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:
  - eating
  - bathing
  - 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.
FY 2006 CHANGES

- 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
FY 2006 CHANGES

- 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
FY 2006 CHANGES

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

• Change in format of Exhibits
FY 2006 CHANGES

• Applications may be hand-delivered
• 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.
INELGIBLE 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
• 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
PROGRAM REQUIREMENTS

con’t

• 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
PROGRAM REQUIREMENTS

cont’d

• 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)
PROGRAM REQUIREMENTS (cont’d)

- 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
PROGRAM REQUIREMENTS (cont’d)

- 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/women-owned 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
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
EXHIBIT 6. Narrative of physical conversion

- number of units
- special design feature
- community and office space/storage
- dining and kitchen facility
SUBMISSION REQUIREMENTS
Exhibit 6 (cont’d)

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

Exhibit 6 (cont’d)

- 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
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.
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
SUBMISSION REQUIREMENTS
APPLICABLE PROGRAM FORMS & CERTIFICATIONS

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
SUBMISSION REQUIREMENTS
APPLICABLE PROGRAM FORMS & CERTIFICATIONS

• 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
SUBMISSION REQUIREMENTS
APPLICABLE PROGRAM FORMS & CERTIFICATIONS

- Form HUD 2994-A, Client Survey
- Standard Form-LLL, Disclosure of Lobbying Activities
- Form HUD 96010, Program Outcome Logic Model
SUBMISSION REQUIREMENTS
APPLICABLE PROGRAM FORMS & CERTIFICATIONS

- 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
SUBMISSION REQUIREMENTS
FUNDING RESTRICTIONS

- Costs of meals and supportive services are NOT covered
- This program does NOT allow permanent displacement
- Applicants will not be awarded multiple grant funds
SUBMISSION REQUIREMENTS
FUNDING RESTRICTIONS

• Additional units

• Pay the cost of any of the necessary supportive services

• Purchase or lease additional land
SUBMISSION REQUIREMENTS
FUNDING RESTRICTIONS

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

• 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
  – www.grants.gov/apply
  – 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 – SOUNNNESS 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)
Section 3 - To the greatest extent feasible, describe how opportunities to train and employ low- and very low-income 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
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
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)
State Licensing Terminology

- 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
State Licensing Terminology

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

- 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
State Licensing Terminology

- 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
State Licensing Terminology

- 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
State Licensing Terminology

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

- NM - Adult Residential Care Facilities
**State Licensing Terminology**

- 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
State Licensing Terminology

- 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)
State Licensing Terminology

- 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
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