

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5342-N-01]

**Fiscal Year (FY) 2009
Notice of Funding Availability (NOFA)
Family Unification Program (FUP)**

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD

ACTION: Fiscal Year (FY) 2009 Notice of Funding Availability (NOFA); Family Unification Program (FUP)

SUMMARY: The Omnibus Appropriations Act, 2009 (Public Law 111-8) makes available \$20 million for incremental voucher assistance to provide adequate housing as a means to promote family unification. In accordance with the Appropriations Act, the funding must be provided to entities with demonstrated experience and resources for supportive services. Approximately \$5.4 million of these funds have been used to fund the approvable FUP applications submitted by PHAs in response to HUD's FY 2008 FUP NOFA. That NOFA indicated in section II(D) that "PHAs with approvable applications that are not funded, in whole or in part, due to insufficient funds available under this FUP NOFA or HUD error, shall be funded first in FY 2009 provided HUD receives additional appropriations for the FUP in FY 2009". All PHAs that have been selected for funding based on their FY 2008 applications have demonstrated their experience and resources for supportive services as required by the Omnibus Appropriations Act, 2009, through the executed Memorandum of Understanding (MOU) with the Public Child Welfare Agency (PCWA) that was submitted with their 2008 applications. The selected applicants are: Housing Authority of the County of Stanislaus (CA026) - \$511,068 for 100 vouchers; Housing Authority of the City of Santa Barbara (CA076) - \$241,947 for 25 vouchers; Housing Authority of the City of Alameda (CA062) - \$555,588 for 50 vouchers; Housing Authority of the County of Kern

(CA008) - \$493,128 for 100 vouchers; Sonoma County Community Development Commission (CA085) - \$383,880 for 50 vouchers; Housing Authority of the County of Santa Clara (CA059) - \$1,287,864 for 100 vouchers; Delaware State Housing Authority (DE901) - \$282,198 for 50 vouchers; Lee County Housing Authority (FL128) - \$136,623 for 25 vouchers; DuPage Housing Authority (IL101) - \$737,776 for 79 vouchers; Lynn Housing Authority & Neighborhood Development (MA023) - \$487,284 for 50 vouchers; and Housing Authority of the City of Vancouver (WA008) - \$275,256 for 50 vouchers. After funding these previously unfunded approvable FUP applications from FY 2008, there remains approximately \$14.6 million under this NOFA to fund approximately 1940 new FUP vouchers in FY 2009.

APPLICATION DEADLINE DATE: The application deadline date is **December 3, 2009**.

Applications submitted through <http://www.grants.gov> must be received by Grants.gov no later than 11:59:59 pm eastern time on the application deadline date. See Section IV of the **General Section**, published on December 29, 2008, regarding application submission procedures and timely filing requirements.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific program requirements should be directed to Stephanie Y. McQueen at (202) 708-0477 or by email at stephanie.y.mcqueen@hud.gov or the NOFA Information Center at (800) HUD-8929 (toll free).

Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (800) 877- 8339. The NOFA Information Center is open between the hours 10:00 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

OVERVIEW INFORMATION

A. Federal Agency Name: Department of Housing and Urban Development, Office of Public and Indian Housing, Office of Public Housing and Voucher Programs.

B. Funding Opportunity Title: Family Unification Program (FUP).

C. Announcement Type: Initial Announcement.

D. Funding Opportunity Number: The Federal Register number for this funding notice is FR-5342. The Office of Management and Budget (OMB) paperwork approval number is ICR-2577-0259.

E. Catalog of Federal Domestic Assistance (CFDA) Number: 14.880, Family Unification Program (FUP).

F. Application Submission Requirement and Deadline Date:

Please read the following instructions carefully and completely, as failure to comply with these procedures may disqualify your application.

1. Application Receipt Requirements and Date. **Applications must be received by Grants.gov by December 3, 2009.** Please see the Notice of HUD's Fiscal Year (FY) 2009 Notice of Funding Availability (NOFA); Policy Requirements and General Section to HUD's FY 2009 NOFAs for Discretionary Programs, published in the Federal Register on December 29, 2008 (73 FR 79548), for information on the Grants.gov registration process. All applicants must have a Dun and Bradstreet Universal Numbering System (DUNS) number, have a current registration in the Central Contractor Registration (CCR), and be registered with Grants.gov to submit an application electronically. All applicants regardless of submission through Grants.gov or in paper format must have a DUNS number and be registered in CCR to receive an award of funds from HUD. See the General Section for further details. Please also see the Grace Period instructions in this NOFA.

2. Anticipated Grant Award Date. Awards under this NOFA are anticipated to be made between the months of June and July, 2010.

G. Additional Information:

1. FUP vouchers under this announcement will be used to promote family unification of families for whom the lack of adequate housing is a primary factor in the separation, or the threat of imminent separation, of children from their families and to youths 18 to 21 years old who left foster care at age 16 or older and lack adequate housing.

2. Application Materials. The FY 2009 General Section and Notice of Funding Availability (NOFA) and application materials are available for download via the federal portal at www.grants.gov at http://www.grant.gov/applicants/apply_for_grants.jsp.

FULL TEXT OF ANNOUNCEMENT:

I. Funding Opportunity Description.

A. Authority and Program Description: FUP is authorized by section 8(x) of the United States Housing Act of 1937 {42 U.S.C. 1437(X)}. Title II of Division I of the Omnibus Appropriations Act, 2009, provided \$20 million for incremental voucher assistance through the FUP.

FUP is a program under which vouchers are provided to families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care; or the delay in the discharge of the child, or children, to the family from out-of-home care. Youths at least 18 years old and not more than 21 years old (have not reached their 22nd birthday) who left foster care at age 16 or older and who do not have adequate housing are also eligible to receive housing assistance under the FUP. As required by statute, an

FUP voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 18 months.

B. Definitions: The following definitions apply to the funding authority available under this NOFA.

1. Detained Family Member.

a. FUP-eligible family or FUP-eligible youth's family may not include: (1) Person(s) imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.

2. Dilapidated Housing.

a. Dilapidated housing means: (1) A family or youth is living in a housing unit that is dilapidated if the unit where the family or youth lives does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family or youth, or the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may result from original construction, from continued neglect or lack of repair or from serious damage to the structure.

3. Displaced by Domestic Violence.

a. A family or youth is displaced by domestic violence if: (1) The applicant has vacated a housing unit because of domestic violence; or (2) The applicant lives in a housing unit with a person who engages in domestic violence.

4. Domestic Violence.

a. Domestic violence means: (1) felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by

a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

5. FUP-Eligible Family.

a. FUP-eligible family is defined as: (1) A family that the public child welfare agency (PCWA) has certified as a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care, or in the delay of discharge of a child, or children, to the family from out-of-home care, and that the PHA has determined is eligible for a HCV.

6. FUP-Eligible Youth.

a. FUP-eligible youth is defined as:

(1) A youth that the PCWA has certified to be at least 18 years old and not more than 21 years old (has not reached his/her 22nd birthday) who left foster care at age 16 or older and who does not have adequate housing, and that the PHA has determined is eligible for a HCV.

7. Lack of Adequate Housing.

a. The lack of adequate housing means:

- (1) A family or youth is living in substandard or dilapidated housing; or
- (2) A family or youth is homeless; or
- (3) A family or youth is displaced by domestic violence; or
- (4) A family or youth is living in an overcrowded unit; or
- (5) A family or youth is living in housing not accessible to its disabled child or children due to the nature of the disability.

8. Living in Overcrowded Housing.

a. A family or youth is considered to be living in an overcrowded unit if it meets the following separate criteria for a family or youth as follows: (1) The family is separated from its child (or children) and the parent(s) are living in an otherwise standard housing unit, but, after the family is re-united, the parents' housing unit would be overcrowded for the entire family and would be considered substandard; or (2) The family is living with its child (or children) in a unit that is overcrowded for the entire family and this overcrowded condition may result in the imminent placement of its child (or children) in out-of-home care. (3) The youth is living in a unit that is overcrowded.

For purposes of the above paragraph, the PHA may determine whether the unit is "overcrowded" in accordance with PHA subsidy standards.

9. Public Child Welfare Agency (PCWA).

a. The PCWA means: (1) The public agency that is responsible under applicable State law for determining that a child is at imminent risk of placement in out-of-home care or that a child in out-of-home care under the supervision of the public agency may be returned to his or her family, or that a youth left foster care at age 16 or older and is at least 18 years old and not more than 21 years old.

10. Substandard Housing.

a. A family or youth is living in substandard housing if the unit where the family or youth lives:

- (1) is dilapidated;
- (2) Does not have operable indoor plumbing;
- (3) Does not have a usable flush toilet inside the unit for the exclusive use of a family or youth;

(4) Does not have a usable bathtub or shower inside the unit for the exclusive use of a family or youth;

(5) Does not have electricity, or has inadequate or unsafe electrical service;

(6) Does not have a safe or adequate source of heat;

(7) Should, but does not, have a kitchen; or

(8) Has been declared unfit for habitation by an agency or unit of government.

II. Award Information.

A. Available Funds. This NOFA announces the availability of approximately \$14.6 million to fund approximately 1940 new FUP vouchers in FY 2009.

B. Maximum Voucher Request. The total number of vouchers that a PHA may apply for will be based upon the size of the PHA and the identified need for such vouchers as reported in Section D of form HUD-52515 (see Section IV.A.2 of this NOFA). PHAs with a HCV program of 2000 or more units under an ACC may apply for funding that will support the lesser of 100 units or the PHA's identified need. PHAs with a HCV program of 500 units to 1999 units may apply for funding that will support the lesser of 50 units or the PHA's identified need. PHAs with a HCV program of less than 500 units under an ACC may apply for funding that will support the lesser of 25 units or the PHA's identified need.

C. Voucher Funding. HUD's Housing Voucher Financial Management Division will determine the amount of funding that a PHA will be awarded under this NOFA based upon the PHA's per unit cost for FY 2009 renewal funding or FY 2010 renewal funding if those costs are available.

Administrative fees are not included in this funding and will be determined in accordance with section 8 of the Public and Indian Housing (PIH) Notice 2009-13 (HA) or a subsequent administrative fee notice (a copy of the PIH Notice 2009-13 may be downloaded at

www.hudclips.org). PIH Moving to Work (MTW) agencies will be funded under this NOFA in accordance with their MTW agreements.

III. Eligibility Information.

A. Eligible Applicants. PHAs that have demonstrated experience with FUP or similar programs and resources for supportive services are eligible to apply for funding under this announcement. Demonstrated experience and resources for supportive services shall be verified by an executed Memorandum of Understanding (MOU) between the PHA and the PCWA in accordance with Section III.C.2.f of this NOFA.

HUD will only consider for funding one application per PHA. This one application limit applies regardless of whether the PHA is a State or regional PHA, except in those instances where such a PHA has more than one PHA code number due to its operating under the jurisdiction of more than one HUD Field Office. In such instance, a separate application under each code shall be considered for funding with the cumulative total of vouchers applied for under the applications not to exceed the maximum number of vouchers the PHA is eligible to apply for under this NOFA; i.e., no more than the number of vouchers the same PHA would be eligible to apply for if it had only one PHA code number.

Please note that a contract administrator that does not have an annual contributions contract (ACC) with HUD for HCVs, but constitutes a PHA under 24 CFR 791.102 by reason of its administering HCVs on behalf of another PHA, shall not be eligible to submit an application under this NOFA.

B. Cost Sharing or Matching. None required.

C. Other.

1. Eligible Activities.

Vouchers awarded under the FUP are administered by PHAs under HUD's regulations for the HCV program (24 CFR 982). Further, PHAs must modify their selection preference system to permit the selection of FUP-eligible families and/or FUP-eligible youths to which the PHA intends to issue FUP vouchers with available funding provided by HUD for this purpose. Additionally, funding under this NOFA may only be used to provide tenant-based housing assistance, as prescribed by section 8(x) of the U.S. Housing Act of 1937, so as to allow FUP eligible families and youths a choice in their selection of decent, safe, and affordable units on the private market.

2. Threshold Requirements.

a. All applicants must meet all threshold requirements provided in Section III.C of the General Section except for Section III.C.2.d and Section III.C.4.b., where the requirements under this NOFA are applicable as follows:

(1) Section III.C.2.d. (Conducting Business in Accordance with Core Values and Ethical Standards). To reflect core values, all applicant PHAs awarded under this NOFA shall develop and maintain a written code of conduct in the PHA's administrative plan that: (a) Requires compliance with the conflict of interest requirements of the HCV program cited in 24 CFR 982.161; and (b) Prohibits the solicitation or acceptance of gifts or gratuities in excess of a nominal value by an officer or employee of the HA or any contractor, subcontractor, or agent of the PHA. The PHA's administrative plan shall state the PHA policies concerning PHA administrative and disciplinary remedies for violation of the PHA code of conduct. The PHA shall inform all officers, employees and agents of its organization of the PHA's code of conduct.

(2) Section III.C.4.b. (Affirmatively Furthering Fair Housing). Prior to the application due date under this announcement, each applicant must submit to the public housing director in

the applicant's local HUD field office an addendum to the applicant's HCV administrative plan that outlines reasonable steps the applicant will take to affirmatively further fair housing for classes protected under the Fair Housing Act in regards to the vouchers awarded under this announcement. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Reasonable steps must include, but are not limited to:

(a) Identifying and ensuring certification of FUP eligible families and youth that may be on the PHA's waiting list and ensuring that the family or youth maintain their original position on the waiting list after certification. (b) Appropriately placing all FUP eligible families and youth referred from the PCWA on the HCV waiting list in order of first come, first served. (c) Informing applicants on how to file a fair housing complaint including the provision of the toll free number for the Housing Discrimination Hotline: 1-800-669-9777 and the Federal Information Relay Service at (800) 887-8339.

Further, an applicant must comply with the affirmatively furthering fair housing requirements of 24 CFR Section 903.7(o) by: (1) examining its programs or proposed programs; (2) identifying any impediments to fair housing choice within those programs; (3) addressing those impediments in a reasonable fashion in view of the resources available; (4) working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and (5) maintaining records reflecting these analyses and actions. Further, applicant PHAs are encouraged to take the following proactive steps in addressing accessibility problems for persons with disabilities: (1) Where requested by an individual, assist program applicants and participants gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program; (2) Identify public

and private funding sources to assist participants with disabilities in covering the costs of structural alterations and other accessibility features that are needed as accommodations for their disabilities; (3) Not deny persons who qualify for a HCV under this program other housing opportunities, or otherwise restrict access to PHA programs to eligible applicants who choose not to participate; (4) Provide housing search assistance; (5) In accordance with rent reasonableness requirements, approve higher rents to owners that provide accessible units with structural modifications for persons with disabilities; and (6) Provide technical assistance, through referrals to local fair housing and equal opportunity offices, to owners interested in making reasonable accommodations or units accessible to persons with disabilities.

b. The PHA must not have any major unresolved program management findings from an Inspector General's audit, HUD management review or Independent Public Accountant (IPA) audit for the PHA's HCV program or other significant program compliance problems that were not resolved or in the process of being resolved (as determined by the local field office) prior to this NOFA's application deadline. Major program management findings, or significant program compliance problems, are those that would cast doubt on the capacity of the applicant to effectively administer any new HCV funding in accordance with applicable HUD regulatory and statutory requirements.

c. The PHA must not be involved in litigation where HUD determines that the litigation may seriously impede the ability of the applicant to administer the vouchers.

d. Each applicant must meet PIC reporting requirements. All PHAs are required to submit Family Reports (form HUD-50058) for at least 95 percent of voucher families leased at the end of the month prior to the application due date as verified by the PIC Delinquency Report. MTW agencies are required to submit MTW Family Reports (form HUD-50058 MTW) for at least 85

percent of voucher families leased at the end of the month prior to the application due date as verified by the PIC MTW Delinquency Report.

e. Each applicant must have achieved at least 15 points under the Section 8 Management Assessment Program (SEMAP) leasing indicator (24 CFR 985.3(n)) and not be designated as troubled for its most recent assessed fiscal year. MTW agencies that are not required to report under SEMAP must have achieved at least 95 percent lease-up or budget authority utilization. These MTW agencies are required to submit a certification with their application certifying that they are not required to report under SEMAP, and that they meet the 95 percent lease-up or budget authority utilization requirement.

f. The PHA must demonstrate experience and resources for supportive services by submitting a Memorandum of Understanding (MOU) executed by the chief executive officer of the PHA and the PCWA. The MOU execution date must be between the date this NOFA is published and the application deadline date under this NOFA. The MOU must identify the actions that the PHA and the PCWA will take to identify and assist FUP-eligible families and/or FUP-eligible youths, and the resources for supportive services each organization will commit. The MOU must clearly address, at a minimum, the following:

- (1) PHA responsibilities as outlined in section VI.B.3 of this funding notice.
- (2) PCWA responsibilities as outlined in section VI.B.4 of this funding notice.
- (3) The assistance the PCWA will provide to families and youths, as appropriate, in locating housing units and working with landlords to secure appropriate eligible units.
- (4) The PCWA's past experience in administering a similar program.
- (5) Past PCWA and PHA cooperation in administering a similar program.

(6) The amount of time and staff resources the PCWA will commit on a continuing basis to identifying the FUP-eligible families and/or FUP-eligible youths to which FUP vouchers are intended to be issued, and the length of time it will provide follow-up supportive services to these FUP-eligible families and/or FUP-eligible youths after they receive their voucher.

(7) If the PHA intends to issue FUP vouchers to FUP-eligible youths, the services to be provided to such youths by the PCWA, or by another agency/organization under agreement/contract to the PCWA to provide the services and resources. The MOU must also state that all the services listed below in (a) through (f) will be provided for a period of not less than the 18 months a FUP-eligible youth is receiving rental assistance through the use of a FUP voucher.

(a) Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation; and access to health care (e.g., doctors, medication, and mental and behavioral health services).

(b) Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits.

(c) Providing such assurances to owners of rental property as are reasonable and necessary to assist a FUP-eligible youth to rent a unit with a FUP voucher.

(d) Job preparation and attainment counseling (where to look/how to apply, dress, grooming, relationships with supervisory personnel, etc.).

(e) Educational and career advancement counseling regarding attainment of general equivalency diploma (GED); attendance/financing of education at technical school, trade school or college; including successful work ethic and attitude models.

(f) Participation of FUP-eligible youths in the assessment and implementation of actions to address their needs, including the development of an individual case plan on each youth for services to be received and the youth's commitment to the plan (youth required to sign a service plan agreeing to attend counseling/training sessions and to take other actions as deemed appropriate to the youth's successful transition from foster care.

The MOU shall be considered by HUD and the signatories (the PCWA and the PHA) as a complete statement of the responsibilities of both parties and evidence a commitment of resources for supportive services to the FUP. As such, the document should be very specific.

3. Eligible Participants. FUP eligible families and FUP eligible youth that are income eligible under 24 CFR 982.201(b)(1).

4. Environmental Review. In accordance with 24 CFR 50.19(b)(11) and 58.35(b)(1) of the HUD regulations, tenant-based rental activities under this program are categorically excluded from the requirements of the National Environmental Policy Act of 1969 (NEPA) and are not subject to environmental review under the related laws and authorities. Activities under the homeownership option of this program are categorically excluded from NEPA requirements and excluded from other environmental requirements under 24 CFR 58.5 in accordance with 24 CFR 58.35(b)(5), but PHAs are responsible for the environmental requirements in 24 CFR 982.626(c). With regard to activities under the homeownership option for units not yet under construction at the time the families enters into the contract for sale, the additional environmental review requirements referenced in 24 CFR Sections 982.628(e), 982.631(c) (3) and 982.637(b) also apply in addition to Section 982.626(c), and the PHA shall submit all relevant environmental information to the responsible entity or to HUD to assist in the completion of those requirements.

IV. Application Submission Requirements.

A. Content and Form of Application Submission. All applicants must complete and submit the following to be eligible for funding under this announcement:

1. Form SF-424, Application for Federal Assistance. All applications must include a SF-424 as the cover page to the application. When completing this form, the Federal Identifier requested in section 5a is the PHA's five digit number (e.g., MD035 or AK002). PHA applicants should estimate a proposed start date and end date in Section 17. In Section 18 (Estimated Funding), complete only 18.a and 18.g. The amount entered in both fields should be the total number of vouchers requested in Section B of the form HUD-52515 times the housing assistance payments per unit cost for 2009 HCV renewal funding or 2010 HCV renewal funding, depending on the most recent available data.

2. HUD-52515 Funding Application, Section 8 Tenant-Based Assistance, Rental Certificate Program, Rental Voucher Program. PHAs are requested to enter their housing authority code number (for example, CT002) as well as their electronic mail address, telephone number, and facsimile telephone number in the same place at the top of the form where they are also to enter the PHA's name and mailing address. PHAs may obtain a copy of form HUD-52515 by downloading the form from the following HUD web site:

<http://www.hud.gov/offices/adm/hudclips/forms/index.cfm>. Instructions for completing the remainder of the form are as follows:

- (a) Do not complete Section A.
- (b) Under Section B of this form, only complete the box for total dwelling units under vouchers.
- (c) Do not complete Section C.

(d) Under Section D of this form, the PHA must identify:

(i) The number of authorized baseline HCV units;

(ii) The minimum number of vouchers the PHA is willing to accept under this NOFA in the event that HUD only has enough funds to approve a smaller amount than the number of vouchers requested;

(iii) Whether the PHA intends to assist FUP-eligible families, FUP eligible youth, or both.

(iv) The estimated number of families in the PHA's jurisdiction for whom the lack of adequate housing is a primary factor in placement of the family's children in out-of-home care or the delay of discharge of the children to the family from out-of-home care, and/or the number of youths age 18 to 21 who left foster care at age 16 or older and who lack adequate housing (this information should be provided by the PCWA based on their caseload).

3. MOU between the PCWA and PHA. Requirements of the MOU are explained in Section III.C.2.f.

4. Evaluation Certifications. The PHA and the PCWA, in separate certifications, must state that the PHA and PCWA agree to cooperate with HUD and provide requested data to the HUD office or HUD-approved contractor delegated the responsibility for program evaluation. The certifications must be on agency letterhead and signed by the chief executive officer of the respective agency.

5. MTW Certification. If an MTW agency is not required to report under SEMAP, the PHA must submit a certification signed by the chief executive officer of the PHA, certifying that they are not required to report under SEMAP and that they meet the 95 percent lease-up or budget authority utilization requirement.

6. Form HUD-2993, Acknowledgement of Application Receipt. In addition to the PHA entering its name and address on the form, the full title of the program under which the PHA is seeking funding must also be entered. This form is available at the following HUD web site:

<http://www.hud.gov/offices/adm/hudclips/forms/index.cfm>

7. Form HUD-2991, Certification of Consistency with the Consolidated Plan, or a copy of the signed PHA Certification of Compliance for its current Annual PHA Plan.

8. SF-LLL, Disclosure of Lobbying Activities, if applicable.

9. HUD-2880, Applicant/Recipient Disclosure/Update Report.

10. HUD-96011, Third Party Documentation Facsimile Transmittal.

B. Receipt Instructions. Applications under this NOFA must be received electronically through the Federal website Grants.gov, unless a waiver of this requirement is granted in accordance with the instructions below. The procedures for electronic submission of applications published in HUD's General Section on December 29, 2008 (73 FR 79548) including the provisions at Section IV.C., entitled "Receipt Dates and Times," removed by HUD's Amendment to the General Section published on April 16, 2009 (74 FR 17685) are reinstated and apply to this NOFA. Applicants must follow the instructions on the December 29, 2008, General Section, unless a waiver for cause in accordance with HUD's waiver policy of 24 CFR 5.1005, to the electronic application requirements is approved by HUD. Applicants requesting a waiver should submit their waiver requests in writing using e-mail or fax. Waiver requests must be submitted no later than 15 days prior to the application deadline date and must be submitted in writing to Stephanie McQueen, Housing Program Specialist, Housing Voucher Management, Office of Public and Indian Housing, U.S. Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410, or by email request to:

stephanie.y.mcqueen@hud.gov. The subject line of the email message should be (insert applicant name) FY09 Family Unification Program Waiver Request. If an applicant is granted a waiver, then the approval will provide instructions for submitting paper copies to the appropriate HUD office. All paper applications must be received by the application deadline date to meet the requirements for timely receipt.

Paper applications will not be accepted from applicants that have not been granted a waiver. If an applicant is granted a waiver, the approval notice will provide instructions for submission. **All applications in paper format must have received a waiver to the electronic application requirement and the application must be received by HUD on or before the application deadline date.**

1. The application deadline for receipt of HUD applications via Grants.gov is 11:59:59 p.m. on **December 3, 2009**. Applications must be received by Grants.gov by the deadline in order to meet the program deadline. Received means that the application has been successfully uploaded to the Grants.gov server and the applicant has received confirmation of successful submission to Grants.gov. Applicants should be aware that hitting the “sign and submit” button to transmit the application does not mean the application has been successfully uploaded to Grants.gov. Only when the upload is complete is the application date and time stamped by the Grants.gov system. An application that has been rejected by Grants.gov is not deemed to have been received by Grants.gov. (Please see Section D.1. of the General Section for a detailed explanation of Timely Receipt Requirements and Proof of Timely Receipt.) As in the past, HUD encourages applicants to submit their applications early and with sufficient time to address any issues that might affect the applicant’s ability to have an application successfully uploaded and received by Grants.gov.

In FY 2009, HUD is establishing a one-day grace period from the date of notification of a rejection from Grants.gov, to allow applicants that successfully upload an application to Grants.gov prior to the deadline date and time, but receive a rejection notice after the deadline date and time, to cure the reason for rejection and re-upload the application to Grants.gov. The paragraphs below describe HUD's Grace Period Policy for FY 2009.

a. Applicants that have successfully uploaded their application to Grants.gov prior to the deadline, and subsequently receive a rejection notice from Grants.gov after the deadline date and time, will have a one-day grace period from the date stamp on the first Grants.gov rejection notice after the deadline, to cure the basis for the rejection and upload an application that corrects the problems cited in the rejection notice. Applicants can upload the application as many times as needed to cure noted deficiencies within the one-day grace period. The Grants.gov rejection notice identifies the reasons why the application was rejected. Applicants that do not understand the error messages received in the rejection notice should immediately contact the Grants.gov Help Desk so they can get assistance in clearing the problem. Generally, Grants.gov will reject an application because it contains an incorrect DUNS number or a DUNS number that does not match the Authorized Organization Representatives' (AOR's) registration, the application was submitted by an individual without proper authorization as the AOR, and/or the application contains file names that trigger a "Virus Detect" message. The grace period ends one day after the date stamp on the first rejection notice received after the deadline date.

WARNING: Applications that contain file names which are longer than 50 characters (HUD recommends using file names with 32 characters or less), or contain spaces or special characters, will result in the file being detected as a virus by the Grants.gov system and the application will be rejected with a "Virus Detect" message. In FY 2008, the use of spaces and special characters

in file names, and the use of file names which were longer than fifty characters, resulted in the most instances of an applicant receiving a “Virus Detect” rejection. Applicants should also scan files for viruses because the Grants.gov system will also reject files with viruses.

Applications received by Grants.gov, including those received during the grace period, must be validated by Grants.gov to be rated or ranked or receive funding consideration by HUD. HUD will use the date and time stamp on the Grants.gov system to determine dates when the grace period begins and ends.

b. Applications uploaded to Grants.gov after the deadline date under the following circumstances do not qualify for the grace period and will not be considered for funding:

(1) Applications uploaded and received by Grants.gov after the deadline date and time for which there is no prior rejection notice in the Grants.gov system logs will be considered late and will not be rated and ranked or receive funding consideration. Failure to successfully upload the application to Grants.gov by the deadline date and time does not qualify for the grace period as described above.

(2) Applications receiving a rejection notice due to the funding opportunity being closed will not be provided the one day grace period to correct the “opportunity closed” deficiency or any other basis for rejection because the applicant missed the deadline date and time and therefore does not qualify for the grace period as described above.

(3) If an application is uploaded during the grace period and is subsequently rejected after the grace period ends, the applicant will not be afforded additional time to correct the deficiencies noted in the rejection notice.

c. The grace period ends at 11:59:59 p.m. one day from the date stamp on the first rejection notice issued by the Grants.gov system to the email address provided in the Grants.gov

registration. Applicants must ensure that their email notification address contained in the Grants.gov registration is up-to-date. Neither HUD nor Grants.gov will be responsible if email messages are not received at the address listed in the registration process. Applicants must also ensure that their email systems will accept messages from Grants.gov. Applicants are responsible for monitoring their email messages. Messages from Grants.gov come from Support@grants.gov.

d. The only exceptions to HUD's grace period policy are:

(1) The Grants.gov system is down and not available to applicants for at least 24 hours prior to the deadline date, or the system is down for 24 hours or longer, impacting the ability of applicants to cure a submission deficiency within the grace period; and/or

(2) There is a presidentially declared disaster in the applicant's area. In the event of either or both of these events, HUD will publish a notice extending the deadline or cure period, for applicants affected, as appropriate.

e. Busy servers or slow processing are not the basis for HUD to extend the deadline dates or the grace period.

Applicants are advised to monitor the Grants.gov system using the Grants.gov blog at <http://grants-gov.blogspot.com/>. The Grants.gov blog provides information on server capacity, traffic on the Grants.gov site, and other federal grant closings each day. Applicants should monitor the site and take into account the amount of traffic on the site when applying.

2. An applicant will not be provided additional opportunities to correct rejection errors if an application is rejected after the one-day grace period has expired.

As with any electronic system, applicants may experience issues when attempting to submit their application which does not permit the uploading of the application to Grants.gov. Such

issues can be due to firewall and virus protection software that the applicant has placed on their system or network; proxy and cache settings; Internet traffic; limitation on the size of the files attempting to be transmitted established at the applicant's site or by the applicant's Internet provider; Grants.gov servers experiencing busy traffic; or any number of issues. Therefore, HUD strongly advises applicants to submit their applications at least 48 hours prior to the deadline and when the Grants.gov Help Desk is open so that assistance can be provided. Assistance may require diagnosing an applicant's particular issues. An applicant that does not follow HUD's advice increases the applicant's risk of not being able to meet the timely receipt requirements. A submission attempt less than the recommended 48 hours before the deadline does not allow the time needed to research the reason for the problem or to work with the applicant in overcoming the uploading difficulty. Similarly, attempting to submit within 24 hours of the deadline or when the Grants.gov Help Desk is closed does not allow the time needed for Grants.gov or HUD to provide the needed assistance. In addition, HUD staff cannot provide assistance or contact Grants.gov on your behalf after the Help Desk is closed. HUD strongly encourages applicants to carefully read the December 29, 2008 General Section for additional information regarding the Grants.gov registration process, submitting an application through Grants.gov, and timely receipt instructions. HUD also encourages applicants to submit their applications early with sufficient time to address issues that might prevent their applications from being received by Grants.gov.

Applicants should also note that Adobe has put out a new version of Adobe Reader compatible with Grants.gov. These versions are 8.1.5 and 9.1.1. Applicants must use the latest versions of the Adobe Reader compatible with Grants.gov, which are Adobe Reader 8.1.5 or 9.1.1.

V. Application Review Information.

A. Review and Selection Process.

1. Technically Acceptable Applications. An acceptable application is one which meets all of the application threshold and submission requirements identified in section III.C.2 of this NOFA as determined by HUD's Grants Management Center (GMC).

a. Order of Funding. The GMC will select eligible PHAs that apply for funding under this notice by lottery unless there is sufficient funding available to fund all approvable applications.

HUD may limit the number of FY 2009 approvable applications selected for any State to no more than 10 percent of the budget authority made available under this funding announcement in order to achieve geographic diversity. If establishing this geographic limit results in unspent budget authority, HUD may modify this limit to assure that all available funds are used.

b. Insufficient Funds. If the remaining voucher funds are insufficient to fund the last PHA application in full, the GMC may recommend funding that application to the extent of the funding available and the applicant's willingness to accept a reduced number of vouchers. Applicants that do not wish to have the size of their programs reduced may indicate in their application that they do not wish to be considered for a reduced award of funds. The GMC will skip over these applicants if assigning the remaining funding would result in a reduced funding level.

2. Technical Deficiencies. The GMC will initially screen all applications and will notify PHAs in writing to clarify an item or to correct curable technical deficiencies. Clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within 5 calendar days of the date of the receipt of the HUD notification.

3. Unacceptable Applications. After the technical deficiency correction period (as provided in the General Section), the GMC will disapprove all PHA applications that the GMC determines are not acceptable for processing. Applications from PHAs that fall into any of the following categories are ineligible for funding under this NOFA and will not be processed:

- a. Any PHA that does not meet the threshold requirements of the FY 2009 General Section.
- b. Any PHA that does not meet the threshold requirements of section III.C.2 of this NOFA.
- c. A PHA whose application does not comply with the requirements of this NOFA after the expiration of the 5-calendar day technical deficiency correction period.
- d. A PHA whose application was received at grants.gov after the application deadline date.
- e. A PHA whose paper application that was approved for a waiver of electronic application submission was not received at the official place of receipt.

VI. Award Administration Information.

A. Award Notices. Successful applicants will receive an award letter from HUD. Funding will be provided to successful applicants as an amendment to the ACC of the applicant PHA.

Unsuccessful applicants will receive a notification of rejection letter from the GMC that will state the basis for the decision. For a period of at least 120 days, beginning 30 days after the awards for assistance are publicly announced, HUD will provide to a requesting applicant a debriefing related to its application. Applicants requesting to be debriefed must send the written request to: Keia Neal, Acting Director, GMC, U.S. Department of Housing and Urban Development, 451 7th Street, S.W., Room #B133, Potomac Center, 3rd floor, Washington, DC 20410.

B. Administrative and National Policy Requirements.

1. HCV Program Regulations. Applicants must administer the FUP in accordance with HUD's regulations governing the HCV Program (24 CFR 982). MTW agencies may administer these vouchers in accordance with their MTW agreements unless they are inconsistent with Appropriations Act requirements or the requirements of this funding notice. In the event of a conflict, the requirements of the Appropriation Act and/or this funding notice govern.
2. Turnover. As specifically required by the Appropriations Act, upon turnover, a voucher issued to a FUP-eligible family or FUP-eligible youth must be reissued to either another FUP-eligible family or FUP-eligible youth.
3. FUP-eligible youth. A FUP voucher issued to a youth age 18 to 21 may not be used to provide housing assistance for that youth for a period of more than 18 months, as per the statutory requirements of Section 8(x)(2) of the U.S. Housing Act of 1937, as amended.
3. PHA Responsibilities.
 - a. Accept families and youths certified by the PCWA as eligible for the FUP. The PHA, upon receipt of the PCWA list of families and youths currently in the PCWA caseload, must compare the names with those of families and youths already on the PHA's HCV waiting list. Any family or youth on the PHA's HCV waiting list that matches with the PCWA's list must be assisted in order of their position on the waiting list in accordance with PHA admission policies. Any family or youth certified by the PCWA as eligible and not on the HCV waiting list must be placed on the waiting list. If the PHA has a closed HCV waiting list, it must reopen the waiting list to accept a FUP applicant family or youth who is not currently on the PHA's HCV waiting list;

- b. Determine if any families with children, or youths age 18 through 21 on its HCV waiting list are living in temporary shelters or on the street and may qualify for the FUP, and refer such applicants to the PCWA;
- c. Determine if families with children, or youths age 18 through 21 referred by the PCWA are eligible for HCV assistance and place eligible families/youths on the HCV waiting list;
- d. Amend the administrative plan in accordance with applicable program regulations and requirements;
- e. Administer the vouchers in accordance with applicable program regulations and requirements; and
- f. Comply with the actions to be taken by the PHA as specified in the MOU executed by the PHA and the PCWA.

4. PCWA Responsibilities.

- a. Establish and implement a system to identify FUP-eligible families and FUP-eligible youths within the agency's caseload and to review referrals from the PHA;
- b. Provide written certification to the PHA that a family qualifies as a FUP-eligible family, or that a youth qualifies as a FUP-eligible youth, based upon the criteria established in section 8(x) of the United States Housing Act of 1937, and this NOFA;
- c. Commit sufficient staff resources to ensure that eligible families and youths are identified and determined eligible in a timely manner and to provide follow-up supportive services after these families and youths lease units; and

d. Comply with the actions to be taken by the PCWA as specified in the MOU executed between the PCWA and the PHA.

5. HUD's Strategic Goals. HUD is committed to ensuring that programs result in the achievement of HUD's strategic mission. HCVs awarded under this funding announcement support the Department's strategic goals of expanding access to and the availability of decent, affordable rental housing. For more information about HUD's Strategic Plan and Annual Performance Plan, you may visit HUD's website at

<http://www.hud.gov/offices/cfo/reports/cforept.cfm>

6. HUD Policy Priorities. HCVs awarded under this funding announcement support HUD's policy of providing increased homeownership and rental opportunities for low- and moderate-income persons.

C. Reporting.

1. Family Report. All successful applicants (including MTW agencies) must report the usage of voucher funds under this funding announcement through required submissions of the form HUD-50058, Family Report. PHAs must enter the program code "FUP" on line 2n of the Family Report for families who are assisted with vouchers under this funding announcement. PHAs must maintain this code on the form HUD-50058 for the duration of the family's participation in the HCV program. HUD's assessment of PHA compliance under this funding announcement will be based on PIC system data.

VII. Other Information.

A. References.

The following are hereby incorporated by reference:

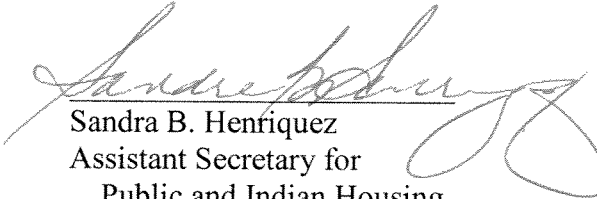
1. Executive Order 12372, Intergovernmental Review.

2. Executive Order 13132, Federalism.
3. Public Access, Documentation, and Disclosure.
4. Section 103 of the HUD Reform Act.

B. Paperwork Reduction Act. The information collection requirements contained in this document have been submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and approval is 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 number.

C. Environmental Impact. This NOFA provides funding under, and does not alter the environmental requirements of 24 CFR 982. Accordingly, under 24 CFR 50.19(c)(5), the NOFA is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321). For environmental review of activities funded under this NOFA, see requirements described in section III.C.4 above.

Date: 09/11/2009


Sandra B. Henriquez
Assistant Secretary for
Public and Indian Housing

[FR-5342-N-01]