meet the special needs of the residents who will reside in the ALF as defined in this NOFA;
  - (3) Do not show commitment for funding the meals and supportive services proposed; or
  - (4) Indicate that the project as proposed will not meet the licensing requirements of the appropriate state/local agency(ies).
- f. You must comply with all applicable statutory requirements to the project specified in Section 202(b) and statutory requirements under Section 232(b)(6).
- g. Minimum Size Limits for an ALF. An ALF must be economically feasible.

Consistent with HUD Handbook 4600.1, CHG-1, the minimum size for an ALF is five units.

h. Conduct Business in Accordance with Core Values and Ethical Standards. ALCP applicants must develop and maintain a written code of conduct to receive an award. (Refer to Section III.C. of the General Section of the SuperNOFA for further information on this requirement.)

i. Name Check Review. Name checks are intended to reveal matters that reflect your management and financial integrity, or if any key individuals have been convicted or are presently facing criminal charges. HUD may deny funding based upon information obtained and verified through the Name Check Review. (Refer to Section III.C. of the General Section of the SuperNOFA for specific procedures regarding this requirement.)

j. False Statements. A false statement in this application is grounds for denial or termination of the ALCP award and grounds for possible punishment as provided in 18 U.S.C.1001.

### 3. Program Requirements.

a. Have a residual receipts account separate from the Reserve for Replacement account, or agree to establish this account as a condition for getting an award(s).

b. You must be in compliance with your Loan Agreement, Capital Advance Agreement, Regulatory Agreement, Housing Assistance Payment contract, Project Rental Assistance Contract, Rent Supplement or LMSA contract, or any other HUD grant or contract document. (Not applicable to applicants of unused and underutilized commercial property.)

c. You must file a form HUD-2530 for all construction contractors, architects, consultants, and service provider organizations under direct contract with you that will be engaged under this NOFA.

d. Your project must meet HUD's Uniform Physical Conditions Standards at 24 CFR part 5, subpart G. Meeting these standards as described, means that the project, based on the most recent REAC physical inspection report and responses thereto, must have a "satisfactory" rating as evidenced by a score of 60 or better or a HUD-approved and on schedule repair plan for developments scoring less than 60. Additionally, the project must have no uncorrected and outstanding Exigent Health and Safety violations. Finally, the project must not have on file a management review with a rating of "minimally satisfactory" or "unsatisfactory" with open and unresolved findings. (Not applicable to

applicants of unused or underutilized commercial property)

e. You must submit an agreement to pursue appropriate ALF licensing in a timely manner.

f. Meals and Supportive Services. You must develop and submit a Supportive Services Plan (SSP) for the services and coordination of the supportive services, which will be offered in the ALF to the appropriate state or local organization(s), which are expected to fund those supportive services. (See below in Section IV.B.8. for information, which must be in the SSP.) You must submit one copy of your SSP to each appropriate state or local service funding organizations well in advance of the application deadline, for appropriate review. The state or local funding organization(s) must return the SSP to you with appropriate comments and an indication of the funding commitment, which you will then include with the application you submit to HUD.

g. Licensing Requirements. You must ALSO submit the SSP to the appropriate organization(s), which license ALFs in your jurisdiction. The licensing agency(ies) must approve your plan, and must also certify that the ALF and the proposed supportive services identified in your SSP, are consistent with local statute and regulations and well designed to serve the needs of the frail elderly and people with disabilities who will reside in the ALF portion of your project.

h. Your ALF facility must be licensed and regulated by the state (or if there is no state law providing such licensing and regulation, by the municipality or other subdivision in which the facility is located). Each assisted living unit must include its own kitchen, bathroom, bedroom, living/dining area (1 bedroom unit) or kitchen, bathroom, bedroom/living/dining area (efficiency unit) and must meet the state and/or local licensing, building, zoning, and other requirements for an ALF.

i. Your ALF must be available to qualified elderly persons and persons with disabilities, consistent with the rules and payment plans of the state, who need and want the supportive services in order to remain independent and avoid premature institutionalization.

j. Your ALF's residents must be tenants or residents of the multifamily project and must comply with the requirements applicable to the project. Thus, you cannot charge additional rent over what is charged to residents in the non-ALF portion of the project. All admissions to the ALF must be through the applicable project admissions office.

However, persons accepted into the ALF also must sign an ALF admissions agreement, which shall be an addendum to the applicable project lease. (Not applicable to applicants of unused or underutilized commercial property.)

k. At a minimum, your ALF must provide room, board, and continuous protective oversight (CPO). CPO involves a range of activities and services that may include such things as awareness by management and staff of the occupant's condition and location as well as an ability to intervene in a crisis for dependent and relatively independent occupants on a 24-hour basis. The two occupant groups in an ALF are:

(1) *Independent Occupants:* Awareness by management and staff of the occupant's condition and whereabouts as well as the availability of assistance for the occupants as needed.

(2) *Dependent occupants:* Supervision of nutrition, assistance with medication and continuous responsibility for the occupants' welfare.

l. Anyone moving into an ALF unit must agree to accept as a condition of occupancy the board and services required for the purpose of complying with state and local law and regulation. m. Your ALF must provide three meals per day to each resident.

(1) Residents whose apartments have kitchens must take at least the number of meals a day provided by the facility, per their mandatory meals requirement, or as required by state or local rules, if more stringent. If the facility does not have a mandatory meals plan, then state and local rules govern.

(2) Residents in projects which were originally constructed without kitchens in their units must take such meals as required by their mandatory meals agreement, or by the state's mandated requirements if more stringent (e.g., two meals, two snacks daily).

In either case, ALF management must coordinate meal requirements with the needs of residents who are out part of the day (e.g., in day care). The meal program may not be operated at a profit by the project owner.

n. Priority admissions for ALF units are as follows: (Not applicable to applicants of unused or underutilized commercial structures.)

(1) Current residents desiring an ALF unit and meeting the program requirements (no resident can be required to accept an ALF unit).

(2) Qualified individuals or families needing ALF services who are already on the project's waiting list;

(3) Qualified individuals or families in the community needing ALF services

wanting to be added to the project's waiting list.

(4) Qualified disabled non-elderly persons needing assisted living services are eligible to occupy these units on the same basis as elderly persons, except for section 202 project rental assistance contracts (PRAC) projects and unused/underutilized commercial properties.

o. The management of the project must set up a separate waiting list for ALF units. ALF units must be for eligible residents who meet the admissions/discharge requirements as established for assisted living by state and local licensing, or HUD frailty requirements under 24 CFR 891.205 if more stringent.

p. Upon receipt of a grant under this program, all project owners participating in the ALCP must provide a Declaration of Restrictive Covenants (DRC), which will be recorded with the land, to retain the low income character of the housing, and to maintain the project (including the ALF), as a moderate-, low-, or very low-income facility (as appropriate) for at least 20 years beyond the current 40-to-50-year term of the mortgage loan or capital advance. Recipients of grant funds to convert unused or underutilized commercial property must provide a DRC for at least 20 years or for the term of the mortgage on the property whichever is longer.

q. The ALCP requires service coordination for linking the ALF to available services in the community for low-income persons. All projects funded under this NOFA must have sufficient service coordination in place, or request additional funds, if appropriate, to ensure that services meeting licensing requirements are available to ALF residents on an ongoing basis. Service coordination must be described in the application (see Section IV.B.8.b. and c. of this NOFA). If you need to enhance an existing service coordination program or add one where it does not exist, you may apply for funding through the Service Coordinator NOFA, published elsewhere in this SuperNOFA, and attach a copy of the form SF-424 indicating the request to the ALCP application. Alternatively, you may show evidence that funding for the enhanced service coordination is provided by other sources and indicate such funding on the form SF-424 which is exhibit 10(a) of your ALF application. If you are funded under this NOFA and requested new or enhanced service coordination you will be funded first under the service coordinator NOFA.

(1) The ALF must be staffed either directly or through coordination with

local agencies, depending on state regulations or local requirements. These may also serve non-ALF residents of the project on a time available and appropriate fee basis.

(2) If you are a Section 202 PRAC project owner or an owner with unused or underutilized commercial properties, you are NOT eligible to request funding under the service coordinator NOFA. Section 202 PRAC owners can pay for the service coordinator out of PRAC funds.

(3) The ALF may cater to the special needs of residents depending on their condition or diagnosis, such as Alzheimer's disease. If it does so, the design/environment of such facilities must accommodate those needs, e.g., dementia special care unit. However, the ALF CANNOT provide a service it is not licensed by the state or locality to provide.

(4) Owners of Section 202/PRAC projects are reminded that they may include a PRAC payment of up to \$15/unit/month not to exceed 15 percent of the total program cost, consistent with 24 CFR 891.225(b)(2) to cover part of the cost of meals and/or supportive services for frail elderly residents, including residents of the ALF.

(5) Training for ALF staff is an eligible project cost under existing operating procedures. For further information on ALFs, please refer to Handbook 4600.1, CHG-1, "Mortgage Insurance for Residential Care Facilities," Chapter 13. This Handbook and recent ALF program Notices are accessible through HUDCLIPS on HUD's Web site. The URL for the HUDCLIPS Database Selection Screen is <http://www.hudclips.org/cgi/index.cgi>. These notices are in the Handbooks and Notices—Housing Notices database. Enter only the number without the letter prefix (e.g., 99-16) in the "Document number" to retrieve the program notice.

For further guidance on service coordinators, please refer to Handbook 4381.5 REV-2, CHANGE-2, Chapter 8, "The Management Agent's Handbook," which is also available through the HUDCLIPS database.

r. Your ALF's operation must be part of the project owner's management organization. Some or all of its functions may be contracted out. The ALF must predicate its budget on a two-tiered structure under which board and supportive service income and expenses must be maintained separately and independently from the regular income and expenses of the applicable project. The two components of ALF costs are:

(1) Charges/payment for board, which may be on a sliding scale or any other equitable fee system; and

(2) Charges/payment for necessary supportive services, which may include a combination of resident fees, Medicaid and/or other third party payments.

s. Prohibition Against Lobbying Activities. The Byrd Amendment prohibits ALCP recipients of federal contracts, grants, or loans from using appropriated funds for lobbying activities. (Refer to Section III.C. of the General Section of the SuperNOFA for further instructions regarding this requirement.)

4. Additional Non-discrimination and Other Requirements. Comply with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act, the Age Discrimination Act of 1975, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 CFR part 135, the affirmative fair housing marketing requirements of 24 CFR part 200, subpart M, and the implementing regulations at 24 CFR part 108, which requires that the project be marketed to those least likely to apply including those who are not generally served by the agency administering the program, and other applicable federal, state, and local laws prohibiting discrimination and promoting equal opportunity including affirmatively furthering fair housing, and other certifications listed in the application. (Refer to Section III.C.4. of the General Section of the SuperNOFA for additional requirements and information.)

a. Comply with section 232 of the National Housing Act, as applicable; the Uniform Federal Accessibility Standards (24 CFR 40.7); section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8; and the Americans with Disabilities Act of 1990 for all portions of the development physically affected by this proposal.

b. Comply with the Davis-Bacon requirements and the Contract Work Hours and Safety Standards Act as applied to this program. While it has been determined that Davis-Bacon does not apply statutorily to the ALCP, the Department has administratively determined that Davis-Bacon standards and overtime rates in accordance with the Contract Work Hours and Safety Standards Act will be adhered to in any ALCP conversion grant in which the total cost of the physical conversion to an ALF (and including any additional renovation work undertaken at the same time) is \$500,000 or more (this includes ALCP grant funds, owner funds, or any third party funds loaned or granted in support of the conversion or other renovation for the project associated with this grant), AND in which the ALF

portion of the project is 12 units or more.

c. Ensuring the Participation of Small Business, Small Disadvantaged Businesses, and Woman-Owned Businesses. HUD is committed to ensuring that small businesses, small disadvantage businesses, and woman-owned businesses participate fully in HUD's direct contracting and in contracting opportunities generated by HUD's financial assistance. (Refer to Section III.C.4.c. of the General Section of the SuperNOFA for further instructions regarding this requirement.)

d. Executive Order 13166, Improving Access to Persons with Limited English Proficiency (LEP). ALCP applicants must seek to improve access to persons with limited English proficiency by providing materials and information in languages other than English.

e. Executive Order 13279, Equal Protection of the Laws for Faith-Based and Community Organizations. HUD has undertaken a review of all policies and regulations that have implications for faith-based and community organizations, and has established a policy priority to provide full and equal access to grassroots faith-based and other community-based organizations. (Refer to Section III.C.4.g. of the General Section of the SuperNOFA for specific instructions regarding this requirement.)

f. Accessible Technology. The Rehabilitation Act Amendments of 1998 apply to all electronic information technology (EIT) used by an ALCP recipient for transmitting, receiving, using, or storing information to carry out the responsibilities of the ALCP awards. (Refer to Section III.C.4.h. of the General Section of the SuperNOFA for specific instructions regarding this requirement.)

g. Participation in HUD-Sponsored Program Evaluation. As a condition of the receipt of ALCP funds, successful applicants are required to cooperate with all HUD staff or contractors performing HUD-funded research and evaluation studies.

h. Comply with Executive Order 13202, Preservation of Open Competition and government Neutrality toward Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects. (Refer to Section III.C.4.k. of the General Section of the SuperNOFA for additional information on this requirement.)

i. OMB Circulars and Government-wide Regulations Applicable to Financial Assistance. ALCP applicants are subject to the Administrative Requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; OMB

Circular A-122, Cost Principles for Non-Profit Institutions; the administrative requirements of 24 CFR Part 84; and the procurement requirements of 24 CFR 84.44. (Refer to the General Section of the SuperNOFA for additional information on this requirement).

j. Environmental Requirements. All ALCP projects must conform to the 500-year flood plain limitation. Your ALCP application is subject to the National Environmental Policy Act of 1969 and applicable related federal environmental authorities. (See 24 CFR part 50, as applicable.) An environmental review will be completed by HUD before awarding any grant under this program. Pursuant to 24 CFR part 55, ALCP projects are critical actions for purposes of flood plain management review.

**Note:** If your eligibility status changes during the course of the grant term, making you ineligible to receive the grant (e.g., prepayment of mortgage, sale/TPA of property, or opting out of a Section 8 Housing Assistance Payment (HAP) contract), HUD retains the right to terminate the grant and recover funds made available through this NOFA.

#### IV. Application and Submission Information

A. *Addresses to Request Application Package.* All information for requesting an application is included in this NOFA and Section IV. A. of the General Section of the SuperNOFA. You may obtain an ALCP application by calling the NOFA Information Center at (voice) 800-HUD-8929 (800-483-8929). Persons with a hearing or speech impairment may call the Center's TTY number at 800-HUD-2209. Please be sure to provide your name, address (including zip code), and telephone number (including area code). The application is also available on the Internet through the Web site at <http://www.hud.gov/grants/index.cfm>.

1. Application Kits. There is no application kit for the ALCP. All the information you need to apply for this program is available in this NOFA and available on <http://www.hud.gov/grants/index.cfm>. (Refer to Section IV. A. 1. of the General Section of the SuperNOFA for further information.)

2. For Technical Assistance. Before the ALCP application due date, HUD staff will be available to provide you with general guidance and technical assistance. However, HUD staff is not permitted to assist in preparing your application.

B. *Content and Form of Application Submission.* There are ten required exhibits under the ALCP, including prescribed forms and certifications. In cases where your articles of

incorporation and by-laws have NOT changed since the project was originally approved by HUD, self-certification to that effect—that the documents on file with HUD are current—is sufficient. Exhibits for which self-certification of currency is possible are denoted below by double asterisks (\*\*).

In addition to the relief of paperwork burden, you will not have to submit certain new/recent information and exhibits you have previously prepared. See individual item descriptions, below to identify such items. An example of such an item may be the FY2003 Annual Financial Statement. Your application must include all of the information, materials, forms, and exhibits listed below:

1. Application Summary for the Assisted Living Conversion Program, Form HUD-92045, and Evidence that you are a private nonprofit organization or nonprofit consumer cooperative and have the legal ability to operate an ALF program, per the following:

a. Articles of Incorporation, constitution, or other organizational documents, or self-certification of these documents if there has been no change in the Articles since they were originally filed with HUD\*\* and

b. By-laws, or self-certification of by-laws, if there has been no change in the by-laws since they were originally filed with HUD\*\*

2. A description of your community support:

a. A description of your links to the community at large and to the minority and elderly communities in particular; and

b. A description of your efforts to involve elderly persons, including minority elderly persons and persons with disabilities in:

(1) The development of the application;

(2) The development of the ALF operating philosophy;

(3) Review of the application prior to submission to HUD; and

(4) Your intent whether or not to involve eligible ALF residents in the operation of the project.

Also, make applications and other materials available in languages other than English that are common in the community, if speakers of these languages are found in significant numbers and come into frequent contact with the program. For further guidance on serving persons with Limited English Proficiency (LEP) in HUD assisted programs, see the recently published HUD LEP Guidance at 68 FR 70968 or Section III of the General Section of the SuperNOFA.

c. A description of your involvement in your community's Consolidated Planning and Analysis of Impediments to Fair Housing (AI) processes including:

- (1) An identification of the lead/facilitating agency(ies) that organizes and/or administers the process;
- (2) A listing of the Consolidated Plan/AI issue areas in which you participate; and
- (3) The level of your participation in the process, including active involvement with any neighborhood-based organizations, associations, or any committees that support programs and activities that enhance projects or the lives of residents of the projects, such as the one proposed in your application.

If you are not currently active, describe the specific steps you will take to become active in the Consolidated Planning and AI processes. (Consult the local HUD office for the identification of the Consolidated Plan community process for the appropriate area.)

d. A description of how the assisted living facility will implement practical solutions that will result in assisting residents in achieving independent living and improved living environment. The description should include a discussion of performance goals with performance indicators (refer to Section V.B.1. of the General Section of the SuperNOFA for further detail).

3. Evidence of your project being occupied for at least five years prior to the date of application to HUD. (Not applicable to applicants of unused or underutilized commercial property.)

4. A market analysis of the need for the proposed ALF units, including information from both the project and the housing market, containing:

a. Evidence of need for the ALF by current project residents: (Not applicable to applicants of unused or underutilized commercial property.)

(1) A description of the demographic characteristics of the elderly residents currently living in the project, including the current number of residents, distribution of residents by age, race, and sex, an estimate of the number of residents with frailties/limitations in activities of daily living, and an estimate of the number of residents in need of assisted living services. (Not applicable to applicants of unused or underutilized commercial property.)

(2) A description of the services currently available to the residents and/or provided on or off-site and what services are lacking; (Not applicable to applicants of unused or underutilized commercial property.)

b. Evidence of the need for ALF units by very low-income elderly and

disabled households in the market area; a description of the trend in elderly and disabled population and household change; data on the demographic characteristics of the very low-income elderly in need of assisted living services (age, race, sex, household size, and tenure) and extent of residents with frailty/limitations in existing federally assisted housing for the elderly (HUD and Rural Housing Service); and an estimate of the very low-income elderly and disabled in need of assisted living taking into consideration any available state or local data.

c. A description of the extent, types, and availability and cost of alternate care and services locally, such as home health care; adult day care; housekeeping services; meals programs; visiting nurses; on-call transportation services; health care; and providers of supportive services who address the needs of the local low income population.

d. A description of how information in the community's Analysis of Impediments to Fair Housing Choice was used in documenting the need for the ALF (covering items in Section IV.B.4.2.c. above).

5. A description of the physical construction aspects of the ALF conversion, including the following:

a. How you propose to carry out the physical conversion (including a timetable and relocation planning).

b. A short narrative stating the number of units, special design features, community and office space/storage, dining and kitchen facility and staff space, and the physical relationship to the rest of the project. Also, you must describe how this design will facilitate the delivery of services in an economical fashion in the most integrated setting appropriate to the needs of the participating residents with disabilities and accommodate the changing needs of the residents over at least the next 10 years.

c. A copy of the original plans for all units and other areas of the development, which will be included in the conversion. (If you are applying to convert an unused or underutilized commercial facility to assisted living, provide a copy of the original plans of the facility as well as a copy of the plans of the facility as most recently operated, if different).

d. A description of the conversion must clearly address how the units will conform to the accessibility requirements described in the Uniform Federal Accessibility Standards (UFAS). (For example, all door openings must have a minimum clear opening of 32 inches; and, all bathrooms and kitchens

must be accessible to and functional for persons in wheelchairs.)

e. Architectural sketches of the conversion to a scale of 1/4 inch to one foot that indicate the following:

- (1) All doors being widened;
- (2) Typical kitchen and bathroom reconfiguration: show all wheelchair clearances, wall reinforcing, grab bars, and elevations of counters and work surfaces;
- (3) Bedroom/living/dining area modification, if needed;
- (4) Any reconfigured common space;
- (5) Added/reconfigured office and storage space;
- (6) Monitoring stations, and
- (7) The kitchen and dining facility.

All architectural modifications must meet section 504 and ADA requirements as appropriate.

f. A budget showing estimated costs for materials, supplies, fixtures, and labor for each of the items listed in Section IV.B.5.e, items (1) through (7), above.

g. Include firm financial commitment letters with specific dollar amounts from appropriate organization(s) for conversion needs (within the scope of the ALF conversion NOFA) which will be supported by non-HUD funding.

h. A description of any relocation of current tenants including a statement that: (Not applicable to applicants of unused or underutilized commercial property.)

- (1) Indicates the estimated cost of temporary relocation payments and other related services;
- (2) Identifies the staff organization that will carry out the relocation activities; and
- (3) Identifies all tenants that will have to be temporarily moved to another unit within the development OR from the development during the period that the physical conversion of the project is under way.

**Note:** If any of the relocation costs will be funded from sources other than the ALCP grant, you must provide evidence of a firm financial commitment of these funds. when evaluating applications, HUD will consider the total cost of proposals (*i.e.*, cost of conversion, temporary relocation, service coordinator, and other project costs).

6. A description of any retrofit or renovation that will be done at the project (with third party funds) that is separate and distinct from the ALF conversion. With such description, attach firm commitment letters from third party organizations in specific dollar amounts that will cover the cost of any work outside the scope of this NOFA.

7. A letter from the local zoning official indicating evidence of

permissive zoning. Also, showing that the modifications to include the ALF into the project as proposed are permissible under applicable zoning ordinances or regulations.

8. A supportive services plan (SSP), a copy of which must be submitted to the appropriate state and/or local agency as instructed in Section III.C.2.f. above in this NOFA. For those applicants needing to contact state Medicaid offices, a list is provided on the Internet at <http://www.cms.hhs.gov/medicaid>. The SSP must include:

a. A description of the supportive services needed for the frail elderly the ALF is expected to serve. This must include at least (1) meals and such other supportive services required locally or by the state, and (2) such optional services or care to be offered on an "as needed" basis.

Examples of both mandatory and optional services (which will vary from state to state) are: Two meals and two snacks or three meals daily; 24-hour protective oversight; personal care; housekeeping services; personal counseling, and transportation.

b. A description of how you will provide the supportive services to those who are frail and have disabilities (*i.e.*, on or off-site or combination of on or off-site), including an explanation of how the service coordination role will facilitate the adequate provision of such services to ALF residents, and how the services will meet the identified needs of the residents. Also indicate how you intend to fund the service coordinator role.

c. A description of how the operation of your ALF will work. Address: (1) General operating procedures; (2) ALF philosophy and how it will promote the autonomy and independence of the frail elderly and persons with disabilities; (3) what will the service coordination function do and the extent to which this function already exists, or will be augmented or new; (4) ALF staff training plans; and (5) the degree to which and how the ALF will relate to the day-to-day operations of the rest of the project.

d. The monthly individual rate for board and supportive services for the ALF listing the total fee and components of the total fee for the items required by state or local licensing, and list the appropriate rate for any optional services you plan to offer to the ALF residents. Provide an estimate of the total annual costs of the required board and supportive services you expect to provide and an estimate of the amount of optional services you expect to provide.

e. List who will pay for the board and supportive services (*e.g.*, \$\_\_\_\_\_ for

meals by sponsor; \$\_\_\_\_\_ for housekeeping services by city government; \$\_\_\_\_\_ for personal care by State Department of Health; \$\_\_\_\_\_ for \_\_\_\_\_ by state \_\_\_\_\_ program; \$\_\_\_\_\_ in fees by tenants; and, \$\_\_\_\_\_ by \_\_\_\_\_).

The amounts and commitments from both tenants and/or providers must equal the estimated amounts necessary to cover the monthly rates for the number of people expected to be served. If you include tenant fees in the proposal, list and show any proposed scaling mechanism. All amounts committed/collected must equal the annualized cost of the monthly rates calculated by the expected percentage of units filled.

f. A support/commitment letter from EACH listed proposed funding source per paragraph e. above, for the planned meals and supportive services listed in the application. The letter must cover the total planned annual commitment (and multiyear amount total, if different), length of time for the commitment, and the amounts payable for each service covered by the provider/paying organization. There must be a letter from EACH participating organization listed in paragraph e, above.

g. A support letter from EACH governmental agency that provides licensing for ALFs in that jurisdiction.

h. A description of your relevant experience in arranging for and/or delivering supportive services to frail residents. (If you are applying to convert an unused or underutilized commercial facility to assisted living, provide information on your relevant experience in arranging for and/or delivering supportive services to frail elderly persons). The description should include any supportive services facilities owned/operated; your past or current involvement in any project-based programs that demonstrates your management capabilities. The description should include data on the facilities and specific meals and/or supportive services provided on a regular basis, the racial/ethnic composition of the populations served, if available, and information and testimonials from residents or community leaders on the quality of the services.

**Note:** If a funds request for service coordination for the ALF and/or the whole project is included as part of this application, the Form SF-424, indicating the dollars requested must be attached as Exhibit 10(a). Do NOT attach the whole service coordinator application.

9. A description of your project's resources: (Items (9)(a)-(b) are not

applicable to applicants of unused or underutilized commercial property.)

a. A copy of the most recent project Reserve and Replacement account statement, and a Reserve for Replacement analysis showing plans for its use over the next five years, and any approvals received from the HUD field office to date.

b. A copy of the most recent Residual Receipts Account statement. Indicate any approvals for the use of such receipts from the field office for over \$500/unit.

c. Annual Financial Statement (AFS). If your FY2004 AFS was due to REAC more than 120 days BEFORE the due date for this application, in the interest of reducing work burden, only include the date that it was sent to REAC. If the AFS was due to REAC 120 days or less from the due date of this application, you MUST include a paper copy of your AFS. For commercial properties, submit the most recent financial statement or annual report.

10. *Forms and Certifications.* The following exhibits, forms, certifications, and assurances are required:

a. *Form SF-424, Application for Federal Assistance\**, and compliance with Executive Order 12372 (a certification that you have submitted a copy of your application, if required, to the state agency (Single Point of Contact) for state review in accordance with Executive Order 12372 (refer to the General Section of the SuperNOFA for instructions in submitting this form).

b. SF-424 Supplement, Survey for Ensuring Equal Opportunity for Applicants\* (optional)

c. *Form HUD-424B, Applicant Assurances and Certifications\**

d. *Form HUD-2880, Applicant/Recipient Disclosure/Update Report\**, including Social Security and Employment Identification numbers. A disclosure of assistance from other government sources received in connection with the project.

e. *Form HUD-2991, Certification of Consistency with the Consolidated Plan\** for the jurisdiction in which the proposed ALF will be located. The certification must be made by the unit of general local government if it is required to have, or has, a complete Plan. Otherwise, the certification may be made by the state, or by the unit of general local government if the project will be located within the jurisdiction of the unit of general local government authorized to use an abbreviated strategy, and if it is willing to prepare such a Plan.

All certifications must be made by the public official responsible for submitting the plan to HUD. The

certifications must be submitted as part of the application by the application submission deadline date set forth herein. The Plan regulations are published in 24 CFR part 91.

f. *Form HUD-2530, Previous Participation Certification.* This form will provide HUD with a report of all your previous participation in HUD multifamily projects. This is in addition to the "Name Check Review" process. Refer to the General Section of the SuperNOFA for information on this requirement under "Name Check Review".

g. *Standard Form-LLL, Disclosure of Lobbying Activities\**.

h. *Form HUD-96010, Program Outcome Logic Model\**.

i. *Form HUD-27300, Removal of Regulatory Barriers\**

\*Copies of these forms may be found in Appendix 1 of the General Section of the SuperNOFA.

#### C. Submission Date and Time

1. **Application Due Date.** Your completed application (one original and four copies) is due to the appropriate local HUD Multifamily Hub on July 22, 2004. (Refer to Section IV.F. of the General Section of the SuperNOFA for further instructions on the delivery and receipt of applications.)

#### D. Intergovernmental Review

1. **Executive Order 12372.** ALCP applicants are subject to the Executive Order 12372 process. Standard Form 424, Application for Federal Assistance, includes compliance with Executive Order 12372 (a certification that you have submitted a copy of your application, if required, to the state agency (Single Point of Contact) for state review. (Also, refer to Section IV.D. of the General Section of the SuperNOFA for instructions on the intergovernmental review process.)

2. You must submit a Supportive Services Plan (SSP) for the services and coordination of the supportive services that will be offered in the assisted living facility (ALF) to the appropriate state or local organization(s) which are expected to fund those supportive services. You must submit one copy of your SSP to each appropriate state or local service funding organizations well in advance of the application deadline, for appropriate review. The state or local funding organization(s) must return the SSP to you with appropriate comments and an indication of the funding commitment, which you will then include with the application you submit to HUD.

You must also submit the SSP to the appropriate organization(s) that license

ALFs in your jurisdiction. The licensing agency(ies) must approve your plan, and must also certify that the ALF and the proposed supportive services identified in your SSP, are consistent with local statute and regulations and well designed to serve the needs of the frail elderly and people with disabilities who will reside in the ALF portion of your project.

#### E. Funding Restrictions

1. Costs of meals and supportive services are NOT covered by this HUD grant. These items must be paid for through other sources (e.g., a mix of resident fees and/or third party providers). Evidence of third party commitment(s) must be included as part of the application. The assisted living supportive services program must promote independence and provide personal care assistance based on individual needs in a home-like environment. In accordance with Section 504 of the Rehabilitation Act of 1973 and HUD's regulations at 24 CFR 8.4(d), the project must deliver services in the most integrated setting appropriate to the needs of qualified individuals with disabilities.

2. This program does not allow permanent displacement of any resident living in the project at the time the application was submitted to HUD. (HUD will only provide temporary relocation costs for current tenants if they must vacate their unit while conversion work is underway (normal temporary relocation costs include increases in rent, reconnection of telephones, moving costs, and appropriate out-of-pocket expenses). (Not applicable to applicants of commercial property.)

3. **Ineligible Activities.** You may not use funds available through this NOFA to:

a. Add additional dwelling units to the existing project (not applicable to applicants of commercial property);

b. Pay the costs of any of the necessary direct supportive services needed to operate the ALF;

c. Purchase or lease additional land;

d. Rehabilitate (see definition at 24 CFR 891.105) the project for needs unrelated directly to the conversion of units and common space for assisted living.

e. Use the ALCP to reduce the number of accessible units in the project that are not part of the ALF (not applicable to applicants of commercial property);

f. Permanently displace any resident out of the project (permanent relocation is prohibited under this program)

g. Increase the management fee.

h. Cover the cost of activities not directly related to the conversion of the units and common space. (i.e., if an applicant is applying to convert 24 units on 2 floors of a 5-story elderly housing development and the inspection by the Fire Marshal reveals that sprinklers must be installed in the entire building, ALCP funds will be used only to install sprinklers for the 24 units on the 2 floors requested in the application. The cost to install sprinklers in the remaining units must be paid for out of other resources.)

#### F. Other Submission Requirements:

1. **Mailing and Receipt Procedures.** HUD has implemented new procedures that impact application submission procedures. Refer to Section IV.F.1. of the General Section of the SuperNOFA for specific procedures for the mailing of applications.

2. **Proof of Timely Submission.** ALCP applicants must be able to provide proof of timely submission of their application. (Refer to the General Section of the SuperNOFA for specific procedures regarding proof of timely submission of applications.)

3. **Addresses for submitting applications.** The official place for receipt of your application is only in the appropriate HUD Multifamily Hub office. Submit an original and four copies of the ALCP application to the Director of the appropriate HUD Multifamily Hub office with jurisdiction over your development. (Refer to Appendix 1 of this NOFA for a list of HUD Multifamily Hub offices. For your use in determining the appropriate HUD Multifamily Hub office to which you must submit your application, HUD Program Centers are under each Hub.) Note: Do not use the list of addresses in the General Section for the mailing of ALCP applications.

#### V. Application Review Information

A. **Criteria.** HUD will rate ALCP applications that successfully complete technical processing using the Rating Factors set forth below and in accordance with the application submission requirements identified in Section IV.B. above. The maximum number of points an application may receive under this program is 100.

HUD wants to make its programs more effective, efficient, and accessible by expanding opportunities for grassroots organizations to participate in developing solutions for their own neighborhood. The Department encourages applicants to partner, fund, or sub-contract with grassroots organizations, including faith-based and other community-based organizations in

conducting their work programs. (Refer to the General Section of the SuperNOFA for the definition of "grassroots organizations").

**1. Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (20 Points)**

This factor addresses your capacity to carry out the conversion in a timely, cost-conscious and effective manner. It also addresses your experience with the supportive services the ALF intends to provide to elderly residents, especially in such areas as meals, 24-hour staffing and on-site health care. Submit information responding to this factor in accordance with Application Submission Requirements in Sections IV.B.5.a. and b. and 8.a. through c. and h. of this NOFA.

In rating this factor, HUD will consider the extent to which your application demonstrates your ability to carry out a successful conversion of the project and to implement the plan to deliver the supportive services on a long term basis, considering the following:

a. (9 points). The time frame planned for carrying out the physical conversion of the development to the ALF.

b. (10 points). Your past experience in providing or arranging for supportive services either on or off site for those who are frail. (If you are applying to convert an unused or underutilized commercial facility to assisted living and you do not own or operate a project with frail elderly residents, you must provide information on any past experience in providing or arranging supportive services for those who are frail.) Examples are: Meals delivered to apartment of resident or in a congregate setting (2 points), arranging for or providing personal care (3 points), providing 24-hour staffing (1 point), providing or making available on-site preventive health care (2 points) and other support services (2 points).

c. (1 point). The Department will provide 1 point to those applicants who currently or propose to partner, fund, or subcontract with grassroots organizations. HUD will consider an organization a "grassroots organization" if the organization is headquartered in the local community and has a social services budget of \$300,000 or less; or has six or fewer full-time equivalent employees. (Refer to the General Section of the SuperNOFA for further information on grassroots organizations.)

**2. Rating Factor 2: Need/Extent of the Problem (20 Points)**

This factor addresses the extent to which the conversion is needed by the

categories of elderly persons and persons with disabilities that the ALF is intended to serve (very low-income elderly persons and persons with disabilities who have limitations in three or more activities of daily living). The application must include evidence of current needs among project residents (not applicable to applicants proposing to convert unused or underutilized commercial facilities) and needs of potential residents in the housing market area for such persons including economic and demographic information on very low-income, frail, elderly, and persons with disabilities and information on current assisted living resources in the market area.

The factor also addresses your inability to fund the repairs or conversion activities from existing financial resources. In making this determination, HUD will consider project financial information or the organization's financial information for unused or underutilized commercial facilities. Submit information responding to this factor in accordance with Application Submission Requirements in Section IV.B.4. a. through d., 2.c. and 9. a. through c. of the NOFA. In evaluating this factor, HUD will consider:

a. (7 points). The need for assisted living among the elderly and disable residents of the project taking into consideration those currently in need and the depth of future needs given aging in place. (Not applicable to applications to convert unused or underutilized commercial facilities to assisted living.)

b. (3 points (10 points for applications to convert unused or underutilized commercial facilities to assisted living.)). The need for assisted living among very low-income elderly persons and persons with disabilities in the housing market area.

c. (9 points). Insufficient funding for any needed conversion work, as evidenced by the project's financial statements and specifically the lack of excess Reserve for Replacement dollars and residual receipts. If the available Reserve for Replacement and residual receipts are less than 10 percent of the total funds needed = 9 points; if the available Reserve for Replacement and residual receipts are 10–50 percent of need = 5 points; and, if the available Reserve for Replacement and residual receipts are 51 percent or more of the total funds needed = 0 points). For commercial properties, if the available working capital is 10 percent or more of the total conversion = 5 points; if the working capital is less than 10 percent of the total conversion = 9 points.

d. (1 point). The Department will provide one point to those applications which establish a connection between the proposed ALF and the community's Analysis of Impediments to Fair Housing Choice (AI) or other planning document that analyzes fair housing issues and is prepared by a local planning or similar organization.

**3. Rating Factor 3: Soundness of Approach (40 Points)**

This factor addresses the quality and effectiveness of your proposal in addressing the proposed conversion, effectiveness of service coordination and management planning and the meals and supportive services which the ALF intends to provide and the extent to which you have evidenced general support for conversion by participating in your community's Consolidated Planning Process, involving the residents in the planning process (not applicable to applications proposing to convert unused or underutilized commercial facilities). There must also be a relationship between the proposed activities, the project's and the community's needs and purposes of the program funding for your application to receive points for this factor. Submit information responding to this factor in accordance with Application Submission Requirements in Sections IV.B.2.a. through c., IV.B.5.b. through e., IV.B.8.a. through e., g., and h. of this NOFA. In evaluating this factor, HUD will consider the following:

a. (12 points). The extent to which the proposed ALF design will meet the special physical needs of frail elderly persons or persons with disabilities expected to be served at reasonable cost (consider the ALF design: Meets needs = 12 points; ALF design partially meets needs = 6 points; and ALF design does not meet needs = 0 points).

b. (12 points). The extent to which the ALF's proposed management and operational plan ensures that the provision of both meals and supportive services planned will be accomplished over time. (Consider ALF design/management plan: Meets needs of management operations = 12 points; ALF design/management plan partially meets needs of management operations = 6 points; and ALF design/management plan does not meet needs of management operations = 0 points.)

c. (7 points). The extent to which the proposed supportive services meet the anticipated needs of the frail elderly and disabled residents (does meet = 7 points; partially meets needs = 4 points; and, does not meet needs = 0 points); and

d. (7 points). The extent to which the service coordination function is addressed and explained as onsite and sufficient, onsite and augmented or new, and addresses the ongoing procurement of needed services for the residents of the ALF (does meet = 7 points, partially meets = 4 points, does not meet = 0 points).

e. (2 points). The extent to which you demonstrated that you have been actively involved (or if not currently active, the steps you will take to become actively involved) in your community's Consolidated Planning/AI processes to identify and address a need/problem that is related in whole or part, directly or indirectly to the proposed project;

#### 4. Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses your ability to secure other community resources that can be combined with HUD's grant funds to achieve program purposes. For the ALCP to succeed, you must generate local funding for the necessary supportive services to operate the ALF. HUD also encourages local funding for some of the necessary conversion work, or other work needed in the project (e.g., general modernization) which is not specifically linked to the ALF).

Submit information responding to this factor in accordance with Application Submission Requirements in Section IV.B.5.f., g., and B.6. and B.8.f. of this NOFA.

a. (5 points). The extent to which there are commitments for the funding needed for the meals and the supportive services planned for the ALF and that the total cost of the estimated budget of the ALF is covered. Consider 90 percent or more commitment of the total budget with no more than 10 percent for meals and services = 5 points; 80–89.9 percent with no more than 20 percent for meals and services = 4 points; 65–79.9 percent with no more than 35 percent for meals and services = 3 points; 40–64.9 percent with more than 60 percent for meals and services = 2 points; less than 40 percent commitment of the total budget with no more than 60 percent support for meals and services = 0 points.

b. (3 points). The extent of local organizations' support which is firmly committed to providing at least 50 percent of the total cost of ALF conversion (consider 50% or more = 3 points, 20–49.9 percent = 2 points, and under 20 percent = 0 points).

c. (2 points). The extent of local organizational support which is firmly committed to providing funds for additional repair or retrofit necessary for the project NOT specifically directed to activities eligible under this NOFA

(funds firmly committed = 2 points, funds not committed = 0 points).

#### 5. Rating Factor 5: Achieving Results and Program Evaluation (10 Points)

This factor reflects HUD's goal to embrace high standards of ethics, management and accountability. This factor emphasizes HUD's commitment to ensure that promises you make in the application are kept; and to ensure performance goals with outcomes are established and are met (refer to Section V.B.1. of the General Section of the SuperNOFA for more detail). Outcomes may include the extent to which your project will implement practical solutions that will result in assisting residents in achieving independent living and an improved living environment, as well as the extent to which the project will be viable absent HUD funds but rely more on state, local, and private funds. Submit information responding to this factor in accordance with Application Submission Requirements in Section IV.B.5.a. through g., 2.d., 8.a. through e. of this NOFA.

a. (4 points). Describe the extent to which your conversion time frame reflects the length of time it will take to convert the units describing how residents will benefit from the conversion of the units; and how the converted units will result in ALF residents being able to age in place;

b. (2 points). Describe the extent to which your assisted living facility will implement practical solutions that will result in assisting residents in achieving independent living and improved living environment.

c. (2 points). Demonstrate how the project will be viable absent HUD funds while relying more on state, local, and private funds.

d. (2 point). Describe the extent to which the ALFs operating philosophy promotes the autonomy and independence of the frail elderly persons it is intended to serve (is fully addressed = 2 points, no or not addressed = 0 points).

#### B. Reviews and Selection Process

1. The ALCP will fund those applications that may impact federal problem solving and policymaking and that are relevant to HUD's policy priorities and annual goals and objectives. (Refer to the General Section of the SuperNOFA for discussion of these priorities and annual goals and objectives).

2. *Review for Curable Deficiencies.* You should ensure that your application is complete before submitting it to HUD.

HUD will screen all applications received by the deadline for curable deficiencies. With respect to correction of deficient applications, HUD may not, after the application due date and consistent with HUD's regulations in 24 CFR part 4, subpart B, consider any unsolicited information an applicant may want to provide. HUD may contact an applicant to clarify an item in the application or to correct curable deficiencies. Please note, however, that HUD may not seek clarification of items or responses that improve the substantive quality of a response to any rating factors. In order not to unreasonably exclude applications from being rated and ranked, HUD may contact applicants to ensure proper completion of the application and will do so on a uniform basis for all applicants. Examples of curable (correctable) deficiencies include failure to submit the proper certifications or failure to submit an application that contains an original signature by an authorized official. In each case, under this NOFA, the appropriate HUD Multifamily Hub office will notify you in writing by describing the clarification or curable deficiency. You must submit clarifications or responses to curable deficiencies in accordance with the information provided by the Hub office within 14 calendar days of the date of HUD notification. (If the due date falls on a Saturday, Sunday, or federal holiday, your correction must be received by HUD on the next day that is not a Saturday, Sunday, or federal holiday.) If the deficiency is not corrected within this time period, HUD will reject the application as incomplete, and it will not be considered for funding. The following is a list of the deficiencies that will be considered curable in ALCP applications:

#### Exhibits

- \*Application Summary.
- \*Articles of Incorporation, or certification of Articles of Incorporation.
- \*By-laws, or certification of by-laws.
- Evidence of occupancy for at least five years (not applicable to commercial facilities).
- Original project plans.
- Relocation Plan (not applicable to commercial property).
- Evidence of Permissive Zoning.

#### 3. Certifications and Forms.

a. Standard Form-424, Application for Federal Assistance, including Compliance with Executive Order 12372.

b. SF-424 Supplement, Survey for Ensuring Equal Opportunity for Applicants (optional).

c. Form HUD-424B, Applicant Assurances and Certifications, Certification to Influence Federal Transaction and Standard Form-LLL, Disclosure of Lobbying Activities and

d. Form HUD-2880, Applicant/Recipient Disclosure/Update Report including Social Security and Employment Identification numbers.

e. Form HUD-2991, Certification of Consistency with the Consolidated Plan (Plan), for the Jurisdiction in which the Proposed ALF will be located.

f. Form HUD-2530, Previous Participation Certification.

g. Standard Form-LLL, Disclosure of Lobbying Activities.

h. Form HUD-96010, Program Outcome Logic Model.

i. Form HUD-27300, Removal of Regulatory Barrier.

The appropriate Hub office will notify you in writing if your application is missing any of the exhibits listed above and you will be given 14 days from the date of the HUD notification to submit the information required to cure the noted deficiencies. The exhibits identified by an asterisk (\*) must be dated on or before the application deadline date. If not so dated the application will be rejected.

After the completeness review, HUD staff will review your application to determine whether the application meets the threshold requirements.

4. *Threshold Review.* Only those ALCP applications that meet all threshold requirements will be eligible to receive an award. Applications that do not pass threshold will be rejected. (See Section III.C 2. above of this NOFA for threshold requirements).

5. *Appeal Process.* Upon rejection of an ALCP application, HUD must send a letter to the Owner outlining all reasons for rejection. The Owner has 14 calendar days from the date of the letter to appeal the rejection. If the Owner submits an appeal, which causes the rejection to be overturned, the application is then rated, ranked, and submitted to the selection panel for consideration. If the Owner does not appeal or does appeal but the rejection is not overturned, the application remains a reject.

6. *Review Panels.* The Office of Housing's Multifamily Hubs will establish panels to review all eligible applications that have passed threshold.

7. *Rating of Applications* (See paragraph below for selection of applications for commercial properties).

HUD staff teams will review and rate ALCP applications in accordance with

the Ranking and Selection procedures outlined below. All applications will be either rated or technically rejected at the end of technical review. If your application meets all program eligibility requirements after completion of technical review, it will be rated according to the rating selection factors in Section V.A. above of this NOFA. HUD reserves the right to reduce the amount requested in the application if any proposed components are ineligible or if the cost of items is not deemed reasonable. HUD will not reject an ALCP application based on technical review without notifying you of that rejection with all the reasons for the rejection, and providing you an opportunity to appeal. As discussed above, you will have 14 calendar days from the date of HUD's written notice to appeal a technical rejection to the Multifamily Hub where the applications were sent originally. HUD staff will make a determination on an appeal before finalizing selection recommendations.

8. *Ranking and Selection Procedures.* (Paragraphs (5)(a)-(d) are not applicable to applications from owners of commercial properties.)

Applications submitted in response to this NOFA that are eligible, pass threshold and have a total score of 75 points (or more) are eligible for ranking and selection. (Applications for the conversion of commercial properties with a score of at least 75 points will not be ranked but will be submitted to HUD Headquarters for selection.)

a. Hub staff teams will be established for ALCP review in each Hub to do the application ratings.

b. From within rank order, Hub staff teams in each of the 18 Hubs will select the highest ranked applications from within that Hub in rank order, which can be funded from within the dollars available. Each Hub will select applications based on rank order up to and including the last application that can be funded out of each Hub's allocation. Hubs must not skip over any applications in order to select one based on the funds remaining.

c. After making the initial selections, however, Hubs may use any residual funds to select the next rank-ordered application by reducing the dollars requested by no more than 10 percent and reducing the number of units proposed, but in no case reducing the number of units below the financial threshold feasibility of five ALF units.

d. Funds remaining after these processes are completed will be returned to HUD Headquarters. HUD Headquarters will use these funds to restore units to any project reduced as

a result of using the residual grant funds in a Hub. Finally, HUD will use these funds for selecting one or more additional applications based on the Hubs rating and rankings, beginning with the highest rated application within the 18 Hubs. Only one application will be selected per Hub from the national residual amount. If there are no approvable applications in other Hubs, the process will begin again with the selection of the next highest rated application within the remaining Hubs. This process will continue until all approvable applications are selected using the available remaining funds. If there is a tie score between two or more applications, and there are insufficient residual funds to cover all tied applications, HUD Headquarters staff will choose the winning application(s) by lottery and/or reduction of grant requests consistent with the instructions above.

e. Up to two applications will be selected using the \$7.5 million set-aside to provide grant funds to nonprofit applicants proposing to convert unused or underutilized commercial properties into assisted living. HUD Multifamily Hubs will review applications for commercial properties for completeness and compliance with the eligibility criteria set forth in Section III.C. of this NOFA. Hub staff will forward applications to Headquarters providing the application was received by the deadline date, meets all eligibility criteria, proposes reasonable costs for eligible activities, includes all technical corrections by the designated deadline date and must have received a score of 75 points or more. Headquarters will select no more than two applications on a first-come, first-served basis that can be funded within the money available.

**Note:** Only applications that can be fully funded will be selected. Any remaining funds after this selection process will be returned to the funds allocated for eligible multifamily assisted projects.

## VI. Award Administration Information

### A. Award Notices

1. The Grant Agreement, and the Form HUD-1044, signed by both the Recipient and Grant Officer, shall serve as the authorizing award documents. Unsuccessful applicants will be notified, by mail, within 30 days of the announcement of the awards.

2. Adjustments to Funding.

a. HUD will not fund any portion of your application that is not eligible for funding under specific program statutory or regulatory requirements; does not meet the requirements of this notice; or may be duplicative of other

funded programs or activities. Only the eligible portion of your application will be funded.

3. Applicant Debriefing. All requests for debriefing must be made in writing and submitted to the local Hub in which you applied for assistance. Materials provided to you during your debriefing will include the final scores you received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which assistance was provided or denied. Information regarding this procedure may be found in the General Section of the SuperNOFA.

*B. Administrative and National Policy Requirements*

None.

*C. Reporting*

1. Recipients of funding under this program NOFA shall submit a progress report every six months after the effective date of the Grant Agreement. Progress reports shall include reports on both performance and financial progress.

**VII. Agency Contacts**

*A. For Further Information and Technical Assistance.* You should contact the Multifamily Hub where you will be mailing your ALCP Application. (Please refer to Hub telephone numbers in Appendix 1 of this NOFA.)

You also may contact Faye Norman, Housing Project Manager at (202) 708-3000, extension 2482 or Aretha Williams, Director, Grant Policy and Management Division, Room 6138 at (202) 708-3000, extension 2480 for questions regarding the ALF grant award process. These are not toll-free numbers. Ms. Norman can be reached by e-mail at [Faye\\_L.\\_Norman@hud.gov](mailto:Faye_L._Norman@hud.gov) and Ms. Williams at [aretha\\_m.\\_williams@hud.gov](mailto:aretha_m._williams@hud.gov). Both Ms. Norman and Ms. Williams are located at the Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410.

If you have a hearing or speech impairment, you may access the telephone number via TTY by calling the Federal Information Relay Service at 800-877-8339.

Application. All information for the submission of your application is included in this NOFA and the General Section of the SuperNOFA. You may also obtain an ALCP application by calling the SuperNOFA Information Center at (voice) 800-HUD-8929 (800-483-8929). Persons with a hearing or speech impairment may call the Center's TTY number at 800-HUD-2209. Please be sure to provide your name, address (including zip code), and telephone number (including area code). The application is also available on the Internet through the HUD Web site at <http://www.hud.gov.grants/index.cfm>.

**Note:** There is a separate application for service coordinator funds (which is necessary

for those needing to enhance or add service coordination per Section III.C.3. of this NOFA).

**VIII. Other Information**

*A. Paperwork Reduction Act.* The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (4 U.S.C. 3501-3520) and assigned OMB control number 2502-0542. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. Public reporting burden for the collection of information is estimated to average 2,550 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting data for the application, semi-annual reports, and final report. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

*B. Appendices.* Appendix 1 presents the list of HUD offices. Appendix 2 to this NOFA provides the forms that are specific to this NOFA.

**BILLING CODE 4210-32-P**

**APPENDIX 1**

|   |   |
|---|---|
| <p><b><u>HUD - BOSTON HUB</u></b></p> <p><b>HARTFORD OFFICE</b><br/>One Corporate Center<br/>19th Floor<br/>Hartford, CT 06103-3220<br/>(860) 240-4800<br/>TTY Number: (860) 240-4665</p> <p><b>BOSTON, MA OFFICE</b><br/><b>MANCHESTER, NH OFFICE</b><br/><b>PROVIDENCE, RI OFFICE</b></p> | <p><b><u>HUD - PHILADELPHIA HUB</u></b></p> <p><b>PHILADELPHIA OFFICE</b><br/>The Wanamaker Building<br/>100 Penn Square East<br/>Philadelphia, PA 19107-3380<br/>(215) 656-0609<br/>TTY Number: (215) 656-3452</p> <p><b>CHARLESTON, WV OFFICE</b><br/><b>NEWARK, NJ OFFICE</b><br/><b>PITTSBURGH, PA OFFICE</b></p> |
| <p><b><u>HUD - NEW YORK HUB</u></b></p> <p><b>NEW YORK OFFICE</b><br/>26 Federal Plaza, Room 3200<br/>New York, NY 10278-0068<br/>(212) 264-8000<br/>TTY Number: (212) 264-0927</p>   | <p><b><u>HUD - BALTIMORE HUB</u></b></p> <p><b>BALTIMORE OFFICE</b><br/>Fifth Floor<br/>City Crescent Building<br/>10 South Howard Street<br/>Baltimore, MD 21201-2505<br/>(410) 962-2520<br/>TTY Number: (410) 962-0106</p> <p><b>RICHMOND, VA OFFICE</b><br/><b>WASHINGTON, DC OFFICE</b></p>                       |
| <p><b><u>HUD - BUFFALO HUB</u></b></p> <p><b>BUFFALO OFFICE</b><br/>Lafayette Court Building<br/>465 Main Street, 2<sup>nd</sup> Floor<br/>Buffalo, NY 14203-1780<br/>(716) 551-5755, ext. 5000<br/>TTY Number: (716) 551-5787</p>  | <p><b><u>HUD - GREENSBORO HUB</u></b></p> <p><b>GREENSBORO OFFICE</b><br/>Asheville Building<br/>1500 Pineroft Road, Suite 401<br/>Greensboro, NC 27407-3838<br/>(336) 547-4000<br/>TTY Number: (336) 547-4020</p> <p><b>COLUMBIA, SC OFFICE</b></p>  |

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|---|--|
| <p><b><u>HUD - ATLANTA HUB</u></b></p> <p><b>ATLANTA OFFICE</b><br/> ATTN: Multifamily Housing, 12<sup>th</sup> Floor<br/> 40 Marietta Street - Five Points Plaza<br/> Atlanta, GA 30303-2806<br/> (404) 331-4976<br/> TTY Number: (404) 730-2654</p> <p><b>SAN JUAN OFFICE</b><br/> <b>LOUISVILLE OFFICE</b><br/> <b>KNOXVILLE OFFICE</b><br/> <b>NASHVILLE OFFICE</b></p> | <p><b><u>HUD - DETROIT HUB</u></b></p> <p><b>DETROIT OFFICE</b><br/> Patrick V. McNamara Federal Building<br/> 477 Michigan Avenue, Suite 1635<br/> Detroit, MI 48226-2592<br/> (313) 226-7900<br/> TTY Number: (313) 226-6899</p> <p><b>GRAND RAPIDS OFFICE</b></p> |
| <p><b><u>HUD - JACKSONVILLE HUB</u></b></p> <p><b>JACKSONVILLE OFFICE</b><br/> Suite 2210<br/> Southern Bell Tower<br/> 301 West Bay Street<br/> Jacksonville, FL 32202-5121<br/> (904) 232-2626<br/> TTY Number: (904) 232-2631</p> <p><b>BIRMINGHAM OFFICE</b><br/> <b>JACKSON OFFICE</b></p>   | <p><b><u>HUD - COLUMBUS HUB</u></b></p> <p><b>COLUMBUS OFFICE</b><br/> 200 North High Street<br/> 7th Floor<br/> Columbus, OH 43215-2499<br/> (614) 469-5737<br/> TTY Number: (614) 469-6694</p> <p><b>CLEVELAND OFFICE</b></p>                                      |
| <p><b><u>HUD - CHICAGO HUB</u></b></p> <p><b>CHICAGO OFFICE</b><br/> Ralph H. Metcalfe Federal Building<br/> 77 West Jackson Boulevard, 23<sup>rd</sup> Floor<br/> Chicago, IL 60604-3507<br/> (312) 353-5680<br/> TTY Number: (312) 353-5944</p> <p><b>INDIANAPOLIS OFFICE</b></p>   | <p><b><u>HUD - MINNEAPOLIS HUB</u></b></p> <p><b>MINNEAPOLIS OFFICE</b><br/> 920 Second Avenue South, Suite 1300<br/> Minneapolis, MN 55402-4012<br/> (612) 370-3000<br/> TTY Number: (612) 370-3186</p> <p><b>MILWAUKEE OFFICE</b></p>                              |

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|---|---|
| <p><b><u>HUD - FT. WORTH HUB</u></b></p> <p><b>FT. WORTH OFFICE</b><br/>801 Cherry Street<br/>P.O. Box 2905<br/>Fort Worth, TX 76113-2905<br/>(817) 978-5965<br/>TTY Number: (817) 978-5595</p> <p><b>NEW ORLEANS OFFICE</b><br/><b>LITTLE ROCK OFFICE</b><br/><b>HOUSTON OFFICE</b><br/><b>SAN ANTONIO OFFICE</b></p>                  | <p><b><u>HUD - SAN FRANCISCO HUB</u></b></p> <p><b>SAN FRANCISCO OFFICE</b><br/>Philip Burton Federal Building and U.S.<br/>Courthouse<br/>450 Golden Gate Avenue<br/>P.O. Box 36003<br/>San Francisco, CA 94102-3448<br/>(415) 436-8356<br/>TTY Number: (415) 436-6594</p> <p><b>HONOLULU OFFICE</b><br/><b>PHOENIX OFFICE</b></p> |
| <p><b><u>HUD - KANSAS CITY HUB</u></b></p> <p><b>KANSAS CITY OFFICE</b><br/>Room 200<br/>Gateway Tower II<br/>400 State Avenue<br/>Kansas City, KS 66101-2406<br/>(913) 551-5462<br/>TTY Number: (913) 551-6972</p> <p><b>DES MOINES OFFICE</b><br/><b>OMAHA OFFICE</b><br/><b>ST. LOUIS OFFICE</b><br/><b>OKLAHOMA CITY OFFICE</b></p> | <p><b><u>HUD - LOS ANGELES HUB</u></b></p> <p><b>LOS ANGELES OFFICE</b><br/>611 West 6th Street<br/>Suite 800<br/>Los Angeles, CA 90017-3106<br/>(213) 894-8000<br/>TTY Number: (213) 894-8133</p>  |
| <p><b><u>HUD - DENVER HUB</u></b></p> <p><b>DENVER OFFICE</b><br/>UMB Bank Building<br/>23<sup>rd</sup> Floor<br/>1670 Broadway<br/>Denver, CO 80202<br/>(303) 672-5343<br/>TTY Number: (303) 672-5113</p>  | <p><b><u>HUD - SEATTLE HUB</u></b></p> <p><b>SEATTLE OFFICE</b><br/>909 First Avenue, Suite 200<br/>Seattle, WA 98104-5254<br/>(206) 220-5208<br/>TTY Number: (206) 220-5254</p> <p><b>ANCHORAGE OFFICE</b><br/><b>PORTLAND OFFICE</b></p>  |

**Multifamily Housing Assisted  
Living Conversion Program  
APPLICATION SUMMARY SHEET**

**U.S. Department of Housing  
and Urban Development**  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0542  
(exp. 11/30/2006)

**Public reporting burden** for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required for HUD's Assisted Living Conversion Program (ALCP). This program is authorized under Section 522(c) of the Appropriations Act of 2000. The information is necessary to assist HUD in determining applicant eligibility and ability to convert multifamily housing projects designated for the elderly (in whole or in part) into assisted living facilities. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. This collection of information does not collect any sensitive information. HUD does not ensure confidentiality.

Owner (Funds Recipient) Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone (Include Area Code) \_\_\_\_\_

Grant Contact Person (Name) \_\_\_\_\_

Phone (Include Area Code) \_\_\_\_\_

E-mail address \_\_\_\_\_

List the specific development(s) targeted for assistance under this grant. Use additional sheets as needed.

Development Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

FHA/Project Number \_\_\_\_\_ Sec.8 Number \_\_\_\_\_

Project Type (e.g., 236) \_\_\_\_\_ No. of Units \_\_\_\_\_

Location (Urban, suburban, or rural) \_\_\_\_\_

Number of Residents \_\_\_\_\_ Estimated Number of Frail Elderly \_\_\_\_\_

Estimated Number of Non-elderly People with Disabilities \_\_\_\_\_

Estimated Number of At-risk Elderly \_\_\_\_\_

Are you applying for a Service Coordinator Grant? \_\_\_\_ Yes \_\_\_\_ No

Will this development share a service coordinator with other developments? \_\_\_\_ Yes \_\_\_\_ No

If yes, please give name and address of the development(s) if different.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Senators 1. \_\_\_\_\_ 2. \_\_\_\_\_

Congressional Representative(s) Name(s) 1. \_\_\_\_\_ District(s) 1. \_\_\_\_\_

2. \_\_\_\_\_ 2. \_\_\_\_\_

**Previous Participation Certification**

U.S. Department of Housing and Urban Development  
Office of Housing/Federal Housing Commissioner

U.S. Department of Agriculture  
Farmers Home Administration

OMB Approval No. 2502-0118  
(exp. 7/31/2006)

**Part I To be completed by Principals of Multifamily Projects. See Instructions Reason for Submitting Certification**

**For HUD HQ/FmHA use only**

1. Agency Name and City where the application is filed \_\_\_\_\_

2. Project Name, Project Number, City and Zip Code contained in the application \_\_\_\_\_

3. Loan or Contract Amount \_\_\_\_\_

4. Number of Units or Beds \_\_\_\_\_

5. Section of Act \_\_\_\_\_

6. Type of Project (check one)  
 Existing       Rehabilitation       Proposed (New)

**List of All Proposed Principal Participants**

7. Names and Addresses of All Known Principals and Affiliates (people, businesses & organizations) proposing to participate in the project described above. (list names alphabetically, last, first, middle initial)

| 8. Role of Each Principal in Project | 9. Expected % Ownership Interest in Project | 10. Social Security or IRS Employer Number |
|--------------------------------------|---|--|
|                                      |   |  |
|                                      |   |  |
|                                      |   |  |
|                                      |   |  |

**Certifications:** I (meaning the individual who signs as well as the corporations, partnerships or other parties listed above who certify) hereby apply to HUD or USDA-FmHA, as the case may be, for approval to participate as a principal in the role and project listed above based upon my following previous participation record and this Certification.

I certify that all the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and Exhibits signed by me and attached to this form.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

I further certify that:

- Schedule A contains a listing of every assisted or insured project of HUD, USDA-FmHA and State and local government housing finance agencies in which I have been or am now a principal.

- For the period beginning 10 years prior to the date of this certification, and except as shown by me on the certification.
  - No mortgage on a project listed by me has ever been in default, assigned to the Government or foreclosed, nor has mortgage relief by the mortgagee been given;
  - I have not experienced defaults or non-compliances under any Conventional Contract or Turnkey Contract of Sale in connection with a public housing project;
  - To the best of my knowledge, there are no unresolved findings raised as a result of HUD audits, management reviews or other Governmental investigations concerning me or my projects;
  - There has not been a suspension or termination of payments under any HUD assistance contract in which I have had a legal or beneficial interest;
  - I have not been convicted of a felony and am not presently, to my knowledge, the subject of a complaint or indictment charging a felony.

- All the names of the parties, known to me to be principals in this project(s) in which I propose to participate, are listed above.
  - I am not a HUD/FmHA employee or a member of a HUD/FmHA employee's immediate household as defined in Standards of Ethical Conduct for Employees of the Executive Branch in 5 C.F.R. Part 2635 (57 FR 35006) and HUD's Standard of Conduct in 24 C.F.R. Part O and

- A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less;
  - I have not been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of a State Government from doing business with such Department or Agency;
  - I have not defaulted on an obligation covered by a surety or performance bond and have not been the subject of a claim under an employee fidelity bond.
- Statements above (if any) to which I cannot certify have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think helps to qualify me as a responsible principal for participation in this project.

USDA's Standard of Conduct in 7 C.F.R. Part O Subpart B.

- I am not a principal participant in an assisted or insured project as of this date on which construction has stopped for a period in excess of 20 days or which has been substantially completed for more than 90 days and documents for closing, including final cost certification have not been filed with HUD or FmHA.
- To my knowledge I have not been found by HUD or FmHA to be in non-compliance with any applicable civil rights laws.
- I am not a Member of Congress or a Resident Commissioner nor otherwise prohibited or limited by law from contracting with the Government of the United States of America.
- Statements above (if any) to which I cannot certify have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think helps to qualify me as a responsible principal for participation in this project.

| Typed or Printed Name of Principal | Signature of Principal | Certification Date (mm/dd/yyyy) | Area Code and Telephone No. |
|------------------------------------|------------------------|---------------------------------|-----------------------------|
|                                    |                        |                                 |                             |
|                                    |                        |                                 |                             |
|                                    |                        |                                 |                             |
|                                    |                        |                                 |                             |

This form was prepared by (Please print name)

Area Code and Telephone No.

rel Handbook 4065.1 form HUD-2530 (5/2001)

**Schedule A: List of Previous Projects and Section 8 Contracts.** By my name below is the complete list of my previous projects and my participation history as a principal; in Multifamily Housing programs of HUD/FmHA, State, and Local Housing Finance Agencies. **Note:** Read and follow the instruction sheet carefully. Abbreviate where possible. Make full disclosure. Add extra sheets if you need more space. Double check for accuracy. If you have no previous projects write, by your name, **"No previous participation, First Experience."**

| 1. List each Principal's Name<br>(list in alphabetical order,<br>last name first) | 2. List Previous Projects<br>(give the I.D. number, project name, city location,<br>& government agency involved<br>if other than HUD) | 3. List Principals' Role(s)<br>(indicate dates participated, and<br>if fee or identity of interest, participant) | 4. Status of Loan<br>(current, defaulted,<br>assigned, or<br>foreclosed) | 5. Was Project ever in Default,<br>during your participation?<br>Yes <input type="checkbox"/> No <input type="checkbox"/><br>If "Yes," explain | 6. Last Mgmt.<br>and/or<br>Physical Inspcn<br>Rating |
|---|--|--|--|--|--|
|   |  |  |  |  |  |

**Part II - For HUD Internal Processing Only**

Received and checked by me for accuracy and completeness; recommend approval or transferral to Headquarters as checked below:

Date (mm/dd/yyyy) \_\_\_\_\_ Telephone Number and Area Code \_\_\_\_\_  A. No adverse information; form HUD-2530 approval is recommended.  C. Disclosure or Certification problem

Staff \_\_\_\_\_ Processing and Control \_\_\_\_\_  B. Name match in system  D. Other, our memorandum is attached.

Supervisor \_\_\_\_\_ Director of Housing / Director, Multifamily Division \_\_\_\_\_ Approved  Yes  No \_\_\_\_\_ Date (mm/dd/yyyy)

Previous editions are obsolete

#### Instructions for Completing the Previous Participation Certificate, form HUD-2530

Carefully read these instructions and the applicable regulations. A copy of those regulations published at 24 C.F.R. 200.210 to 200.245 can be obtained from the Multifamily Housing Representative at any HUD Office. Type or print neatly in ink when filling out this form. Mark answers in all blocks of the form. If the form is not filled completely, it will delay approval of your application.

Attach extra sheets as you need them. Be sure to indicate "Continued on Attachments" wherever appropriate. Sign each additional page that you attach if it refers to you or your record. If you have many projects to list (20 or more) and expect to be applying frequently for participation in HUD projects, you should consider filing a Master List. See Master List instructions below under "Instructions for Completing Schedule A."

**Carefully read the certification before you sign it.** Any questions regarding the form or how to complete it can be answered by your HUD Office Multifamily Housing Representative.

**Purpose:** This form provides HUD with a certified report of all previous participation in HUD multifamily housing projects by those parties making application. The information requested in this form is used by HUD to determine if you meet the standards established to ensure that all principal participants in HUD projects will honor their legal, financial and contractual obligations and are acceptable risks from the underwriting standpoint of an insurer, lender or governmental agency. HUD requires that you certify your record of previous participation in HUD/USDA-FmHA, State and Local Housing Finance Agency projects by completing and signing this form, before your project application or participation can be approved.

HUD approval of your certification is a necessary precondition for your participation in the project and in the capacity that you propose. If you do not file this certification, do not furnish the information requested accurately, or do not meet established standards, HUD will not approve your certification.

**Note** that approval of your certification does not obligate HUD to approve your project application, and it does not satisfy all other HUD program requirements relative to your qualifications.

**Who Must Sign and File Form HUD-2530:** Form HUD-2530 must be completed and signed by all parties applying to become principal participants in HUD multifamily housing projects, including those who have no previous participation. The form must be signed and filed by all principals and their affiliates who propose participating in the HUD project. Use a separate form for each role in the project unless there is an identity of interest.

Principals include all individuals, joint ventures, partnerships, corporations, trusts, nonprofit organizations, any other public or private entity, that will participate in the proposed project as a sponsor, owner, prime contractor, turnkey developer, managing agent, nursing home administrator or operator, packager, or consultant. Architects and attorneys who have any interest in the project other than an arms length fee arrangement for professional services are also considered principals by HUD.

In the case of partnerships, all general partners regardless of their percentage interest and limited partners having a 25 percent or more interest in the partnership, are considered principals. In the case of public or private corporations or governmental entities, principals include the president, vice president, secretary, treasurer and all other executive officers who are directly responsible to the board of directors, or any equivalent governing body, as well as all directors and each stockholder having a 10 percent or more interest in the corporation.

Affiliates are defined as any person or business concern that directly or indirectly controls the policy of a principal or has the power to do so. A holding or parent corporation would be an example of an affiliate if one of its subsidiaries is a principal.

**Exception for Corporations** – All principals and affiliates must personally sign the certificate except in the following situation. When a corporation is a principal, all of its officers, directors, trustees and stockholders with 10 percent or more of the common (voting) stock need not sign personally if they all have the same record to report. The officer who is authorized to sign for the corporation or agency will list the names and title of those who elect not to sign. However, any person who has a record of participation in HUD projects that is separate from that of his or her organization must report that activity on this form and sign his or her name. The objective is full disclosure.

**Exemptions** – The names of the following parties do not need to be listed on form HUD-2530: Public Housing Agencies, tenants, owners of less than five condominium or cooperative units and all others whose interests were acquired by inheritance or court order.

**Filed and When Form HUD-2530 Must Be Submitted:** The original of this form must be submitted to the HUD Office where your project application will be processed at the same time you file your initial project application. This form must be filed with applications for projects, or when otherwise required in the situations listed below:

- Projects to be financed with mortgages insured under the National Housing Act (FHA).
- Projects to be financed according to Section 202 of the Housing Act of 1959 (Elderly and Handicapped).
- Projects in which 20 percent or more of the units are to receive a subsidy as described in 24 C.F.R. 200.213.
- Purchase of a project subject to a mortgage insured or held by the Secretary of HUD.
- Purchase of a Secretary-owned project.
- Proposed substitution or addition of a principal, or principal participation in a different capacity from that previously approved for the same project.
- Proposed acquisition by an existing limited partner of an additional interest in a project resulting in a total interest of 25 percent or more, or proposed acquisition by a corporate stockholder of an additional interest in a project resulting in a total interest of 10 percent or more.

• Projects with U.S.D.A., Farmers Home Administration, or with state or local government housing finance agencies that include rental assistance under Section 8 of the Housing Act of 1937. For projects of this type, form HUD-2530 should be filed with the appropriate applications directly to those agencies.

**Review of Adverse Determination:** If approval of your participation in a HUD project is denied, withheld, or conditionally granted on the basis of your record of previous participation, you will be notified by the HUD Office. You may request reconsideration by the HUD Review Committee. Alternatively, you may request a hearing before a Hearing Officer. Either request must be made in writing within 30 days from your receipt of the notice of determination.

If you do request reconsideration by the Review Committee and the reconsideration results in an adverse determination, you may then request a hearing before a Hearing Officer. The Hearing Officer will issue a report to the Review Committee. You will be notified of the final ruling by certified mail.

#### Specific Line Instructions:

**Reason for submitting this Certification:** e.g., refinancing, management, change in ownership, transfer of physical assets, etc.

**Block 1:** Fill in the name of the agency to which you are applying. For example: HUD Office, Farmers Home Administration District Office, or the name of a State or local housing finance agency. Below that, fill in the name of the city where the office is located.

**Block 2:** Fill in the name of the project, such as "Greenwood Apts." If the name has not yet been selected, write "Name unknown." Below that, enter the HUD contract or project identification number, the Farmers Home Administration project number, or the State or local housing finance agency project or contract number. Include all project or contract identification numbers that are relevant to the project. Also enter the name of the city in which the project is located, and the ZIP Code of the site location.

**Block 3:** Fill in the dollar amount requested in the proposed mortgage, or the annual amount of rental assistance requested.

**Block 4:** Fill in the number of apartment units proposed, such as "40 units." For hospital projects or nursing homes, fill in the number of beds proposed, such as "100 beds."

**Block 5:** Fill in the section of the Housing Act under which the application is filed.

**Block 7:** Definitions of all those who are considered principals and affiliates are given above in the section titled "Who Must Sign and File...."

**Block 8:** Beside the name of each principal, fill in the role that each will perform. The following are possible roles that the principals may perform: Sponsor, Owner, Prime Contractor, Turnkey Developer, Managing Agent, Packager, Consultant, General Partner, Limited Partner (include percentage), Executive Officer, Director, Trustee, Major Stockholder, or Nursing Home Administrator. Beside the name of each affiliate, write the name of the person or firm of affiliation, such as "Affiliate of Smith Construction Co."

**Block 9:** Fill in the percentage of ownership in the proposed project that each principal is expected to have. Also specify if the participant is a general or limited partner. Beside the name of those parties who will not be owners, write "None."

**Block 10:** Fill in the Social Security Number or IRS employer number of every party listed, including affiliates.

**Instructions for Completing Schedule A:** Be sure that Schedule A is filled in completely, accurately and the certification is properly dated and signed, because it will serve as a legal record of your previous experience. All Multifamily Housing projects involving HUD/FmHA, and State and local Housing Finance Agencies in which you have previously participated **must** be listed. Applicants are reminded that previous participation pertains to the individual principal within an entity as well as the entity itself. A newly formed company may not have previous participation, but the principals within the company may have had extensive participation and disclosure of that activity is required. To avoid duplication of disclosure, list the project and then the entities or individuals involved in that project. You may use the name or a number code to denote the entity or individual that participated. The number code can then be used in column 3 to denote role.

**Column 2** List the project or contract identification of each previous project. **All previous projects must be included or your certification cannot be processed.** Include the name of all projects, the cities in which they are located and the government agency (HUD, USDA-FmHA or State or local housing finance agency) that was involved. At the end of your list of projects, draw a straight line across the page to separate your record of projects from that of others signing this form who have a different record to report.

**Column 3** List the role(s) of your participation dates participated, and if fee or identity of interest with owners.

**Column 4** Indicate the current status of the loan. Except for current loans, the date associated with the status is required. Loans under a workout arrangement are considered assigned. An explanation of the circumstances surrounding the status is required for all non-current loans.

**Column 5** Explain any project defaults during your participation.

**Column 6** Enter the latest Management and/or Physical Inspection Review rating. If either of the ratings are below average, the report issued by HUD is required to be submitted along with the applicant's explanation of the circumstances surrounding the rating.

**No Previous Record:** Even if you have never participated in a HUD project before, you must complete form HUD-2530. If you have no record of previous projects to list, fill in your name in column 1 of Schedule A, and write across the form by your name - "No previous participation, first experience."

**Master List System:** If you expect to file this form frequently and you have a long list of previous projects to report on Schedule A, you should consider filing a Master List. By doing so, you will avoid having to list all your previous projects each time you file a new application.

To make a Master List, use form HUD-2530. On page 1, in block 1, enter (in capital letters) the words "Master List." In blocks 2 through 6 enter in "N.A." meaning Not Applicable. Complete blocks 7 through 10.

In the box below the statement of certification, fill in the names of all parties who wish to file a Master List together (type or print neatly). Beside each name, every party must sign the form. In the box titled "Proposed Role," fill in "N.A." Also, fill in the date you sign the form

and provide a telephone number where you can be reached during the day. No determinations will be made on these certifications.

File one copy of the Master List with each HUD Office where you do business and mail one copy to the following address:

**HUD-2530 Master List  
Participation and Compliance  
Division - Housing  
U.S. Department of Housing and  
Urban Development  
451 Seventh Street, S.W.  
Washington, D.C. 20410**

Once you have filed a Master List, you do not need to complete Schedule A when you submit form HUD-2530. Instead, write the name of the participant in column 1 of Schedule A and beside that write "See Master List on file."

Also give the date that appears on the Master List that you submitted. Below that, report all changes and additions that have occurred since that date. Be sure to include any mortgage defaults, assignments or foreclosures not listed previously.

**If you have withdrawn from a project** since the date the Master List was filed, be sure to name the project. Give the project identification number, the month and year your participation began and/or ended.

**Certification:**

After you have completed all other parts of form HUD-2530, including Schedule A, read the Certification carefully. In the box below the statement of certification, fill in the name of all principals and affiliates (type or print neatly). Beside the name of each principal and affiliate, each party must sign the form, with the exception in some cases of individuals associated with a corporation (see "Exception for Corporations" in the section of the instructions titled "Who Must Sign and File form

HUD-2530"). Beside each signature, fill in the role of each party (the same as shown in block 8). In addition, each person who signs the form should fill in the date that he or she signs, as well as providing a telephone number where he or she can be reached during business hours. By providing a telephone number where you can be reached, you will help to prevent any possible delay caused by mailing and processing time in the event HUD has any questions.

If you cannot certify and sign the certification as it is printed because some statements do not correctly describe your record, use a pen and strike through those parts that differ with your record, then sign and certify to that remaining part which does describe you or your record.

Attach a signed letter, note or an explanation of the items you have struck out on the certification and report the facts of your correct record. Item A(2)(e) relates to felony convictions within the past 10 years. If you have been convicted of a felony within 10 years, strike out all of A(2)(e) on the certification and attach your statement giving your explanation. A felony conviction will not necessarily cause your participation to be disapproved unless there is a criminal record or other evidence that your previous conduct or method of doing business has been such that your participation in the project would make it an unacceptable risk from the underwriting standpoint of an insurer, lender or governmental agency.

The Department of Housing and Urban Development (HUD) is authorized to collect this information by law (42 U.S.C. 3535(d) and 24 C.F.R. 200.217) and by regulation at 24 CFR 200.210. This information is needed so that principals applying to participate in multifamily programs can become HUD-approved participants. The information you provide will enable HUD to evaluate your record with respect to established standards of performance, responsibility and eligibility. Without prior approval, a principal may not participate in a proposed or existing multifamily project. HUD uses this information to evaluate whether or not principals pose an unsatisfactory underwriting risk. The information is used to evaluate the potential principals and approve only individuals and organizations who will honor their legal, financial and contractual obligations.

**Privacy Act Statement:** The Housing and Community Development Act of 1987, 42 U.S.C. 3543 requires persons applying for a Federally-insured or guaranteed loan to furnish his/her Social Security Number (SSN). HUD must have your SSN for identification of your records. HUD may use your SSN for automated processing of your records and to make requests for information about you and your previous records with other public agencies and private sector sources. HUD may disclose certain information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law. You must provide all of the information requested in this application, including your SSN.

**Public reporting burden** for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency will result in your disapproval for participation in this HUD program. A response is mandatory. Failure to provide any of the information will result in your disapproval for participation in this HUD program.

Previous editions are obsolete

ref Handbook 4065.1 form HUD-2530 (5/2001)