

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

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**CONTINUUM OF CARE HOMELESS  
ASSISTANCE PROGRAMS**

**SUPPORTIVE HOUSING PROGRAM (SHP)**

**SHELTER PLUS CARE (S+C)**

**SECTION 8 MODERATE  
REHABILITATION SINGLE ROOM  
OCCUPANCY FOR HOMELESS  
INDIVIDUALS (SRO)**

Billing Code 4210-01-C

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**Continuum of Care (CoC) Program***Overview Information*

A. Federal Agency Name: Department of Housing and Urban Development, Office of Community Planning and Development.

B. Funding Opportunity Title: Funding Availability for Continuum of Care (CoC) Homeless Assistance Programs.

C. Announcement Type: Initial Announcement.

D. Funding Opportunity Number: The **Federal Register** number is FR-5100-N-14. The OMB Approval number is 2506-0112.

E. Catalog of Federal Domestic Assistance (CFDA) Numbers:

1. 14.235, Supportive Housing Program (SHP)
2. 14.238, Shelter Plus Care (S+C) and
3. 14.249, Section 8 Moderate Rehabilitation Single Room Occupancy (SRO).

F. Dates: Applications should be submitted no later than June 8, 2007. Please see Section IV of this NOFA for application submission and timely receipt requirements.

*G. Additional Overview Content Information*

1. *Purpose of the Programs:* The purpose of the CoC Homeless Assistance Programs is to assist homeless persons to move to self-sufficiency and permanent housing.

2. *Available Funds:* Approximately \$1.25 billion is available for funding.

3. *Eligible Applicants:* The program summary chart in Section III.A.3 identifies the eligible applicants for each of the three programs under the CoC Homeless Assistance Programs.

4. *Match:* Matching funds are required from local, state, federal or private resources.

**Full Text of Announcement****I. Funding Opportunity Description***A. Program Description*

1. Overview. The purpose of the CoC Homeless Assistance Programs is to reduce the incidence of homelessness in CoC communities by assisting homeless individuals and families to move to self-sufficiency and permanent housing. CoCs and their projects that sustain current successful interventions and advance the goals of ending chronic homelessness will be scored higher.

2. The authorizing legislation and implementing regulations for all programs covered by this NOFA are outlined on the chart in Section III.A.3.

3. Changes for 2007. This list includes all major changes to the CoC NOFA:

a. As in past years, CoCs who would like to create new permanent housing units may use the "hold harmless reallocation process" to do so. With this process, eligible CoCs can replace or reduce renewal projects with a new permanent housing project using the same funds. In the past, a CoC risked losing the funds that it had "reallocated" in this way if the CoC did not score above the full funding line. New this year, CoCs who are in "hold harmless status" who seek to use the reallocation process to create new permanent housing units may do so without risk of losing the reallocated amount. If a CoC reallocates a portion of its pro rata need to an eligible new permanent housing project, the project will be funded, even if it is a lower-rated eligible project as long as it is in a CoC receiving at least 65 points. HUD is making this change to make it easier for CoCs to choose to fund new permanent housing units. For more information on hold harmless status and the process for reallocating pro rata need, see section I.A.8.h of this NOFA (the glossary) or the Questions and Answers Supplement at: [www.hud.gov/offices/adm/grants/fundsavail.cfm](http://www.hud.gov/offices/adm/grants/fundsavail.cfm).

b. The "Questions and Answers Supplement" contains additional information and should be thoroughly reviewed. It is now available on the web at [www.hud.gov/offices/adm/grants/fundsavail.cfm](http://www.hud.gov/offices/adm/grants/fundsavail.cfm).

4. Developing and Coordinating CoC Systems. Developing a CoC system should be an inclusive process that brings together participants from the state, local, private and nonprofit sectors to reduce homelessness. This NOFA emphasizes HUD's determination to integrate and align plans, including jurisdictional state and city ten-year plans (jurisdictional ten-year plans) encouraged by the U.S. Interagency Council on Homelessness and Consolidated Plans, into the CoC plans. These plans serve as the vehicle for a community to comprehensively identify each of its needs and to coordinate a plan of action for addressing them. For a community to successfully address the complex and interrelated problems related to homelessness, the community must marshal its varied resources—community and economic development resources, social service resources, business, health care, philanthropy, law enforcement, and housing and homeless assistance resources—and use them in a coordinated and effective manner.

5. CoC Components. A CoC system consists of five basic components, as follows:

a. A system of outreach, engagement, and assessment for determining the

needs and conditions of an individual or family who is homeless, and necessary support to identify, prioritize, and respond to persons who are chronically homeless;

b. Emergency shelters with appropriate supportive services to help ensure that homeless individuals and families receive adequate emergency shelter and referral to necessary service providers or housing search counselors;

c. Transitional housing with appropriate supportive services to help homeless individuals and families prepare to make the transition to permanent housing and independent living; and

d. Permanent housing, or permanent supportive housing, to help meet the long-term needs of homeless individuals and families.

e. Prevention strategies play an integral role in a community's plan to eliminate homelessness by effectively intervening for persons in public systems—e.g., corrections, foster care, mental health, and other institutions—so that they do not enter the homeless system. By law, prevention activities are ineligible activities in the three programs for which funds are awarded in this competition but are eligible for funding under the Emergency Shelter Grants block grant program.

6. CoC Planning Process. A CoC system is developed through a community-wide or region-wide process involving nonprofit organizations (including those representing persons with disabilities), government agencies, public housing agencies, community and faith-based organizations, other homeless providers, service providers, housing developers, private health care organizations, businesses and business associations, law enforcement and corrections agencies, school systems, private funding providers, and homeless or formerly homeless persons. A CoC system should address the specific needs of each homeless subpopulation: those experiencing chronic homelessness, veterans, persons with serious mental illnesses, persons with substance abuse issues, persons with HIV/AIDS, persons with co-occurring diagnoses (these may include diagnoses of multiple physical disabilities or multiple mental disabilities or a combination of these two types), victims of domestic violence, youth, and any others. To ensure that the CoC system addresses the needs of homeless veterans, it is particularly important that you involve veteran service organizations with specific experience in serving homeless veterans.

7. CoC Funding is provided through the programs briefly described below.

Please refer to the CoC Homeless Assistance Programs Chart in Section III.A.3 for a more detailed description of each program:

a. *The Supportive Housing Program (SHP)* provides funding for the development of transitional and permanent supportive housing and services that help homeless persons transition from homelessness to living as independently as possible. Some services are also funded to assist in achieving the goal of self-sufficiency.

b. *The Shelter Plus Care (S+C) Program* provides funding for rental assistance and requires grantees to identify service dollars. This gives applicants flexibility in devising appropriate housing and supportive services for homeless persons with disabilities.

c. *The Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program* provides rental assistance on behalf of homeless individuals in connection with the moderate rehabilitation of SRO dwellings.

#### 8. Glossary of Terms

a. *Annual Renewal Amount.* This is the amount that an SHP grant receives as a renewal each year after the initial grant term has ended. This was formerly referred to as the Average Yearly Amount. It is also used to calculate a CoC's "hold harmless" amount. To calculate the Annual Renewal Amount, add up the amount of the renewable items (such as operating, services, and administration costs) for all the years of the initial grant, and divide by the number of years in the grant term. For example, if a grant received a total of \$60,000 in eligible renewable costs over a three-year period, the Annual Renewal Amount would be \$20,000, or \$60,000 divided by 3.

b. *Applicant.* An entity that applies to HUD for funds. See the CoC Homeless Assistance Programs Chart in Section III.A.3 for a list of entities that are eligible. An applicant must submit a SF-424 (Application for Federal Assistance Form). If selected for funding, the applicant becomes the grantee and is responsible for the overall management of the grant, including drawing grant funds and distributing them to project sponsors. The applicant is also responsible for supervision of project sponsor compliance with grant requirements. The applicant may also be a project sponsor.

c. *Applicant Certification.* The form, required by law, in which an applicant certifies that it will adhere to certain statutory requirements, such as the Civil Rights Act of 1964.

d. *Chronically Homeless Person.* An unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years. A disabling condition is defined as "a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions." In defining the chronically homeless, the term "homeless" means "a person sleeping in a place not meant for human habitation (e.g., living on the streets) or in an emergency homeless shelter."

e. *Consolidated Plan.* A long-term housing and community development plan developed by state and local governments and approved by HUD. The Consolidated Plan contains information on homeless populations and should be coordinated with the CoC plan. It can be a source of information for the Unmet Need sections of the Housing Activities Chart. The plan contains both narratives and maps, the latter developed by localities using software provided by HUD.

f. *Consolidated Plan Certification.* The form, required by law, in which a state or local official certifies that the proposed activities or projects are consistent with the jurisdiction's Consolidated Plan and, if the applicant is a state or unit of local government, that the jurisdiction is following its Consolidated Plan.

g. *Continuum of Care (CoC).* A collaborative funding approach that helps communities plan for and provide a full range of emergency, transitional, and permanent housing and service resources to address the various needs of homeless persons.

h. *Continuum of Care Hold Harmless Amount.* This is the total of the one-year amount (the total of the annual renewal amount) of all SHP projects eligible for renewal under this NOFA. CoCs shall receive the higher of: (1) the preliminary pro rata need (PRN) or (2) the CoC hold harmless amount. CoCs receiving the CoC hold harmless amount have the opportunity to replace or reduce projects in their CoC and reallocate their PRN funds in order to create new permanent supportive housing projects.

i. *Current Inventory.* A complete listing of the community's existing beds and supportive services.

j. *Homeless Management Information Systems (HMIS).* An HMIS is a computerized data collection application designed to capture client-level information over time on the characteristics and service needs of

men, women, and children experiencing homelessness, while also protecting client confidentiality. It is designed to aggregate client-level data to generate an unduplicated count of clients served within a community's system of homeless services. An HMIS may also cover a statewide or regional area, and include several CoCs. The HMIS can provide data on client characteristics and service utilization.

k. *Homeless Person* means a person sleeping in a place not meant for human habitation or in an emergency shelter; and a person in transitional housing for homeless persons who originally came from the street or an emergency shelter. For a more detailed discussion, see the Questions and Answers Supplement available on the Web at [www.hud.gov/offices/adm/grants/fundsavail.cfm](http://www.hud.gov/offices/adm/grants/fundsavail.cfm). The programs covered by this NOFA are not for populations who are at risk of becoming homeless.

l. *NOFA.* Notice of Funding Availability, published in the **Federal Register** to announce available funds and application requirements.

m. *Private Nonprofit Status.* Private nonprofit status is documented by submitting either: (1) a copy of the Internal Revenue Service (IRS) ruling providing tax-exempt status under Section 501(c)(3) of the IRS Code; or (2) documentation showing that the applicant is a certified United Way agency; or (3) a certification from a designated official of the organization that no part of the net earnings of the organization inures to the benefit of any member, founder, contributor, or individual; that the organization has a voluntary board; that the organization practices nondiscrimination in the provision of assistance; and that the organization has a functioning accounting system that provides for each of the following (mention each in the certification):

(1) Accurate, current and complete disclosure of the financial results of each federally sponsored project.

(2) Records that identify adequately the source and application of funds for federally sponsored activities.

(3) Effective control over and accountability for all funds, property and other assets.

(4) Comparison of outlays with budget amounts.

(5) Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the use of the funds for program purposes.

(6) Written procedures for determining the reasonableness, allocability and allowability of costs.

(7) Accounting records, including cost accounting records, which are supported by source documentation.

n. *Project Sponsor*. The organization that is responsible for carrying out the proposed project activities. A project sponsor does not submit a SF-424 (Application for Federal Assistance), unless it is also the applicant. To be eligible to be a project sponsor, you must meet the same program eligibility standards as applicants do, as outlined in Section III.A.3, except in the Sponsor-based rental assistance (SRA) component of the S+C Program. Eligible sponsors for the SRA component are statutorily precluded from applying for S+C funding.

o. *Public Nonprofit Status*. Public nonprofit status is documented for community mental health centers by including a letter or other document from an authorized official stating that the organization is a public nonprofit organization.

p. *SF-424, Application for Federal Assistance*. The application cover sheet required to be submitted by applicants requesting HUD Federal Assistance.

q. *Safe Haven*. A Safe Haven is a form of supportive housing funded and administered under the Supportive Housing Program serving hard-to-reach homeless persons with severe mental illness and other debilitating behavioral conditions who are on the streets and have been unwilling or unable to participate in supportive services. A Safe Haven may be transitional supportive housing, or permanent supportive housing if it has the characteristics of permanent housing and requires participants to sign a lease.

r. *Samaritan Housing Initiative*. The Samaritan Initiative will be integrated into this NOFA as part of the larger CoC process and is only for projects serving exclusively chronically homeless persons. It is 15 percent of a CoC's preliminary pro rata need amount or \$6 million, whichever is less. Applicants may use no more than 20 percent of this bonus for case management costs to enable program participants to remain successfully housed. See Section V.A.2.b(3) for additional information on this subject.

9. *Applicant Roles and Responsibilities*. An applicant will be responsible for the overall management and administration of a particular grant, including drawing down the grant funds from HUD, distributing them to the project sponsors, overseeing project sponsors, reporting to HUD, providing performance data to the CoC for community-level analysis, and collecting information to provide the CoC with counts of the homeless

through HMIS. Applicants can submit applications for projects on behalf of project sponsors, who will actually carry out the proposed project activities. Applicants can also carry out their own projects. In these cases, the applicant is responsible for both administering and managing a grant (as the grantee) and carrying out the project activities (as the project sponsor).

## II. Award Information

A. *Amount Allocated*. Approximately \$1.25 billion is available for this CoC competition in FY 2007. Any unobligated funds from previous CoC competitions or additional funds that may become available as a result of deobligations or recaptures from previous awards or budget transfers may be used in addition to FY 2007 appropriations to fund applications submitted in response to this NOFA. The FY 2007 HUD Appropriations Act requires HUD to obligate all CoC homeless assistance funds by September 30, 2009. These funds will remain available for expenditure for either five (5) or ten (10) years following that date, as provided by statute. The only exception is that \$20 million will remain available until expended for 10-year term projects.

1. *Distribution of Funds*: HUD will not specify amounts for each of the three programs. Instead, the distribution of funds among the three programs will depend largely on locally determined priorities and overall demand.

a. *Permanent Housing Requirement*. Local priorities notwithstanding, the FY 2007 HUD Appropriations Act requires that not less than 30 percent of this year's Homeless Assistance Grants (HAG) appropriation, excluding amounts provided for one-year renewals under the Shelter Plus Care Program, must be used for permanent housing projects for all homeless populations.

b. *Chronic Homelessness Requirement*. The Administration has established as a policy priority the goal of ending chronic homelessness. CoCs are strongly encouraged to use the funds available in this NOFA to target persons experiencing chronic homelessness in their communities. HUD encourages communities to select projects that will contribute to the achievement of this important goal. The CoC strategy to end chronic homelessness is now referred to as the CoC Ten-Year Plan (see Chart N in Exhibit 1). CoCs should align and integrate their CoC Ten-Year Plans with other plans, including jurisdictionally led ten-year plans and applicable Consolidated Plans. To work towards this goal, HUD is targeting the Samaritan Initiative for projects that

exclusively serve individuals who are experiencing chronic homelessness. In addition, at least 10 percent of the appropriation will be awarded to new or renewal, transitional or permanent housing projects where at least 70 percent of the project's clients are expected to be chronically homeless (as defined by HUD) immediately prior to entry into the project. Housing projects include: SHP transitional housing, permanent housing and Safe Havens; S+C; and SRO projects. Since the housing funding allocation set-aside requirements are expected to continue in future competitions and may affect project funding selections, you are strongly encouraged to begin planning for new housing projects, particularly those serving individuals experiencing chronic homelessness, and include them as part of your submission in this competition. See Sections V.B.3.a and V.B.3.b of this NOFA for additional information on the permanent housing and chronic homeless requirements.

c. *Lower-rated SHP Renewals*. HUD reserves the authority to conditionally select for one year of funding lower-rated eligible SHP renewal projects that are assigned 40 need points in a CoC application receiving at least 25 points under the CoC scoring factor that would not otherwise receive funding for these projects. (See Sections V.A.2.a and V.A.2.b of this NOFA for information on project rating and scoring.) Therefore, the projects must receive a minimum score of 65 points. Although these lower-rated SHP renewal projects will have scored below the otherwise recognized funding line, their funding allows homeless persons to continue to be served and move towards self-sufficiency. Not renewing these projects would likely result in the closure of these projects and displacement of the homeless people being served.

2. *Prioritizing Projects for Funding*. Project priority decisions are best made by members of the local community, including local government and community and faith-based organizations, which represent the various economic, housing and social resources within that community. For example, if HUD has funds available only to award 8 of 10 proposed projects, then it will award funding to the first 8 eligible projects listed, except as may be necessary to achieve the 30 percent overall permanent housing and the 10 percent chronic homelessness requirements; see Sections V.B.3.a. and V.B.3.b. of this NOFA for additional information. In such cases, higher priority non-permanent housing projects may be de-selected to fund lower priority permanent housing projects and

housing projects predominantly serving those persons experiencing chronic homelessness.

3. *Grant Term.* See chart in Section III.A.3. of this NOFA for information on the term of assistance for each of the three CoC programs covered in this NOFA.

**III. Eligibility Information**

*A. Eligible Applicants*

1. Eligible applicants for each program are those identified in the following chart.

2. *Renewal Applicants.* As a project applicant, you are eligible to apply for renewal of a grant only if you have

executed a grant agreement for the project directly with HUD for SHP or S+C programs under a CoC NOFA. If you are a project sponsor or sub-recipient who has not signed such an agreement, you are not eligible to apply for renewal of these projects.

3. Continuum of Care Homeless Assistance Programs

Elements	Supportive housing	Shelter plus care	Section 8 SRO
Authorizing Legislation .....	Subtitle C of Title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11381.	Subtitle F of Title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11403.	Section 441 of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11401.
Implementing Regulations .....	24 CFR part 583 .....	24 CFR part 582 .....	24 CFR part 882, subpart H, except that all persons receiving rental assistance must meet the McKinney-Vento definition of homelessness.
Eligible Applicant(s) .....	<ul style="list-style-type: none"> <li>States .....</li> <li>Units of general local government.</li> <li>Special purpose units of government, e.g. PHAs.</li> <li>Private nonprofit organizations.</li> <li>Community Mental Health Centers that are public nonprofit organizations.</li> </ul>	<ul style="list-style-type: none"> <li>States .....</li> <li>Units of general local government.</li> <li>PHAs.</li> </ul>	<ul style="list-style-type: none"> <li>PHAs.</li> <li>Private nonprofit organizations.</li> </ul>
Eligible Components .....	<ul style="list-style-type: none"> <li>Transitional housing .....</li> <li>Permanent housing for disabled persons only.</li> <li>Supportive services not in conjunction with supportive housing.</li> <li>Safe Havens .....</li> <li>Innovative supportive housing.</li> <li>Homeless Mngt. Info. System (HMIS).</li> </ul>	<ul style="list-style-type: none"> <li>Tenant-based housing .....</li> <li>Sponsor-based housing.</li> <li>Project-based housing.</li> <li>SRO-based housing.</li> </ul>	<ul style="list-style-type: none"> <li>SRO housing.</li> </ul>
Eligible Activities, See footnotes 1, 2 and 3.	<ul style="list-style-type: none"> <li>Acquisition .....</li> <li>Rehabilitation.</li> <li>New construction.</li> <li>Leasing.</li> <li>Operating costs.</li> <li>Supportive services.</li> </ul>	<ul style="list-style-type: none"> <li>Rental assistance .....</li> </ul>	<ul style="list-style-type: none"> <li>Rental assistance.</li> </ul>
Eligible Populations, See footnote 2.	<ul style="list-style-type: none"> <li>Homeless individuals and families.</li> </ul>	<ul style="list-style-type: none"> <li>Homeless disabled individuals ..</li> </ul>	<ul style="list-style-type: none"> <li>Homeless individuals.</li> </ul>
Populations Given Special Consideration.	<ul style="list-style-type: none"> <li>Homeless persons with disabilities.</li> <li>Homeless families with children</li> </ul>	<ul style="list-style-type: none"> <li>Homeless disabled individuals &amp; their families.</li> <li>Homeless persons who are seriously mentally ill.</li> <li>Have chronic problems with alcohol and/or drugs.</li> <li>Have AIDS &amp; related diseases.</li> </ul>	<ul style="list-style-type: none"> <li>N/A.</li> </ul>
Initial Term of Assistance, See footnote 4.	<ul style="list-style-type: none"> <li>2 or 3 years for new SHP .....</li> <li>1, 2 or 3 years for new HMIS ...</li> <li>1, 2, or 3 years for new reallocated projects.</li> </ul>	<ul style="list-style-type: none"> <li>5 years: TRA, SRA, and PRA without rehab.</li> <li>10 years: SRO, and PRA with rehab.</li> </ul>	<ul style="list-style-type: none"> <li>10 years.</li> </ul>

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

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

Footnote 3: Acquisition, construction, rehabilitation, leasing, and operating costs are statutorily ineligible for assistance under Shelter Plus Care and Section 8 SRO.

Footnote 4: The term of a new grant with funds for acquisition, construction or rehabilitation also includes the time to acquire the property, complete construction and begin operating the project, which may be no greater than 39 months.

B. Matching (Cost Sharing). You must match Supportive Housing Program funds provided for acquisition, rehabilitation, and new construction with an equal amount of cash from other sources. Since SHP by statute can pay

no more than 75 percent of the total operating budget for supportive housing, you must provide at least a 25 percent cash match of the total annual operating costs. In addition, for all SHP funding for supportive services and

Homeless Management Information Systems (HMIS) you must provide a 20 percent cash match. This means that of the total supportive services budget line item, no more than 80 percent may be from SHP grant funds.

You must match rental assistance provided through the Shelter Plus Care Program in the aggregate with supportive services. Shelter Plus Care requires a dollar for dollar match; the recipient's match source can be cash or in kind.

Documentation of the match requirement must be maintained in the grantee's financial records on a grant-specific basis.

### C. Other

1. *Eligible Activities.* Eligible activities for the SHP, S+C, and SRO Programs are outlined in the preceding CoC Homeless Assistance Programs Chart at Section III.A.3.

#### 2. *Threshold Requirements*

a. *Project Eligibility Threshold.* HUD will review projects to determine if they meet the following eligibility threshold requirements. If HUD determines that these standards are not met by a specific project or activity, the project or activity will be rejected from the competition.

(1) Applicants and sponsors must meet the eligibility requirements of the specific program as described in program regulations and provide evidence of eligibility and appropriate certifications as specified by the attachments in Section VIII.

(2) The population to be served must meet the eligibility requirements of the specific program as described in the program regulations, and the application must clearly establish eligibility of program participants to be served pertaining to homelessness and disability status.

(3) The only persons who may be served by new and renewal permanent housing projects are those who come from the streets, emergency shelters, or transitional housing who originally came from the streets or emergency shelter. As participants leave currently operating projects, participants who meet this eligibility standard must replace them.

(4) Projects that involve rehabilitation or new construction must meet the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, the design and construction requirements of the Fair Housing Act and the accessibility requirements of the Americans with Disabilities Act, as applicable.

(5) The project must be cost-effective, including costs associated with construction, operations and supportive services with such costs not deviating substantially from the norm in that locale for the type of structure or kind of activity.

(6) For those applicants applying for the Innovative component of SHP,

whether or not a project is considered innovative will be determined on the basis that the particular approach proposed is new and can be replicated.

(7) Renewal applications should be submitted as part of a CoC application, and must either be listed on the priority list or accompanied by a certification from the CoC saying that they have determined that the project is still needed.

(8) Under the Sponsor-based rental assistance S+C component, an applicant must subcontract the funding awarded with an eligible sponsor: a private nonprofit organization or a community mental health agency established as a public nonprofit organization that owns or leases the housing where participants will reside.

(9) For the Section 8 SRO program, only individuals meeting HUD's definition of homeless are eligible to receive rental assistance. Therefore, any individual occupying a unit at commencement of the unit's rehabilitation will not receive rental assistance if they return to their unit (or any other) upon completion of its rehabilitation.

(10) Applicants agree to participate in a local HMIS system when it is implemented in their community.

b. *Project Quality Threshold.* HUD will review projects to determine if they meet the following quality threshold requirements with clear and convincing evidence. A S+C or SHP project renewal will be considered as having met these requirements through its previously approved grant application unless information to the contrary is received. The housing and services proposed must be appropriate to the needs of the program participants and the community. HUD will assess the following:

(1) The type, scale and general location of the housing fit the needs of the participants and that the housing is readily accessible to community amenities.

(2) That all of the proposed participants come from the streets, homeless shelters or transitional housing for homeless persons.

(3) The type, scale and location of the supportive services fit the needs of the participants and the mode of transportation to those services is described.

(4) The specific plan for ensuring clients will be individually assisted to obtain the benefits of the mainstream health, social service, and employment programs for which they are eligible is provided.

(5) How participants are helped to obtain and remain in permanent housing is described.

(6) How participants are assisted to both increase their incomes and live independently using mainstream housing and service programs is described.

(7) Applicants and sponsors must evidence satisfactory performance for existing grant(s).

c. *Project Renewal Threshold.* Your local needs analysis process must consider the need to continue funding for projects expiring in calendar year 2008. HUD will not fund competitive renewals out of order on the priority list except as may be necessary to achieve the 30 percent overall permanent housing requirement and the 10 percent requirement for individuals experiencing chronic homelessness requirement. It is important that SHP renewals and S+C non-competitive renewals meet minimum project eligibility, capacity and performance standards identified in this NOFA or they will be rejected from consideration for either competitive or non-competitive funding.

d. *Civil Rights Thresholds:* Applicants and the project sponsors must be in compliance with the threshold requirements of the General Section.

#### 3. *Program Requirements*

a. Projects funded under this NOFA shall operate in a fashion that complies with applicable civil rights laws and Executive Orders, including the requirement to Affirmatively Further Fair Housing (AFFH), and does not deprive any individual of any right protected by the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5309), or the Age Discrimination Act of 1975 (42 U.S.C. 6101).

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

programs shall, to the greatest extent feasible, be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

c. *Relocation.* The SHP, S+C, and SRO programs are subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA). These requirements are explained in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition. Also see General Section.

d. *Environmental Reviews.* All CoC assistance is subject to the National Environmental Policy Act and applicable related Federal environmental authorities. Conditional selection of projects under the CoC Homeless Assistance competition is subject to the environmental review requirements of 24 CFR 582.230, 583.230 and 882.804(c), as applicable. The recipient, its project partners and their contractors may not acquire, rehabilitate, convert, lease (under S+C/TRA where participants are required to live in a particular structure or area as described in Section III.C.3.h(3)(a)), repair, dispose of, demolish or construct property for a project under this CoC NOFA, or commit or expend HUD or local funds for such eligible activities, until the responsible entity has completed the environmental review procedures required by Part 58 and the environmental certification and Request for Release of Funds (RROF) have been approved or HUD has performed an environmental review under Part 50 and the recipient has received HUD approval of the property. The expenditure or commitment of Continuum of Care assistance or non-federal funds for such activities prior to this HUD approval may result in the denial of assistance for the project under consideration.

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

The more jurisdictions you include in the CoC strategy area, the larger the pro rata need share that will be allocated to the strategy area (as described in Section

V.B.2.b. of this NOFA). If you are a rural county, you may wish to consider working with larger groups of contiguous counties to develop a region-wide or multi-county CoC strategy covering the combined service areas of these counties. The areas covered by CoC strategies should not overlap.

f. *Expiring/Extended Grants.* If your SHP or S+C Program grant will be expiring in calendar year 2008, or if your S+C Program grant has been extended beyond its original five-year term and is projected to run out of funds in FY 2008, you may apply as a renewal under this CoC NOFA to get continued funding.

g. *Participation in Energy Star.* In keeping with the Administration's policy priority of promoting energy efficient housing while protecting the environment, applicants applying for new construction or rehabilitation funding, who maintain housing or community facilities or provide services in those facilities, are encouraged to promote energy efficiency and are specifically encouraged to purchase and use Energy Star-labeled products. All applicants must complete the questions on the Energy Star Chart (Chart CoC-AA) in Exhibit 1. Refer to the General Section for detailed information about this requirement.

h. *Program-Specific Requirements.* Please be advised that where an applicant for the SHP funding is a state or unit of general local government that utilizes one or more nonprofit organizations to administer the homeless assistance project(s), administrative funds provided as part of the SHP grant must be passed on to the nonprofit organization(s) in proportion to the administrative burden borne by them for the SHP project(s). HUD will consider states or units of general local government that pass on at least 50 percent of the administrative funds made available under the grant as having met this requirement. This requirement does not apply to either the SRO Program, since only PHAs administer the SRO rental assistance, or to the S+C Program, since paying the costs associated with the administration of these grants is ineligible by regulation.

HUD will not award funds to rehabilitate leased property. In addition, SHP funds may not be used to lease units or structures owned by the project sponsor, the selectee, or their parent organizations. This includes organizations that are members of a general partnership where the general partnership owns the structure.

#### (1) SHP—New Projects

(a) Please note that applicants for new grants can request 2 or 3 years' worth of funds for operating, supportive services and leasing costs and that the grant term will be the 2 or 3 years requested. However, if you also request funds for acquisition, construction or rehabilitation, the grant term will be the 2 or 3 years, plus the time to acquire the property, complete construction and begin operating the project (no greater than 39 months).

(b) *HUD will require recordation of a HUD-approved use and repayment covenant* (a form may be obtained from your field office) for all grants of funds for acquisition, rehabilitation or new construction. The covenant will enforce the use and repayment requirements found at section 423(b)(1) and (c) of the McKinney-Vento Act and must be approved by HUD counsel before execution and recordation. Proof of recordation must be provided to HUD counsel *before* funds for rehabilitation or new construction may be drawn down.

(c) All project sponsors must meet applicant eligibility standards as described in Section III.A.3. As in past years, HUD will review sponsor eligibility as part of the threshold review process. Project sponsors for new projects are required to submit evidence of their eligibility with the application (See Section IV.B.1.b.(3)(a) and Section I.A.8.n).

#### (2) SHP—Renewal Projects

(a) For the renewal of a SHP project, you may request funding for one (1), two (2) or three (3) years.

(b) The total request for each renewable project cannot exceed the Annual Renewal Amount (formerly referred to as the Average Yearly Amount) received in your current grant for that project. Within that total request, the administrative amount must be the exact amount awarded in the previous grant. An exception to this rule is grants being renewed whose original expiring award included "hard" development costs (acquisition, new construction, and rehab). In the current competition, you must recalculate your administrative allocation not to exceed five percent of the Annual Renewal Amount of the activities being renewed. To calculate administrative amounts for activities in all new projects and renewal projects with these "hard" development costs, calculate the subtotal of all requested amounts for activities. Administrative costs cannot exceed 5% of this subtotal. For example, if a project requests \$60 for supportive

services and \$40 for operating expenses, the maximum amount of administration dollars the project can request is \$5.

Only leasing, operating, supportive services, and administration costs may be renewed. Applicants proposing both to renew an existing project and to expand the number of units or number of participants receiving services in that grant must submit a new project proposal for the expansion portion of the project. HMIS activities being renewed should be included on the HMIS budget chart. For more information on Annual Renewal Amount, see section I.A.8.a of this NOFA (the glossary).

(c) HUD will recapture SHP grant funds remaining unspent at the end of the previous grant period when it renews a grant.

### (3) S+C—New Projects

(a) A project may not include more than one component, e.g., combining Tenant-based Rental Assistance (TRA) with Sponsor-based Rental Assistance (SRA) is prohibited within the same grant. Under the TRA component, in order to help provide supportive services or for the purposes of controlling housing costs, a grantee may require participants to live in a particular structure for the first year of assistance or to live in a particular area for the entire rental assistance period. Where this option is exercised, an environmental review and clearance must be performed prior to any commitment to lease a particular structure or unit for participant occupancy as described in Section III.C.3.d, Environmental Reviews.

(b) *S+C/SRO Component.* If you are a state or a unit of general local government, you must subcontract with a public housing agency to administer the S+C assistance. Also, no single project may contain more than 100 units.

(c) *S+C SRA Component.* Project sponsors must submit proof of their eligibility to serve as a project sponsor.

(4) *S+C Renewal Projects.* HUD encourages the consolidation of appropriate S+C renewal grants when the grants are under the same grantee, same component and expire in the same year. However, renewal requests for expiring S+C grants that have not yet been combined should still be listed individually on the CoC priority list and will be awarded as individual renewal grants. Where the grantee wishes to consolidate the renewal grants, this action will be subsequently accomplished by the field office at the point of renewal grant agreement execution. The field office will receive

instructions for this process in the S+C Operating Procedures guidance for 2007 awards.

(a) For the renewal of a S+C project, including S+C SROs, the grant term will be one (1) year, as specified by Congress. For the renewal of S+C rental assistance that is Tenant-based (TRA), Sponsor-based (SRA), Project-based (PRA), or Single Room Occupancy-based (SRO), you may request up to the amount determined by multiplying the number of units under lease at the time of your application for renewal funding by the applicable 2006 Fair Market Rent(s) by 12 months. Current FMRs can be found at [www.hudclips.org](http://www.hudclips.org). For S+C grants having been awarded one year of renewal funding in 2005, the number of units requested for renewal this year must not exceed the number of units funded in 2005. As is the case with SHP, HUD will recapture S+C grant funds remaining unspent at the end of the previous grant period when it renews a grant. The one-year term of non-competitively awarded S+C renewal projects may not be extended.

(b) Under the FY 2007 HUD Appropriations Act, eligible S+C Program grants whose terms are expiring in 2008 and S+C Program grants that have been extended beyond their original five-year terms but which are projected to run out of funds in 2008, will be renewed for one year provided that they are determined to be needed by the CoC, either as evidenced by their inclusion on the priority chart or as accompanied by a certification from the CoC. These projects must also demonstrate that their applicant and sponsor meet eligibility, capacity and performance requirements described in Section V.A.1 of this NOFA. Non-competitive S+C renewals should be submitted by the application deadline. These S+C renewal projects will not count against a continuum's pro rata need amount, but, if listed on the CoC Priority Chart, should be numbered, continuing the priority sequence. On the other hand, no community hold harmless amount will be computed for any CoC using S+C renewal amounts since these projects are being funded outside of the competition.

(5) *Section 8 Moderate Rehabilitation SRO Program—New Projects.* As an applicant, the following limitations apply to the Section 8 SRO program:

(a) SRO assistance may not be provided to more than 100 units in any structure.

(b) Under 24 CFR 882.802, applicants that are private nonprofit organizations must subcontract with a public housing agency to administer the SRO assistance.

(c) Under 24 CFR 882.802, rehabilitation must involve a minimum expenditure of \$3,000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade conditions to comply with HUD's physical condition standards in 24 CFR part 5, subpart G.

(d) Under section 441(e) of the McKinney-Vento Act and 24 CFR 882.805(d)(1), HUD publishes the SRO per unit rehabilitation cost limit each year to take into account changes in construction costs. This cost limitation applies to eligible rehabilitation costs that may be compensated for in the Housing Assistance Payments (HAP) contract rents. For purposes of Fiscal Year 2007 funding, the cost limitation is raised from \$20,500 to \$21,000 per unit to take into account increases in construction costs during the past 12-month period.

(e) The SRO Program is subject to the Federal standards at 24 CFR part 882, subpart H.

(f) Individuals assisted through the SRO Program must meet the definition of homeless individual found at section 103 of the McKinney-Vento Act.

(g) Resources outside the program pay for the rehabilitation, and rehabilitation financing. The rental assistance covers operating expenses of the SRO housing, including debt service for rehabilitation financing. Units may contain food preparation or sanitary facilities or both.

(6) *Section 8 Moderate Rehabilitation SRO Program—Renewals.* This program section of the NOFA is not applicable to the renewal of funding under the Section 8 SRO program. The renewal of expiring Section 8 SRO projects is not part of the competitive CoC NOFA process. Rather, expiring Section 8 SROs will be identified at the beginning of the applicable year by the public housing agency and HUD field office. One-year renewal funds for expiring Section 8 SRO HAP contracts will be provided by HUD under a separate, non-competitive process. For further guidance on Section 8 SRO renewals, please contact your local HUD field office.

i. *Timeliness Standards.* As an applicant, you are expected to initiate your approved projects promptly in accordance with Section VI.A of this NOFA. In addition, HUD will take action if you fail to satisfy the following timeliness standards:

(1) *SHP:* HUD will deselect your award if you do not demonstrate site control within one (1) year of the date of your grant award letter, as required by the McKinney-Vento Act (see 42 U.S.C. 11386(a)(3)) and implemented in program regulations at 24 CFR



583.320(a). Subsequent loss of site control beyond the 12-month statutory limit will be cause for cancellation of the award and recapture of funds. HUD may deobligate SHP funds if the following additional timeliness standards are not met:

(a) You must begin construction activities within eighteen (18) months of the date of HUD's grant award letter and complete them within thirty-six (36) months after that notification.

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

(c) You must begin all activities that may proceed independent of construction activities, including HMIS and SSO, within twelve (12) months of the date of HUD's grant award letter. HUD may deselect or terminate a grant agreement if the applicant is not in compliance with this requirement. HUD may reduce a grant agreement term to one (1) year where implementation delays have reduced the amount of funds that reasonably can be used in the original term.

(2) *S+C Except SRO Component*. HUD may deselect an award or deobligate S+C funds if you do not meet the following timeliness standards:

(a) For Tenant-based Rental Assistance, for Sponsor-based Rental Assistance, and for Project-based Rental Assistance without rehabilitation, you must start the rental assistance within twelve (12) months of the date of HUD's grant award letter.

(b) For Project-based Rental Assistance with rehabilitation, you must complete the rehabilitation within twelve (12) months of the date of HUD's grant award letter.

(3) *Section 8 Moderate Rehabilitation SRO Program and SRO Component of the S+C Program*. For the Section 8 SRO program and the SRO component of the S+C program projects awarded under this NOFA, the Annual Contributions Contract (ACC) must be executed no later than September 30, 2009. The rehabilitation work must be completed and the HAP contract executed within twelve (12) months of execution of the Annual Contributions Contract. HUD may reduce the number of units or the amount of the annual contribution commitment if, in HUD's determination, the Public Housing Agency fails to demonstrate a good faith effort to adhere to this schedule.

#### IV. Application and Submission Information

A. Application Package. A checklist of forms needed to complete the application is provided, as described in Section VIII below. Exhibits 1, 2, and the Applicant Certifications are attachments. The Exhibits, Geographic Codes, Preliminary Pro Rata Need Amounts, Applicant Certifications, and the Questions and Answers Supplement can be accessed at <http://www.hud.gov/offices/adm/grants/fundsavail.cim>. An applicant may also obtain a copy of the General Section and this NOFA by calling the NOFA Information Center at 1-800-HUD-8929 (voice) (this is a toll free number). Persons with hearing and speech impairments may access the above number via TTY by calling the toll-free Federal Relay Service at 800-877-8339. Please note that all sections of the General Section are critical and must be carefully reviewed to ensure your application can be considered for funding.

B. Content and Form of Application Submission. The only option for submitting a viable application under this NOFA is to submit the entire Continuum of Care application, with all of its projects, together in a single package mailed to HUD. Each application will consist of one Continuum of Care Exhibit and submissions from one or more applicants and project sponsors. Although HUD will accept an application for a project exclusive of participation in any community-wide or region-wide CoC development process, projects will receive few, if any, points under the CoC rating factors and are very unlikely to be funded. Please note that Exhibits 1 and 2 should only include the actual application questions and responses being provided and should not include the HUD application instructions or any blank tables and charts. The General Section contains certifications that the applicant will comply with fair housing and civil rights requirements, program regulations, and other Federal requirements, and (where applicable) that the proposed activities are consistent with the HUD-approved Consolidated Plan of the applicable state or unit of general local government. Section IV of Exhibit 2 of this NOFA contains program-specific Applicant Certifications.

##### 1. Application Submission Requirements

a. A completed application will include one Exhibit 1 (CoC) and any number of Exhibits 2, depending on the

number of projects and type of programs proposed for funding. For example, if your CoC were proposing five SHP Renewal projects and one S+C New project, then you would submit one Exhibit 1 and six Exhibits 2, filling out the applicable charts in Exhibit 2 for each project. Refer to Assembly Order below for full assembling instructions.

b. Assembly Order: Each CoC must submit the entire CoC application, with all of its parts, in a single package to HUD. There are three separate sections to a CoC submission: the CoC Exhibit 1, all applicant documentation, and all project documentation. The application must be assembled in the following order:

(1) Section I—Exhibit 1 Narrative and Charts

(a) HUD-40090-1, Exhibit 1, the CoC plan with all charts completed as applicable;

(b) HUD-27300, America's Affordable Communities Initiative/Removal of Regulatory Barriers, with supporting documentation;

(c) HUD-2993, Acknowledgment of Application Receipt; and

(d) HUD-2994-A, You Are Our Client! Grant Applicant Survey (optional).

(2) Section II—Applicant Documentation

(a) SF-424 Application for Federal Assistance. Submit one SF-424 for each applicant in the Continuum. Attached to each SF-424 must be a list of all the applicant's projects in priority number order, with project name and requested amount. Each SF-424 must also include the applicant's DUNS number. Please see the General Section for more information on obtaining a DUNS number. The SF-424 Supplement, Survey on Ensuring Equal Opportunities for Applicants, is for private nonprofit applicants only and completion/submission of this survey is voluntary. Additionally, each applicant must attach the following documentation (i-v) to its SF-424:

(i) Documentation of Applicant Eligibility. Only applicants for new projects must include documentation of eligibility as defined in the chart in Section III.A.3. Also, see Section I.A.8.m. & o. of this NOFA for information on the documentation required to validate non-profit status.

(ii) SF-LLL, Disclosure of Lobbying Activities, where applicable.

(iii) Applicant Code of Conduct. (New applicants and applicants awarded HUD funding prior to 2007 who have not previously submitted a Code of Conduct).

(iv) HUD 40090-4, Applicant Certifications.

(3) Section III—Project Documentation: Each project applying under Exhibit 2 must be submitted in its priority list order with all Exhibit 2 required forms, HUD-40090-2, completed for every project. The following documentation must be included after each project submission:

(a) Documentation of Sponsor Eligibility. Only sponsors for new projects must include documentation of eligibility as defined in the chart in Section III.A.3. See also Section I.A.8.n. for information on the documentation required to validate sponsor eligibility.

(b) HUD-96010, Program Outcome Logic Model (for Logic Model instructions, see the General Section of the NOFA);

(c) HUD-2880, Applicant/Recipient Disclosure/Update Report;

(d) HUD-2991, Certification of Consistency with the Consolidated Plan; and

(e) SF 424-Supplement, Survey on Ensuring Equal Opportunities for Applicants (for private nonprofit applicants only—completion of survey is voluntary).

#### 2. Assembly Format

a. The standard font that should be used for narratives is Times New Roman, size 12 (pitch). Number all pages within each exhibit sequentially and insert tabs marking each exhibit.

b. Please use a two-hole punch to insert holes at the top of your application.

c. Please do not bind your application, since this impedes processing.

#### C. Submission Dates and Times

1. *Application Deadline Date.* Your completed application must be submitted on or before June 8, 2007 to the addresses shown below. HUD will not accept faxed or hand delivered applications.

a. *Timeliness.* Your application will be considered filed in a timely manner if your application is postmarked on or before 11:59:59 p.m. on the application deadline date, and received by HUD on or within fifteen (15) days of the application deadline date. Applicants may use any type of mail service provided by the United States Postal Service (USPS) to have their application package delivered to HUD in time to meet the timely submission requirements. Applicants using the USPS must take their application to a post office to get a receipt of mailing that provides the date and time the package was submitted to the USPS. USPS rules now require that large packages must be brought to a postal facility for mailing. In many areas, the

USPS has made a practice of returning to the sender, large packages that have been dropped in a mail collection box. If the USPS does not have a receipt with a digital time stamp, HUD will accept a receipt showing USPS Form 3817, Certificate of Mailing with a dated postmark. The proof of submission receipt provided by the USPS must show receipt no later than the application deadline. The Certificate of Mailing or other USPS receipt will be your documentary evidence that your application was timely filed. If your application is sent by overnight delivery or express mail, other than the United States Postal Service, your application will be timely filed if it is placed in transit with the overnight/express mail service on or before the application submission date. Applicants should retain a receipt from these services showing that it was submitted for delivery by the application deadline date and time. Applicants whose applications are determined to be late, who cannot furnish HUD with a receipt from the USPS or other mail carrier that verifies the package was submitted prior to the submission deadline date and time will not receive funding consideration.

b. *Field Office Copies.* The HUD Field Office must also receive one copy of your application, with the same due date and timely filing requirements as described in Section IV.C.1.a above. In the rare event that a CoC's entire application is not received at HUD Headquarters on time, HUD may similarly request proof that the Headquarters and Field Office copy was filed on time and, if so, may use the copy received by the Field Office for review.

#### D. Intergovernmental Review

Not applicable.

#### E. Funding Restrictions

Funding Restrictions are outlined in Sections V.B.3.a and V.B.3.b.

#### F. Other Submission Requirements

##### 1. Addresses for Submitting Applications:

a. *To HUD Headquarters.* Once you have downloaded the forms from the web site and completed the application and all documentation, submit your original completed application (the application with the original signed documentation) and one additional copy of Exhibit 1 only to: HUD Headquarters, Robert C. Weaver Building, 451 Seventh Street, SW, Room 7270, Washington, DC 20410, Attention: Continuum of Care Programs.

b. *To the Appropriate CPD Field Office.* Also submit one copy of your completed application to the Community Planning and Development Division of the appropriate HUD Field Office for your jurisdiction. Please see the following web site for Field Office addresses: <http://www.hud.gov/localoffices.cfm>.

2. *Security Procedures.* HUD recommends that applications be mailed or shipped express using the United States Postal Service (USPS). However, applications shipped via United Parcel Service (UPS), FedEx, DHL, or Falcon Carrier will also be accepted. Due to HUD security regulations, *no other delivery service is permitted into HUD Headquarters without escort. You must, therefore, use one of the four carriers listed above.*

#### V. Application Review Information

A. *Criteria.* Your application will receive a higher score under the CoC scoring factors if the application demonstrates the achievement of four basic goals:

- One, that you have successfully identified and developed partnerships with nonprofit organizations (including those representing persons with disabilities), government agencies, jurisdictional ten-year planning bodies, public housing agencies, faith-based and other community-based organizations, other homeless providers, housing developers and service providers, private businesses and business associations, law enforcement agencies, funding providers, and homeless or formerly homeless persons, and that your CoC structure and decision-making processes are inclusive of all of these parties. Also, other jurisdictional ten-year plans within your CoC's geographic area must be aligned and integrated with the CoC plan;
- Two, that you have created, maintained, and built upon a community-wide inventory of housing and services for homeless families and individuals (both HUD and non-HUD funded); identified the full spectrum of needs of homeless families and individuals; and coordinated efforts to fill gaps between the current inventory and existing needs. This coordinated effort must appropriately address all aspects of the continuum, especially permanent housing;
- Three, that you have instituted a CoC-wide strategy to achieve the CoC's goals, especially to end chronic homelessness. This can be accomplished through careful

planning, coordination with other state and local ten-year plans, and through leveraging resources from multiple sources; and

—Four, that your Continuum is working toward the HUD/national performance objectives (the objectives listed in Section VI.B.1 below and on Chart N in Exhibit 1, the CoC 10-Year Plan, Objectives, and Action Steps Chart), that you are reporting on progress toward the CoC's goals, and that you are coordinating homeless assistance with mainstream health, social services, and employment programs.

1. *Applicant and sponsor eligibility, capacity and performance.* HUD will review applications to ensure that the applicant and project sponsor meet the eligibility and capacity standards outlined in this section. If HUD determines these standards are not met, the project will be rejected from the competition. The eligibility, capacity and performance standards are as follows:

a. You must be eligible to apply for the specific program.

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

c. If you or the project sponsor is a current or past recipient of assistance under a HUD McKinney-Vento Act program, there must have been no delay in meeting applicable program timeliness standards unless HUD determines the delay in project implementation is beyond your or the project sponsor's control, there are no serious unresolved HUD monitoring finding, and no outstanding audit finding of a material nature regarding the administration of the program.

2. *Review, Rating and Conditional Selection.* HUD will use the same review, rating, and conditional selection process for all three programs (SHP, S+C and SRO). The standard factors for award identified in the General Section have been modified in this NOFA as described below. Only the factors described in this NOFA—Continuum of Care and Need—will be used to assign points. Parts 2a and 2b in this section describe selection factors. Up to 100 points will be assigned using these factors, including rating points for HUD's policy priority of ending chronic

homelessness; and the policy priority for removing regulatory barriers to affordable housing (see Section V.B.3.b. and V.A.2.a.(4)g. below on both policy priorities). There are no bonus points for proposing projects in an RC/EZ/EC—IIIs.

a. *Continuum of Care.* HUD will award up to 60 points as follows:

(1) Organizational Structure: HUD will award up to 8 points based on the extent to which your application demonstrates:

(a) The existence of a coordinated, inclusive, and outcome-oriented community process, including organizational structure(s) and decision-making processes for developing and implementing a CoC strategy;

(b) That this process includes nonprofit organizations (such as veterans service organizations, organizations representing persons with disabilities, faith-based and other community-based organizations, and other groups serving homeless and other low-income persons), state and local governmental agencies, public housing agencies, housing developers and service providers, school systems, law enforcement, hospital and medical entities, funding providers, local businesses and business associations, and homeless or formerly homeless persons; and

(c) That the CoC has a process in place to achieve fair and impartial project review and selection, with representation and input from diverse parties such as those outlined under Criteria for Application Review.

(2) CoC Housing and Service Needs: HUD will award up to 12 points based on the extent to which your application demonstrates:

(a) That a well-defined and comprehensive strategy has been developed which addresses the components of a CoC system (i.e., outreach, intake and assessment; emergency shelter; transitional housing; permanent supportive housing; and prevention), and that the strategy has been designed to serve all homeless subpopulations in the community (e.g., seriously mentally ill, persons with multiple diagnoses, veterans, persons with HIV/AIDS), including those persons living in emergency shelters, supportive housing for homeless persons, or in places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. Having high-quality data is important, and your application in this section must demonstrate the CoC's data collection methods.

(b) HMIS Implementation. Of these 12 points, HUD will award up to 5 points based upon the extent to which your

application demonstrates progress in the planning, implementation and operation of an HMIS system covering at a minimum all street outreach, emergency shelters and transitional housing programs so that a reliable, unduplicated count of homeless persons on the street and in shelters may be conducted.

(3) CoC Strategic Planning: HUD will award up to 10 points based on the extent to which your application demonstrates:

(a) The existence of a performance-based 10-year strategy for ending chronic homelessness that establishes specific action steps to achieve the five objectives listed in Chart N, the CoC 10-Year Plan, Objectives, and Action Steps Chart, with measurable achievements. It should be integrated with other ten-year plans in the community to eliminate chronic homelessness (if applicable), the local HUD Consolidated Plan, and other state and local plans related to homelessness;

(b) Your Continuum's progress in working with the appropriate local government entity to develop and implement a discharge policy for persons leaving publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in persons entering the homeless system;

(c) Proposes projects that are consistent with identified unmet needs and correctly completes the priority chart (note: if you do not provide a Project Priority Chart in Exhibit 1, all proposed projects may lose up to 30 points of the 40-point Need total);

(d) Provides estimates of renewal funds needed through 2012 for SHP and S+C projects; and

(e) Demonstrates leveraging of funds requested under this NOFA with other resources, including private, other public, and mainstream services and housing programs, for proposed projects and ongoing efforts (Leveraging Supplemental Resources).

(4) CoC Performance: HUD will award up to 18 points based upon the CoC's progress in reducing homelessness, including chronic homelessness. Please note that HUD reserves the right to award at least a minimum score of half of the full points in this section, for each completed chart in Part IV, CoC Performance, to continuums located in areas affected by Hurricanes Katrina and Rita that President Bush has declared to be major disaster areas under Title IV of the Robert T. Stafford Act. CoC Performance will be measured by

demonstrating: That the CoC has taken specific action steps and made progress toward achieving its goals; That the CoC has increased the number of permanent housing beds for the chronically homeless and made progress toward eliminating chronic homelessness;

Program participants' success in moving to and maintaining permanent housing as reported in the most recent Annual Progress Report (APR);

The extent to which participants successfully become employed and access mainstream programs. These measures emphasize HUD's determination to assess grantees' performance in the prior program year and to determine if they are meeting the overall goal of the homeless assistance grants under which they are funded. Both housing and supportive services only projects will be assessed, using the data submitted in Exhibit 1, Charts W and X;

That the CoC has no unexecuted grants;

That projects within the CoC have policies and practices in place to hire, and have hired, low and very low-income employees and subcontractors, under Section 3 of the Housing and Urban Development Act of 1968 (HUD will award up to 2 points for this chart, within the 18 points for this rating factor); and

Removal of Regulatory Barriers to Affordable Housing: As provided for in the General Section, HUD will award up to 2 points, within the 18 points for this rating factor, based on the extent that the CoC's application demonstrates a local plan and/or existing policy to remove regulatory barriers to the production of affordable housing. Applicable activities include the support of state and local efforts to streamline processes, eliminate redundant requirements, statutes, regulations, and codes that impede the availability of affordable housing. The response (one questionnaire per CoC) should be submitted for consideration as a completed HUD Form 27300, Questionnaire for HUD's Removal of Regulatory Barriers. The Continuum should submit the questionnaire for the local jurisdiction where the majority of its CoC assistance will be provided. Please identify the name of the jurisdiction reported on the top of the first page of the returned questionnaire. The completed questionnaire (Part A or B, NOT both) must include some form of documentation, where requested, and identify a point of contact. This questionnaire can be found in the attachments to the General Section and should be submitted with Exhibit 1.

(5) *Emphasis on Housing Activities:* HUD will award up to 12 points based upon the relationship between funds requested for housing activities (i.e., transitional and permanent) and funds requested for supportive service activities among projects assigned 40 need points (including S+C renewals). Points will be awarded on a sliding scale with the Continuum with the highest percentage of approvable requests for funds for housing activities receiving the highest points. HUD will count as housing activity all approvable requests for funds for rental assistance and approvable requests for funds for acquisition, rehabilitation, construction, leasing and operations when used in connection with housing. HMIS costs and administrative costs will be excluded from this calculation.

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

(1) *Step 1—HUD's Determination of preliminary pro rata need:* To determine the homeless assistance need of a particular jurisdiction, HUD will use nationally available data, including the following factors as used in the Emergency Shelter Grants (ESG) program; data on poverty, housing overcrowding, population, age of housing, and growth lag. Applying those factors to a particular jurisdiction provides an estimate of the relative need index for that jurisdiction compared to other jurisdictions applying for assistance under this NOFA.

(2) *Step 2—Determining CoC hold harmless pro rata need:* In CoCs where the total amount needed to fund, for one year, all SHP grants eligible for renewal in this competition exceeds the preliminary pro rata need amount for that CoC, the CoC will receive this higher amount, referred to as the CoC hold harmless amount. SHP grants eligible for renewal are those that expire between January 1, 2008 and December 31, 2008. No adjustment will be made for S+C renewals. To provide communities with maximum flexibility in addressing current needs, CoCs have the discretion to not fund or to reduce one or more SHP renewal project applications and still receive the benefit of the hold harmless amount if the CoC proposes to use that amount of reduced renewal funds for new permanent supportive housing projects. As in past years, CoCs who would like to create new permanent housing units may use the "hold harmless reallocation process" to do so. With this process, eligible CoCs can replace or reduce renewal projects with a new permanent housing project using the same funds. In

the past, a CoC risked losing the funds that it had "reallocated" in this way if the CoC did not score above the full funding line. New this year, if a CoC reallocates a portion of its pro rata need to an eligible new permanent housing project, the project will be funded, as long as it is in a CoC receiving at least 65 points. HUD is making this change to make it easier for CoCs to choose to fund new permanent housing units. For more information on hold harmless status and the process for reallocating pro rata need, see section I.A.8.g of this NOFA (the glossary) or the Questions and Answers Supplement at [www.hud.gov/offices/adm/grants/fundsavail.cfm](http://www.hud.gov/offices/adm/grants/fundsavail.cfm).

(3) *Step 3—Samaritan Housing Initiative:* Formerly referred to as the Permanent Housing Bonus, this special incentive to promote permanent supportive housing for the chronically homeless is provided to CoC systems that place an eligible, new permanent supportive housing project in the number one priority position on the priority list. If the number one priority project qualifies as an eligible, new permanent housing project exclusively serving the chronically homeless, then the full amount of that project's eligible housing activities, up to a maximum 15 percent of the CoC's preliminary pro rata need, will be added to the pro rata need amount for the Continuum. The only eligible activities that will be counted toward this bonus are housing activities and for SHP, case management, and administration. Applicants may use no more than 20 percent of this bonus for case management costs. Please note: any amount of the proposed project that exceeds the limitations described above will be applied against the pro rata need for the CoC. For the SHP program, housing activities are acquisition, new construction, rehabilitation, leasing of housing and operating costs when used in connection with housing. S+C and SRO rental assistance are defined as housing activities and are eligible under the incentive as well. HMIS costs will be excluded from this calculation.

(4) *Step 4—Final Pro Rata Need:* The dollar amount determined after application of each of these steps, as applicable, is referred to as the "final pro rata need amount." Please be advised that the final funding amount awarded to Shelter Plus Care or Section 8 SRO projects may be different from the requested amount due to changes in the FMRs. HUD will apply FMR changes after selection.

(5) *Step 5—Awarding need points to projects:* Once HUD establishes the final pro rata need, HUD will apply it against

the priority project list in the application. Starting from the highest priority project, HUD will proceed down the list to award need points to each project. Any project not falling fully within the 40 point need range will receive 10 need points. Thereafter, HUD will proceed further down the priority project list and award 10 points for need to each project if it falls fully within the "second level" of pro rata need amount for that CoC. The "second level" is the amount between the pro rata need and twice the pro rata need for the CoC. Remaining projects each receive 5 points. If the projects for the Continuum are not prioritized, then all projects will receive 0 points for Need.

#### B. Reviews and Selection Process

1. *Review, Rating, and Ranking.* HUD may employ rating panels to review and rate applications. See the General Section for more information on rating panels. Two types of reviews will be conducted—threshold review and selection factor (CoC and Need) rating. Applicant and Sponsor Eligibility and Capacity as well as Project Eligibility and Project Quality are threshold reviews. Threshold reviews are explained in Section III.C.2 of this NOFA, which covers eligible applicants and projects. HUD will add the score for the CoC to the Need score to obtain a total score for each project. The projects will then be ranked nationally from highest to lowest according to the total combined score.

#### 2. Conditional Selection and Adjustments to Funding

a. *Conditional Selection.* Whether a project is conditionally selected, as described in Section VI.A, will depend on its overall ranking compared to others, except that HUD reserves the right to select lower rated eligible projects in order to meet the 30 percent overall permanent housing requirement, as well as the 10 percent chronic homeless requirement. Projects that are included in the 10 percent chronic homeless requirement may also be part of the 30 percent overall permanent housing requirement. (See Section V.B.3 below for additional selection considerations regarding these requirements.)

When insufficient funds remain to fund all projects in the competition having the same total score, HUD will first fund permanent housing projects if necessary to achieve the 30 percent overall permanent housing requirement. HUD will then fund non-permanent housing, safe haven-TH and transitional housing projects that predominantly serve individuals experiencing chronic homelessness in order to achieve the 10

percent chronic homeless requirement. HUD will then break ties among the remaining projects with the same total score by comparing scores received by the projects for each of the following scoring factors, in the order shown: Need, Overall CoC score, CoC Organizational Structure, CoC Housing and Service Needs, CoC Strategic Planning, CoC Performance, Housing Emphasis and Performance. The final tie-breaking factor is the priority number of the competing projects on the applicable CoC priority list(s).

HUD has determined that the Congressional goal of enhancing homeless data collection at the CoC level is best achieved by assisting CoCs seeking dedicated Homeless Management Information Systems (HMIS) to receive Supportive Housing Program funds. To this end, HUD reserves the right to fund for at least one year lower rated eligible dedicated HMIS projects receiving 40 need points and at least 25 Continuum points.

b. *Adjustments to Funding:* HUD has determined that geographic diversity is an appropriate consideration in selecting homeless assistance projects in the competition. HUD believes that geographic diversity can be achieved best by awarding grants to as many CoCs as possible. To this end, in instances where any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa does not have at least one funded CoC, HUD reserves the right to fund eligible project(s) receiving 40 Need points in the CoC with the highest total score in that jurisdiction. To qualify for funding, the total score for these first-level projects on the CoC priority list must be at least 65 points. In the case of two or more CoCs with the same total score, HUD will use the tie-breaking rules described above. In addition, if the highest priority project passing threshold requirements within a CoC fails to meet the criteria for receiving 40 Need points, HUD reserves the right to reduce the total requested amount for that project to allow it to qualify for 40 Need points. If you do not submit clear project priority designations for the Continuum or if HUD, at its sole discretion, cannot determine the CoC's priority designations, then HUD will give all such projects 0 Need points. If the CoC requests a new permanent housing project as the highest priority, and HUD determines that it is *not* a permanent housing project, HUD reserves the right to not award funds to that project rather than reclassify the component. The intent of this provision is to preserve

PRN for lower ranking projects. Finally, if the total amount that would be awarded for first level projects in a CoC exceeds the final pro rata need amount for that CoC, the lowest priority first level project being selected for funding will be reduced to the amount that is wholly within the higher need level. HUD may otherwise adjust funding of applications in accordance with the provisions of the General Section.

In addition, HUD reserves the right to ensure that a project that is applying for, and eligible for, selection under this competition is not awarded funds that duplicate activities. If the geography included in your CoC strategy substantially overlaps that of another application, projects within the CoC application that receive the highest CoC score will be eligible for up to 40 Need points. Projects in the competing CoC application with the lower CoC score will receive 0 need points. In no case will the same geographical area be used more than one time in assigning Need points. The local HUD Field Office can help you determine if any of the areas proposed for inclusion by your CoC system is also likely to be claimed under another CoC system in this competition.

3. *Additional Selection Considerations.* HUD also will apply the limitations on funding described below in making conditional selections.

a. *Thirty Percent Permanent Housing Requirement.* In accordance with the appropriation for homeless assistance grants in the Fiscal Year 2007 HUD Appropriations Act, HUD will use not less than 30 percent of the total FY 2007 Homeless Assistance Grants appropriation, excluding amounts provided for renewals under the S+C Program, to fund projects that meet the definition of permanent housing. Projects meeting the definition of permanent housing for this purpose are:

(1) New and renewal projects under the SHP that are designated as either permanent housing for homeless persons with disabilities or Safe Haven projects designated as having the characteristics of permanent housing for homeless persons with disabilities, including having leases with all program participants. All such permanent housing projects chosen for this purpose must have received at least 10 Need points, and must be submitted as part of a CoC application receiving at least 25 points under the CoC scoring factor. However, no CoC applicant may receive more than 30 percent of its pro rata need, up to \$3 million, for "second level" permanent housing projects assigned 10 Need points that are selected for funding under this procedure. (See Section V.A.2.b(5) for

definition of "second level.") HUD will award no less than 30 percent of the total FY 2007 Homeless Assistance Grants appropriation, excluding amounts for S+C renewals, for permanent housing projects unless an insufficient number of approvable permanent housing projects are submitted. In order to meet this permanent housing funding requirement and stay within the total funding amount available, initially selected Supportive Service Only (SSO) and non-permanent housing projects will be deselected if necessary to add an adequate number of permanent housing projects, even if they are lower scoring housing projects. HUD will, if necessary, first proceed to de-select new SSO projects initially selected, starting with lowest scoring new projects and proceeding to higher scoring new SSO projects initially selected. If the funding line is still exceeded, HUD will proceed to de-select the lowest scoring new non-permanent housing projects initially selected and proceed to higher scoring new non-permanent housing projects. Finally, if the funding line is still exceeded HUD will proceed to de-select SSO and then other non-permanent housing renewal projects until all selected projects are within the funding line.

(2) New S+C projects; and

(3) SRO projects.

*b. Ten Percent Housing for Chronic Homeless Requirement:* HUD has implemented a requirement that at least 10 percent of the appropriation must be awarded for projects predominantly serving individuals experiencing chronic homelessness. To be considered predominantly serving chronically homeless people, at least 70 percent of the persons served in this project must meet HUD's definition of chronic homelessness. Permanent housing, transitional and safe haven housing projects, whether new or renewal, that commit to predominantly serving persons experiencing chronic homelessness will be counted for this purpose. To meet this requirement, HUD will also include permanent housing projects selected for the 30 percent requirement that predominantly serve chronically homeless persons. S+C renewals will then be screened to count projects predominantly serving chronically homeless persons. If the 10 percent requirement is not yet met, permanent, transitional and safe haven housing projects below the funding line that predominantly serve chronically homeless persons will also be selected to achieve this requirement.

*c. Distribution of Selections:* In accordance with section 429 of the

McKinney-Vento Act, HUD will award Supportive Housing Program funds as follows: not less than 25 percent for projects that primarily serve homeless families with children; not less than 25 percent for projects that primarily serve homeless persons with disabilities; and not less than 10 percent for supportive services not provided in conjunction with supportive housing. After projects are rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If not, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

In accordance with section 463(a) of the McKinney-Vento Act, at least 10 percent of S+C funds will be awarded for each of the four components of the program: Tenant-based Rental Assistance; Sponsor-based Rental Assistance; Project-based Rental Assistance; and Single Room Occupancy (provided there are sufficient numbers of approvable projects to achieve these percentages). After projects are rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If necessary, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

In accordance with section 455(b) of the McKinney-Vento Act, no more than 10 percent of the assistance made available for S+C in any fiscal year may be used for programs located within any one unit of general local government. In accordance with section 441(c) of the McKinney-Vento Act, no city or urban county may have SRO Section 8 projects receiving a total of more than 10 percent of the assistance made available under this program. HUD is defining the 10 percent availability this fiscal year as \$10 million for S+C and \$10 million for Section 8 SRO. However, if the amount awarded under either of these two programs exceeds \$100 million, then the amount awarded to any one unit of general local government (for purposes of the S+C Program) or city or urban county (for the purposes of the Section 8 SRO Program) cannot exceed 10 percent of the actual total amount awarded for that program.

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

right it has reserved under this NOFA, that right will be exercised uniformly across all applications received in response to this NOFA.

*4. Corrections to Deficient Applications.* The General Section provides the procedures for corrections to deficient applications.

## VI. Award Administration Information

### A. Award Notices

*1. Action on Conditionally Selected Applications.* HUD will notify conditionally selected applicants in writing. HUD may subsequently request them to submit additional project information, which may include documentation to show the project is financially feasible; documentation of firm commitments for cash match; documentation showing site control; information necessary for HUD to perform an environmental review; a copy of your Code of Conduct; and such other documentation as specified by HUD in writing to the applicant, that confirms or clarifies information provided in the application. HUD will notify SHP, SRO, S+C and S+C/SRO applicants of the deadline for submission of such information. If an applicant is unable to meet any conditions for fund award within the specified timeframe, HUD reserves the right not to award funds to the applicant and add them to funds available for the next competition for the applicable program.

*2. Applicant Debriefing:* See the General Section for applicant debriefing procedures.

*3. Appeals Process:* Applicants may appeal the results of HUD's review and selection process if they believe a HUD error has occurred. Appeals must be submitted in writing to the Assistant Secretary for Community Planning and Development and must state what HUD error the applicant believes has occurred.

### B. Administrative and National Policy Requirements

#### 1. Administrative and Other Program Requirements

*a. The Government Performance and Results Act (GPRA)* require Federal agencies to measure the performance of their programs. HUD captures this information not only from monitoring visits and APRs, but also on the data gathered in annual competitions. For example, the description of methods used in determining the project priority order submitted in Exhibit 1, CoC-Q, Project Priorities Chart, provides verification that projects are performing satisfactorily and are effectively

addressing the needs for which they were designed. HUD's homeless assistance programs are measured in 2007 by the objective to "end chronic homelessness and to move homeless families and individuals to permanent housing." This objective has a number of measurable indicators, five of which relate directly to the Continuum of Care homeless assistance programs. These five indicators are:

(1) Create new permanent housing beds for chronically homeless persons. This information is collected in Exhibit 1, Chart V, CoC Chronic Homeless Progress Chart;

(2) At least 395 functioning CoC communities will have a functional Homeless Management Information System (HMIS) by Fiscal Year 2007. This information is collected via Exhibit 1, Chart CoC-M, HMIS Charts;

(3) The percentage of formerly homeless individuals who remain housed in HUD permanent housing projects for at least 6 months will be at least 71 percent. Stability in this permanent housing is addressed in Exhibit 1, Chart CoC-W, CoC Housing Project Performance Chart;

(4) The percentage of homeless persons who have moved from HUD transitional housing into permanent housing will be at least 61.5 percent. The success of transitional housing is addressed in Exhibit 1, Chart CoC-W, CoC Housing Project Performance Chart; and

(5) The employment rate of persons exiting HUD homeless assistance projects will be at least 18 percent. Obtaining employment is addressed in Exhibit 1, Chart CoC-X, CoC Mainstream Programs and Employment Project Performance Chart.

b. To achieve this objective and each of these measurable indicators, HUD needs your community's help. The emphasis in this year's competition on housing chronically homeless persons, using HUD funds for transitional and especially permanent housing, helping clients access mainstream service programs and jobs, and implementing HMIS are all aligned with this GPRA objective and its performance indicators.

c. Executive Order 13202, "Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects." Please see the General Section for further information.

d. Procurement of Recovered Materials. Please see the General Section for further information.

e. Please reference the General Section of the NOFA for other administrative requirements.

2. *Sanctions.* Should HUD determine, in its sole discretion, that sufficient evidence exists to confirm that the entity responsible for convening and managing the CoC process in a community has failed to follow locally established or accepted procedures governing the conduct of that process or has failed to provide for a fair process, including a project priority selection process that gives equal consideration to projects proposed by nonprofit organizations, HUD reserves the authority to impose sanctions up to and including a prohibition on that entity and the individuals comprising that entity from participating in that capacity in the future. In making this determination, HUD will consider as evidence court proceedings and decisions, or the determinations of other independent and impartial review bodies. This authority cannot be exercised until after a description of procedural safeguards, including an opportunity for comment and appeal, and the specific process and procedures for imposing a prohibition or debarment, have been published in the **Federal Register**.

#### *C. Reporting*

Once conditionally selected applications advance to full award and execution of a grant agreement, grantees are required to submit an APR and a completed Logic Model showing outputs and outcomes achieved for the year to both HUD Headquarters and the respective Field Office each year. Grantees must also respond to the management questions contained in the Logic Model. For FY 2006, HUD is considering a new concept for the Logic Model. The new concept is a Return on Investment (ROI) statement. HUD will be publishing a separate notice on the ROI concept.

In addition, applicants must report race and ethnicity data for beneficiaries of HUD programs in conformity with form 27061 HUD Race and Ethnic Data Reporting Form. CoC applicants may report this data as part of their Annual Performance Report submission to HUD.

Also, Grantees who expend \$500,000 or more in a year in Federal awards are reminded they must have a single or program-specific audit for that year in accordance with the provisions of 24 CFR 45 and OMB Circular No. A-133.

#### **VII. Agency Contacts**

A. For Further Information. You may contact the HUD Field Office serving your area, at the telephone number

shown in the General Section, or you may contact the NOFA Information Center at 1-800-483-8929. Individuals who are hearing- or speech-impaired should use the Information Relay Service at 1-800-877-8339 (these are toll-free numbers).

B. For Technical Assistance. Before the application deadline, HUD staff will be available to provide you with general guidance. HUD staff, however, cannot provide you with guidance in actually preparing your application. HUD Field Office staff also will be available to help you identify organizations in your community that are involved in developing the CoC system. Following conditional selection of applications, HUD staff will be available to assist selected applicants in clarifying or confirming information that is a prerequisite to the offer of a grant agreement or Annual Contributions Contract by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of your application pertinent to HUD's funding decision.

C. Satellite Broadcast. HUD will hold one or more information broadcasts via satellite for potential applicants to learn more about the program and preparation of the application. Viewing of these broadcasts, which will provide critical information on the application process, is highly recommended. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

#### **VIII. Other Information**

##### *A. Paperwork Reduction Act*

The information collection requirements contained in this document have been submitted for approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and the OMB approval number is 2506-0112. 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 200 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the 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. Attachments. This final section lists the attachments that are critical to the application process. Please see Section IV.B.1.b of this NOFA for a complete description of the forms and certifications required and the order of assembly. In addition to applicant and sponsor documentation of eligibility, please provide:

1. Forms to complete for Exhibit 1, Continuum of Care.

Form HUD-40090-1. Exhibit 1, Continuum of Care Application. All of the following charts comprise this form:

A: CoC Lead Organization Chart

B: CoC Geography Chart

C: CoC Groups and Meetings Chart

D: CoC Planning Process Organizations Chart

E: CoC Governing Structure Chart

F: CoC Project Review and Selection Chart

G: Written Complaints Chart

H: CoC Services Inventory

I: Housing Inventory Charts

J: Housing Inventory Data Sources and Methods Chart

K: CoC Point-in-Time Homeless Population and Subpopulations Chart

L: CoC Homeless Population and Subpopulations Data Sources and Methods Chart

M: CoC HMIS Charts

N: CoC 10-Year Plan, Objectives, and Action Steps Chart

O: CoC Discharge Planning Policy Chart

P: CoC Coordination Chart

Q: CoC Project Priorities Chart

R: CoC Pro Rata Need (PRN)

Reallocation Chart

S: CoC Project Leveraging Chart

T: CoC Current Funding and Renewal Projections Chart

U: CoC Achievements Chart

V: CoC Chronic Homeless (CH) Progress Chart

W: CoC Housing Performance Chart

X: Mainstream Programs and Employment Project Performance Chart

Y: Enrollment and Participation in Mainstream Programs Chart

Z: Unexecuted Grants Awarded Prior to the 2005 CoC Competition Chart

AA: CoC Participation in Energy Star Chart

AB: Section 3 Employment Policy Chart  
Form HUD-27300 Questionnaire for HUD's Removal of Regulatory Barriers

Form HUD-2993 Acknowledgment of Application Receipt

Form HUD-2994-A You Are Our Client! Grant Application Survey

2. Forms to complete for each applicant. These include:

Form SF-424 Application for Federal Assistance

Form HUD-40090-4 Applicant Certifications

Form HUD-2880 Applicant/Recipient Disclosure/Update Report

Form SF-424 Supplement Survey on Ensuring Equal Opportunities for Applicants

3. Forms to complete for each project (Exhibit 2). These include:

Form HUD-40090-2 Exhibit 2, Continuum of Care Project Application

Form HUD-96010

Logic Model

Form HUD-2991

Certification of Consistency with the Consolidated Plan

**Note:** This year, the Questions and Answers Supplement can be accessed at: <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.