ASSISTED LIVING CONVERSION PROGRAM (ALCP)

A Component of the Housing Security Plan for Older Americans

HOUSING SECURITY PLAN

 For lower-income seniors who need more intensive services than provided in traditional housing for the elderly

 To provide lower-income seniors with an affordable option to nursing homes

PURPOSE OF ALCP

 To provide private non-profit owners with a grant to convert some or all of the dwelling units in an eligible project into assisted living facilities for the frail elderly

Program Description

- **Assisted Living Facilities are** designed to accommodate frail elderly persons and people with disabilities who need certain support services:

 - eatingbathing
 - -grooming -dressing
 - -home management activities

DEFINITIONS

 Frail Elderly – an individual 62 years of age or older who is unable to perform at least 3 activities of daily living.

DEFINITIONS

- Assisted Living Facility
 - A facility of a private nonprofit that is licensed and regulated by the State
 - Makes available to residents supportive services to assist residents in carrying out activities of daily living

DEFINITIONS

Assisted Living Facility - (cont'd)

 provides separate dwelling units for residents, each of which contain a kitchen, bath and include common rooms

FY 2005 ALCP

- \$24.8 million appropriated
 - \$10.2 million FY 04 carryover
- 17 applications received
- 12 applications funded
 - 218 units
 - · \$22,055,927
- 5 Technical Rejects

FY 2006 FUNDING AMOUNT

Appropriation = \$24,800,000

Total Available = \$20,000,000

SuperNOFA

- Published March 8, 2006
- Application Deadline
 June 15, 2006
- Submission via Grants.gov unless a waiver is granted.
- Paper applications submitted to 18
 Hubs by the deadline date.

- General Section
 -published on 1/20/06
- Applications received and validated by 11:59:59 pm eastern time
- No grace period for receipt of applications

- Logic Model
 - Program specific using form HUD 96010 ALCP
 - Your logic model should help you address Evaluation questions
 - Management question answer are not part of the application but will be required with your annual report if you are awarded funds

Section 3 – Economic
 Opportunities for Low and
 Very low Income Persons
 (2 points)

Change in format of Exhibits

- Applications may be handdelivered
- No longer accepting applications from owners of commercial structures
- No longer submit 2530 w/application
- multiple applications for the same elderly housing project unacceptable

ELIGIBLE APPLICANTS

 Private nonprofit owners of eligible multifamily assisted housing developments.

INELIGIBLE APPLICANTS

- Owners of developments designed specifically for persons with disabilities
- Owners of Section 232 developments
- Limited dividend partnerships

INELIGIBLE APPLICANTS (cont'd)

- Nonprofit Public Agencies.
- Owners of unused/ underutilized hospitals or other health-related facility.
- Property management companies and agents of property management companies.

INELIGIBLE APPLICANTS (cont'd)

 Owners of commercial structures

 Owners of an existing insured or privately-owned assisted living facility.

ELIGIBLE PROJECTS

- 202, 202/8 and 202/PRAC
- Section 8 project based
- Section 515/8
- Section 221(d)(3) BMIR
- Section 236

ELIGIBLE CONVERSION ACTIVITIES

 Conversion funds are limited ONLY to those activities specifically needed to convert the number of units and related space for the Assisted Living Facility.

Temporary Relocation

ELIGIBLE CONVERSION ACTIVITIES (cont'd)

Retrofit for 504 and MPS

 Retrofit to add, modernize or outfit common space(s)

 Retrofit to upgrade a regular unit for accessibility for disabled residents not in Assisted Living

ELIGIBLE CONVERSION ACTIVITIES (cont'd)

Consultant, legal, and architectural fees

Vacancy payments limited to 30 days after conversion to ALF

 Use of Residual Receipts/Reserve for Replacement funds

THRESHOLD REQUIREMENTS

- Be an eligible applicant
- DUNS requirement
- Do not request more funds than advertised
- You must provide commitment and funding support letters from the appropriate funding organization and the appropriate licensing agency

THRESHOLD REQUIREMENTS (cont'd)

- Comply with applicable statutory requirements to the project specified in 202(b) and statutory requirements under Section 232(b)(6)
- Meet the minimum size limit for an ALF of 5 units
- If granted a waiver of the electronic submission requirements, you must submit an original and four copies of your completed ALCP application by the application deadline date

PROGRAM REQUIREMENTS

- Have a residual receipt account
- You must be in compliance with your Loan Agreement, Capital Advance Agreement, Regulatory Agreement, HAP Contract, PRAC Contract, Rent Supplement contract or any other HUD grant or contract document

- If selected, file form HUD-2530 within 30 days of execution of grant agreement
- Meet HUD's Uniform Physical Conditions Standards
- Submit an agreement to pursue licensing in a timely manner

 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 the supportive services

- Submit a copy of the SSP to the appropriate organization which license ALFs in your jurisdiction
- ALF must be licensed and regulated by the state and/or appropriate local bodies
- The ALF must be available to qualified elderly persons and persons with disabilities

- Your ALF residents must be residents of the multifamily project and must comply with the requirements applicable to the project
- The ALF must provide room, board, and continuous protective oversight

 Anyone moving into an ALF unit must agree to accept the board and services required for complying with state and local law and regulations

The facility must offer 3 meals daily

PROGRAM REQUIREMENTS (ALF Admissions)

- Current residents have priority.
- Qualified persons on waiting list have second priority
- Qualified individuals or families in the community needing ALF service wanting to be added to the project's waiting list

PROGRAM REQUIREMENTS (ALF Admissions)

 Qualified disabled non-elderly persons needing assisted living services are eligible to occupy the ALF units on the same basis as elderly persons (except for 202 PRACS)

 Project must maintain two waiting lists - one for regular units and one for ALF units

 Owners must agree to a DRC (use agreement) for 20 years past original mortgage term

Service coordination is required

• The operation of the ALF must be a part of the owner's management organization

- Comply with the requirements of Fair Housing Act, EO 11063, Title VI of the Civil Rights Act, the Age Discrimination Act
- Section 3 of the Hsg and Urban Dev Act of 1968
- Section 232 of the National Housing Act, as applicable, UFAS, Section 504 of the Rehab Act of 1973

OTHER REQUIREMENTS

- Comply with Davis Bacon
- Small, disadvantaged/womenowned businesses
- HUD-sponsored Program Evaluation
- Byrd Amendment prohibit use of funds for lobbying activities

OTHER REQUIREMENTS

- Executive Order 13166
- Executive Order 13279
- Accessible Technology
- Executive Order 13202
- OMB Circulars
- Environmental

Application and Submission Information

Request application: www.grants.gov/FIND

NOFA INFORMATION CENTER (1-800-483-8929)

Assistance:

Grants.gov Customer Support (1-800-518-Grants)

or email: support@grants.gov

Application and Submission Information

- Multiple applications
 - Owners may not submit multiple applications for the same elderly housing development

SUBMISSION REQUIREMENTS

EXHIBITS

- 1. Form HUD 92045, Application Summary
- 2. Evidence of Nonprofit Status
- 3. Description of community ties
- 4. Evidence of project being occupied for 5 years
- 5. Market analysis of need for units

SUBMISSION REQUIREMENTS

(cont'd)

EXHIBIT 6. Narrative of physical conversion

- number of units
- special design feature
- community and office space/storage
- dining and kitchen facility

- staff space and the physical relationship to the rest of the project
- how the design will facilitate delivery of services over time

- Describe how the project will promote energy efficiency
- plans of units and other areas
 - Address all accessibility issues
 i.e. door opening of 32;
 bathrooms/kitchens accessible
 to and for persons in
 wheelchairs per UFAS

- Architectural sketches
 - all doors widened
 - kitchen/bathroom reconfiguration
 - wheelchair clearances
 - wall reinforcing
 - · grab bars
 - elevations of counters and work surfaces

- Architectural sketches cont'd
 - reconfigured common space
 - bedroom/living/dining area modification
 - added/reconfigured office/ storage space
 - monitoring stations
 - kitchen and dining facility

- Architectural modifications must meet Section 504 and ADA requirements as appropriate.
- Estimated cost for materials, supplies fixtures/labor for each item.
- Include firm commitment letters w/dollar amounts which will be supported by non-HUD funding

Exhibit 6

- describe any relocation
 - estimate of temporary relocation
 - staff organization to carry out relocation
 - identify tenants that will be relocated

SUBMISSION REQUIREMENTS (cont'd)

EXHIBITS

- 7. Describe retrofit done w/third party funds
- 8. Permissive zoning
- 9. Supportive Service Plan
 - describe supportive services needed
 - how supportive services will be provided

EXHIBIT - 9 SSP cont'd

- describe operation of ALF
- describe rate for board and services
- who will pay for board/services
- support/commitment letter from each funding source for the planned meals and supportive services.

SUBMISSION REQUIREMENTS (cont'd)

EXHIBITS - 9 SSP cont'd

- Support letter from each governmental agency license ALF
- Describe experience in arranging for and delivery of supportive service

10. Project's resources

- R4R
- Residual receipt
- AFS

EXHIBIT 11

- Form 92045- MF Hsg ALCP Application Summary Sheet
- Form SF-424, Application for Federal Assistance
- SF-424 Supplement, Survey for Ensuring Equal Opportunity for Applicant

- Form HUD-424CB, Grant Application Detailed Budget
- Form HUD-424CBW, Grant Application Detailed Budget Worksheet
- Form HUD-2880, Applicant/Recipient Disclosure/update report
- Form HUD-2991, Certification of Consistency with the Consolidated Plan

- Form HUD 2994-A, Client Survey
- Standard Form-LLL, Disclosure of Lobbying Activities
- Form HUD 96010, Program
 Outcome Logic Model

- Form HUD 27300, Removal of Regulatory Barriers
- Form HUD 2990, Certification of Consistency with RC/EZ/EC-II Strategic Plan
- Form HUD 96011, Facsimile Transmittal Cover Page

Submission Date and Time

Electronically thru Grants.gov -11:59:59 eastern time June 15, 2006

Mailed and hand-delivered June 15, 2006

Costs of meals and supportive services are NOT covered

This program does NOT allow permanent displacement

Applicants will not be awarded multiple grant funds

Additional units

 Pay the cost of any of the necessary supportive services

 Purchase or lease additional land

- Rehabilitate project for items not related to ALF
- Reduce number of accessible units already in project
- Permanently relocate resident out of project

Increase management fee

 Cover the cost of activities not directly related to the conversion of the units and common space

OTHER SUBMISSION REQUIREMENTS

- Electronic Delivery
 - <u>www.grants.gov/apply</u>
 - Early Registration
 - Electronic signature

OTHER SUBMISSION REQUIREMENTS

Waiver of Electronic Submission mailed to:

Brian Montgomery, Assistant Secretary for Housing/Federal Housing Commissioner

U.S. Department of Housing and Urban Development

451 7th Street S.W., Room 9100

Washington, DC 20410

OTHER SUBMISSION REQUIREMENTS

 Waiver must show cause and be submitted at least 15 days prior to the deadline date.

 Waiver approval will identify how many copies of the application to submit and where.

OTHER SUBMISSION REQUIREMENTS

Proof of timely submission:

- ALCP applications must be received and validated by Grants.gov by 11:59:59 e.s.t. on the application deadline date of June 15, 2006.
- Validation may take 24-48 hours so allow time for processing

SUBMISSION REQUIREMENTS

 Applicants granted a waiver must submit an original and 4 copies of their application to the appropriate HUD Multifamily Hub Office

www.hud.gov/offices/adm/grants/nofa

RATING AND RANKING OF APPLICATIONS

 Approvable applications rated according to the Rating Criteria in NOFA

RATING FACTORS

- Capacity of Applicant 20pts.
- Need/Extent of Problem -20pts.
- Soundness of Approach -40pts.
- Leveraging Resources -10pts.
- Achieving Results and Program Evaluation - 10pts.
- RC/EZ/EC-II 2 bonus pts.

Factor #1 - CAPACITY OF APPLICANT 20 points

- The practicality of your plan and timetable to carry out the physical conversion (9 points)
- Past experience in providing or arranging for supportive services on or off site (10 points)
- Your organization is a "grassroots" organization (1 pt)

Factor #2 – NEED/EXTENT 20 points

 The need for assisted living among the elderly and disabled residents of the project (7 pts)

 The need for assisted living among very-low income elderly and disabled persons in the housing market area (3 pts)

Factor #2 - NEED/EXTENT (CONT'D)

 Inability to fund conversion from existing financial resources (9 points)

 Connection between ALF & community's Analysis of Impediments (1 point)

Factor #3 – SOUNDNESS OF APPROACH - 40 points

- The extent the proposed ALF design will meet the special physical needs of frail elderly or persons w/disabilities (10 pts)
- The extent to which the ALF 's proposed management and operational plan ensures that the provision of meals and services will be accomplished over time (10 pts)

Factor #3 - SOUNDNESS OF APPROACH 40 points (cont'd)

 Extent proposed supportive services meet the anticipated needs of the frail elderly and disabled residents (7 points)

 The extent to which service coordination function is addressed (7 points)

Factor #3 – SOUNDNESS OF APPROACH 40 points (cont'd)

- Steps taken which support State and local efforts in streamlining processes and procedures that eliminate redundant, statutes, regs and codes which impede the availability of affordable housing (2 pts)
- Energy Efficiency Activities (2 pts)

Factor #3 – SOUNDNESS OF APPROACH 40 points (cont'd)

 Section 3 - To the greatest extent feasible, describe how opportunities to train and employ low- and very lowincome persons in the project area will be provided (2 points)

Factor #4 – LEVERAGING RESOURCES (10 points)

- Extent there are commitments for the funding needed for the meals and supportive services (5 points)
- Extent of local organization support firmly committed to provide 50% of the total cost of conversion (3 points)

Factor #4 - LEVERAGING RESOURCES 10 points (cont'd)

 Extent of local organization support committed to providing funds for additional repairs or retrofit (2 points)

Factor #5 - ACHIEVING RESULTS AND PROGRAM EVALUATION (10 points)

 Extent the conversion timetable reflect the length of time it will take to convert units and how the converted units will benefit the residents as they age in place (4 points)

Factor #5 – ACHIEVING RESULTS AND PROGRAM EVALUATION 10 points (cont'd)

- Extent facility will implement practical solutions for improved living conditions (2 points)
- Viability of project absent HUD funds (2 points)
- Extent the operating philosophy promotes the autonomy and independence (2 points)

Factor #6 - RC/EZ/EC-II 2 Bonus Points

 The project is located in RC/EZ/EC-II area as described in the General Section of the SuperNOFA (2 bonus points)

SELECTION PROCESS

- All applications received by the June
 15th deadline date are eligible for review
- All applications will be screened for curable deficiencies.
- Submit clarifications or corrections of curable deficiencies within 14 calendar days of the date of receipt of the HUD notification

SELECTION PROCESS (cont'd)

 Application will be rejected as incomplete and not considered for funding if deficiency is not corrected in the 14-day time period.

SELECTION PROCESS (cont'd)

- List of curable deficiencies
 EXHIBITS
 - (1) Application Summary
 - (2) (a) Articles of Incorporation(b) By-laws
 - (4) Evidence of 5-yr occupancy
 - (6)(d) Original project plans
 (i) Relocation plan

SELECTION PROCESS

Curable Deficiencies (cont'd)

Exhibits

(8) Evidence of Permissive

Zoning

(11) HUD 424

HUD 424-Sup

HUD 424-CB

HUD 424-CBW

HUD 2880-Applicant/Recipient Disclosure

SELECTION PROCESS

Curable Deficiencies (cont'd)

Exhibit 11 (cont'd)

HUD 2991 – Consolidated Plan HUD 2994-A – Client Survey, HUD LLL – Lobbying Activities HUD-96010-Logic Model HUD-2990 – Strategic Plan HUD-96011-Facsimile Cover Page

BASIS FOR REJECTION

- ALCP application that do not meet threshold requirements will not be eligible for award
- commitment and support letters from the appropriate funding organization and appropriate licensing agency are not provided

BASIS FOR REJECTION (CONT'D)

 if the SSP indicates that the assisted living units, meals and supportive services are not designed to meet the special needs of the residents

BASIS FOR REJECTION (cont'd)

- •if commitment for funding the meals and supportive services are not shown in the SSP
- •if it is indicated that the project as proposed will not meet licensing requirements

BASIS FOR REJECTION (cont'd)

 Non-compliance with all applicable statutory requirements to the project specified in Section 202b and statutory requirements under Section 232(b)(6)

BASIS FOR REJECTION (cont'd)

- If ALCP applicants do not develop and maintain a written code of conduct
- Funding may be denied based on information obtained and verified through the Name Check Review

APPEAL PROCESS

 HUD must send letter to owner outlining reason(s) for rejection

 Owner has 14-calendar days to appeal

Selection Process HUBS

- Only applications scoring 75 points or more are eligible for selection
- Applications are placed in rank order (assisted multifamily applications only)
 - Begin selecting applications until you can no longer fund a project for number of units and dollars requested

Selection Process (cont'd)

 if possible fund next project by reducing the dollars requested by no more than 10%

or

 by reducing the number of units, but not below the financial threshold feasibility of 5 units

Selection Process HQs

- Combine residual funds from Hubs
- Restore units that were reduced
- Fund applications in rank order with no more than one application selected per Hub
- Repeat this process until funds can no longer support next ranked project

DEFINITION

Assisted Living Facility

ELIGIBILITY

State Regulations/Standards

Licensing Terminology

LICENSING PROCESS

- Plans/Blueprints Reviewed by State Architect
- Licensing and Certification Office Review
- Local/State Inspections
- Approval/Disapproval
- Applicant Pays Fee
- Admit Residents
- Receives License

OPERATOR

- License
- Secure Funding
- Correct Deficiencies
- Satisfy Regulators
- Insurance
- HUD Compliance

STATE OVERSIGHT

- Surveys/inspections
- Investigate Complaints
- Resident Assessment
- Staffing
- Third Party Agencies

PAYOR SOURCES

Foundations

Medicaid

Auxiliary Grant (VA)

- AL Assisted Living Facility
- AK Assisted Living Homes
- AZ Assisted Living Facilities
- AR Assisted Living Facilities
- CA Residential Care Facility for the Elderly
- CO Assisted Living Residences
- CT Assisted Living Services Agencies

- DE Assisted Living Facilities
- DC Community Residence Facilities
- FL Assisted Living Facilities
- GA Personal Care Homes
- HI Assisted Living Facilities
- ID Residential or ALF

- IL Assisted Living/Shared Housing
- IA Assisted Living Programs
- KS ALF/Residential HCF
- KY Assisted Living Communities (Certified)
- LA Adult Residential Care Homes/Facilities
- ME Assisted Living Facilities/ Residential Care Facilities

- MD Assisted Living Programs
- MA Assisted Living Residence
- MI Homes for the Aged/Adult Foster Care
- MN Housing with Services
 Establishment (Registration)
 License Home Care Services

- MS Personal Care Homes (Sep License for Alzheimer's)
- MO Residential Care Facility
- MT Assisted Living Facilities
- NE Assisted Living Facilities
- NV Residential Facility for Groups
- NH Residential Care Home Facilities/Assisted Living Facilities

 NJ- Assisted Living Residences (NC), Comprehensive Personal Care Homes(Conv) & Assisted Living Programs (Services)

 NM - Adult Residential Care Facilities

- NY Adult Homes, Enriched Housing, Assisted Living Programs (Medicaid)
- NC Assisted Living Residences
- ND Basic Care Facility/ALF
- OH Residential Care Facility
- OK Assisted Living Centers
- OR Assisted Living
- PA Personal Care Homes
- RI Assisted Living Residences

- SC Community Residential Care Facilities
- SD Assisted Living Center
- TN Assisted Care Living Facilities
- TX Assisted Living Facilities
- UT Assisted Living Facilities
- VT Assisted Living Residences
- VA Assisted Living Facilities (Home Health Agencies)

- WA Boarding Homes
- WV Assisted Living

Residences (16 Beds) Residential Care

Community (17 Apts)

- WI Assisted Living Facilities
- WY Assisted Living Facilities

CONTACTS

- AASHA State Associations (AASHA.org)
- ALFA Chapters (ALFA.org)
- NCAL (AHCA) (NCAL.org)
- AHCA (AHCA.org)
- State Medicaid Directors
- AAA
- State Agency Representative

SUMMARY

- Regulations
- Medicaid (Home and Community Based Waiver
- Physical Plan Requirements
- Staffing Requirements
- Facility Scope of Care
- License/Certification/

Registration

Suggestions for Preparing Your Application

 Read program NOFA including General Section

Register early

 Assess the residents need for the ALF

Suggestions for Preparing Your Application

 Make contact with State and local service providers and licensing agency(ies)

Locate plan of original design

Identify architect

Suggestions for Preparing Your Application

- Obtain documents from other organizations and governmental agencies ASAP
- Write crisply
- Be brief
- Showcase the strengths of your organization

Suggestions for Preparing Your Application

- Keep HUD's Rating Factors in mind
- Application should be complete, accurate, and well organized
 - -Make sure every exhibit is included with accurate info
 - -Make sure every document has the required dates

Suggestions for Preparing Your Application

 Submit early to meet the receipt and validation requirements by the June 15, 2006 deadline date

http://www.hud.gov/grants/APPLY

CONTACTS

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