

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No.FR 5415 N 33]

### Notice of Funding Availability (NOFA) for Fiscal Year (FY) 2010 Assisted Living Conversion Program (ALCP) For Eligible Multifamily Housing Projects

**AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

**ACTION:** Notice of Funding Availability for Fiscal Year (FY) 2010 for the Assisted Living Conversion Program for Eligible Multifamily Projects.

**SUMMARY:** This NOFA announces the availability of up to approximately \$30 million in Assisted Living Conversion Program (ALCP) grant funds. The funds are available for the physical conversion of eligible multifamily assisted housing projects or portions of projects to assisted living facilities (ALFs). Applicants should note that this NOFA is governed by the information and instructions found in the Notice of HUD's FY2010 Notice of Funding Availability; Policy Requirements and General Section (**General Section**) to HUD's FY2010 NOFAs for Discretionary Programs (referred to as the "**General Section**," that HUD posted on [www.grants.gov](http://www.grants.gov) on June 7, 2010. The FY2010 **General Section** establishes threshold and other critical application submission requirements that affect this NOFA. Therefore, applicants for this assistance are directed to review the 2010 **General Section** for policy and submission information prior to submitting an application.

**FOR FURTHER INFORMATION:** Direct your questions regarding specific program requirements to the agency contact identified in this program NOFA. For questions regarding the 2010 **General Section**, contact the Office of Departmental Grants Management and Oversight at 202-708-0667 (this is not a toll-free number) 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 of 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 the Assistant Secretary for Housing-Federal Housing Commissioner

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

**C. Announcement Type:** Initial announcement.

**D. Funding Opportunity Number:** The OMB Approval Number is: 2502-0542. The Federal Register number for this NOFA is FR-5415-N-33.

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

**F. Dates:** Applications must be received by Grants.gov no later than 11:59:59 p.m. Eastern Time on the deadline date of **March 29, 2011**. Applicants need to be aware that following receipt applications go through a validation process in which the application may be accepted or rejected. The process may take 24 to 48 hours to complete. Please see the 2010 General Section for instructions for timely receipt including actions to take, if the application is rejected.

**G. Additional Overview Content Information:** The purpose of this program is to provide grants for the conversion of some or all of the dwelling units in an eligible project into assisted living facilities (ALFs) for frail elderly persons. Private nonprofit owners of eligible developments interested in applying for funding under this grant program should carefully review the **General Section** and the detailed information listed in this NOFA. In FY2010, HUD has published its new Strategic Plan 2010-2015 that defines a new set of policy and organizational priorities for the department. The plan provides the direction and focus HUD needs to achieve its mission: create strong sustainable, inclusive communities and quality, affordable homes for all. For more information about FY2010 HUD's policy priorities, please review the **General Section**.

## FULL TEXT OF ANNOUNCEMENT

### I. FUNDING OPPORTUNITY DESCRIPTION

**A. Program Description.** Assisted living facilities (ALFs) are designed to accommodate frail elderly persons and people with disabilities who need certain support services (e.g., assistance with eating, bathing, grooming, dressing, and home management activities). ALFs must provide support services such as personal care, transportation, meals, housekeeping, and laundry. Frail elderly person means an individual 62 years of age or older who is unable to perform at least three activities of daily living (ADLs) as defined by the regulations for HUD's Section 202 Supportive Housing for the Elderly Program at 24 CFR 891.205. Assisted living defined in section 232(b)(6) of the National Housing Act (12 U.S.C. 1715w).

The ALCP provides funding for the physical costs of converting some or all of the units of an eligible multifamily development into an ALF, including unit configuration and related common and service space, and any necessary remodeling, consistent with HUD or the state's statute/regulations (whichever is more stringent). Typical funding will cover basic physical conversion of existing project units, as well as related common and service space. There must be sufficient community space to accommodate a central kitchen or dining facility, lounges, recreation; other multiple-areas available to all residents of the project and/or office/staff spaces in the ALF. If meals are prepared at an off-site location, the preparation area of the facility must be of sufficient size to allow for the installation of a full kitchen. You must provide supportive services for the residents either directly or through a third party. Your application must include a

firm commitment for the supportive services offered within the ALF. You may charge assisted living residents for meals and/or service fees. Residents may contract with third party agencies directly for nursing, therapy, or other services not offered by the ALF. Refer to Section III.E.2.f, for more information about Meals and Supportive Services.

**B. Authority.** The Assisted Living Conversion Program is authorized by Section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) and the Consolidated Appropriations Act, 2010 (Pub. L. 111-117) provides up to \$39.6 million for the conversion of eligible projects to assisted-living or related use and for emergency repairs.

## II. AWARD INFORMATION

**A. Available Funds.** This NOFA makes available up to \$30 million in grant funds. The funds will be use for the physical conversion of eligible multifamily assisted housing projects or portions of projects to ALFs. For Fiscal Year 2010, the ALCP will be a nationwide competition.

The ALCP Grant Agreement, when fully executed, obligates the HUD funds. This Agreement establishes the legal relationship between HUD and the ALCP award recipient. HUD will base the period of performance on the scope of work, but it shall not exceed 18 months.

## III. ELIGIBILITY INFORMATION

**A. Eligible Applicants.** Only private nonprofit owners of eligible multifamily assisted housing developments specified below (see section 683(2) (B), (C), (D), (E), (F), and (G) of the Housing and Community Development Act of 1992 (Pub. L.102-550, approved October 28, 1992) may apply for an ALCP grant.

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

**B. Ineligible Applicants.** Ineligible applicants are:

1. Owners of developments designed specifically for people with disabilities;
2. Owners of Section 232 developments;
3. Property management companies and agents of property management companies;
4. Limited dividend partnerships;
5. Nonprofit Public Agencies;
6. Owners of hospitals or other health-related facilities, which are eleemosynary institutions;

7. Owners of an existing insured or privately owned Assisted Living Facility; and
8. Owners of commercial structures.

**C. Eligible Developments.** Eligible projects must be owned by a private, nonprofit entity, and designated primarily for occupancy by elderly persons. Projects must have completed final closing and must have been in occupancy for at least five years from the date of the HUD approved form HUD-92485 (Permission to Occupy Project Mortgage). Eligible projects may only receive one grant award.

Additionally, eligible projects must meet one of the following criteria:

1. Section 202 direct loan projects with or without Section 8 rental assistance;
2. Section 202 capital advance projects receiving rental assistance under their Project Rental Assistance Contract (PRAC);
3. Section 515 rural housing projects receiving Section 8 rental assistance;
4. Other projects receiving Section 8 project-based rental assistance;
5. Projects subsidized with Section 221(d)(3) below-market interest mortgage; or
6. Projects assisted under Section 236 of the National Housing Act.

**D. Cost Sharing or Matching.** No matching funds are required. Although matching is not a requirement for the ALCP, applicants are encouraged to leverage grant funds with other funding to receive higher rating points.

**E. Eligibility Requirements.**

**1. Eligible Conversion Activities Are:**

a. Retrofitting to meet Section 504 accessibility requirements, minimum property standards for accessibility and/or building codes and health and safety standards for ALFs in that jurisdiction. Meeting Section 504 regulations require compliance with the Uniform Federal Accessibility Standards (UFAS). Examples are items such as:

(1) Upgrading to accessible units for the ALF with moveable cabinetry, accessible appliances, sinks, bathroom and kitchen fixtures, closets, hardware and grab bars, widening of doors, etc.;

(2) An elevator or upgrades thereto;

(3) Lighting upgrades;

(4) Major physical or mechanical systems of projects necessary to meet local code or assisted living requirements;

(5) Sprinkler systems;

(6) Upgrades to safety and emergency alert systems;

(7) Addition of hallway railings; and

(8) Medication storage and workstations.

b. Retrofitting to add, modify and/or outfit common space, office or related space for ALF staff including a service coordinator and file security, and/or a central kitchen/dining facility to support the ALF function (e.g., outfit lounge/common space/dining furniture, kitchen equipment for cooking/serving and dishware).

c. Retrofitting to upgrade a regular unit to an accessible unit for a person/family with disabilities being displaced from an accessible unit in the portion of the project that is being converted to the ALF, where another accessible unit is not available;

d. Temporary relocation;

e. Consultant, architectural, and legal fees;

f. Vacancy payments limited to 30 days after conversion to an ALF; and

g. Any excess Residual Receipts (over \$500/unit) and Reserve for Replacement funds (over \$1000/unit) in Project Accounts that are not approved for another use at the time of application to HUD under this NOFA are considered available funds and must be applied toward the cost of conversion activities. However, before making this determination, HUD staff will consider the extent of repair/replacement needs indicated in the most recent Real Estate Assessment Center (REAC) physical inspection; any not yet approved or ongoing commitments such as non-grant-based service coordinator or other funding. HUD staff will deduct the estimated costs of such items from the reserve for replacement and residual receipts balances to determine the extent of available residual receipts and reserve for replacement funds for the ALCP.

2. **Threshold Requirements.** The threshold requirements in the General Section are applicable in this NOFA. In addition to the threshold criteria outlined in the General Section, applicants must meet the following requirements in this NOFA to receive funding for this program. The threshold requirements are:

a. Be an eligible applicant.

b. **DUNS Requirement.** All ALCP applicants must have a DUN and Bradstreet Universal Data Numbering Systems (DUNS) number. The DUNS number must reflect the applicant organization that is to receive funding from HUD and correspond to the legal name entered into

Box 8a of Standard Form 424 (SF424). The legal name entered into Box 8a of the SF424 must correspond to the information provided to D&B and CCR. Failure to follow these instructions and provide a DUNS and Taxpayer Identification (TIN) validated by CCR will prevent an application from obtaining an award, regardless of whether it is a new award or renewal of an existing one. This policy is pursuant to the OMB policy issued in the [www.hud.gov/offices/adm/grants/duns.cfm](http://www.hud.gov/offices/adm/grants/duns.cfm) or [http://www.grants.gov/applicants/request\\_duns\\_number.jsp](http://www.grants.gov/applicants/request_duns_number.jsp). For information on how to acquire a DUNS number, see Section III. C. of the **General Section**.

c. Applicants must have and maintain an active registration in the Central Contractor Registration to receive an award of funds from HUD. See the G for complete details concerning CCR registration and HUD policy.

d. You must provide commitment and funding support letters from the appropriate funding organizations and the appropriate licensing agency(ies). HUD will reject your application if the commitment and support letter(s) from the appropriate funding organizations and the appropriate licensing agency(ies):

(1) Are not submitted by the application deadline date as part of your application for financial assistance;

(2) Indicate that the ALF units, facilities, meals and supportive services to be provided are not designed to meet the special needs of the residents who will reside in the ALF as defined in this NOFA,

(3) Do not show commitment for funding the meals and supportive services proposed; or

(4) Indicate that the project as proposed will not meet the licensing requirements of the appropriate state/local agency(ies).

e. You must comply with all applicable statutory requirements specified in Section 202b and statutory requirements under Section 232(b)(6).

f. **Minimum Size Limits for an ALF.** An ALF must be economically feasible. Consistent with HUD Handbook 4600.1, CHG-1, the minimum size for an ALF is five units.

g. If you requested and received a waiver of the electronic submission requirement, must follow the instructions in the approval notification regarding where to submit the application and the number of copies required. All paper applications granted a waiver to the electronic application submission requirement must be submitted to HUD Headquarters.

h. If an application is missing six or more exhibits, the application is to be considered substantially deficient and the application will be considered non-responsive to the NOFA, making the application ineligible for review. Refer to Section IV.B, Content and Form of Application Submission for further information.

**3. Program Requirements.** Applicants must meet the following program requirements outlined below in this NOFA. The program requirements are:

a. **Residual Receipts.** You must have a residual receipts account separate from the Reserve for Replacement account, or agree to establish this account as a condition for getting an award.

b. **Compliance.** You must be in compliance with your Loan Agreement, Capital Advance Agreement, Regulatory Agreement, Housing Assistance Payment contract, Project Rental Assistance Contract, Rent Supplement or Loan Management Set-Aside (LMSA) contract, or any other HUD grant or contract document.

c. **HUD-2530.** If selected, you must file a form HUD-2530 for all construction contractors, architects, consultants, and service provider organizations under direct contract with you that will be engaged under this NOFA within 30 days of execution of the grant award.

d. **HUD's Uniform Physical Conditions Standards.** Your project must meet HUD's Uniform Physical Conditions Standards at 24 CFR part 5, subpart G. Based on the most recent REAC physical inspection report the project must have a "satisfactory" rating as evidenced by a score of 60 or better; or if the project received a score less than 60 it must have a HUD-approved schedule repair plan for the development. Additionally, the project must not have any uncorrected and outstanding Exigent Health and Safety violations. Finally, the project must not have a management review with a rating of "minimally satisfactory" or "unsatisfactory" with open and unresolved findings.

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

f. **Licensing Requirements.** You must submit, with your application, an agreement to pursue the appropriate ALF licensing in a timely matter. You must **ALSO** submit the SSP to the appropriate organization(s), which license(s) ALFs in your jurisdiction.

(1) The licensing agency(ies) must approve your plan and certify that the ALF and proposed supportive services are consistent with local statues and regulations, and are well designed to meet the needs of frail elderly persons with disabilities who will reside in the ALF portion of your project.

(2) Your ALF must be licensed and regulated by the state (or if there is no state law providing such licensing and regulation, by the municipality or other subdivision in which the facility is located). Each assisted living unit must include its own kitchen, bathroom, bedroom,

living/dining area (1 bedroom unit) or kitchen, bathroom, bedroom/living/dining area (efficiency unit) and must meet the state and/or local licensing, building, zoning, and other requirements for an ALF.

g. **Occupancy Requirements.** Your ALF must be available to qualified elderly persons; frail elderly persons; and persons with disabilities, consistent with the rules and payment plans of the state, which need and want the supportive services in order to remain independent and avoid premature institutionalization.

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

(2) Persons accepted into the ALF also must sign an ALF admissions agreement, the ALF admissions agreement will become an addendum to the applicable project lease.

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

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

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

(c) Residents moving into an ALF unit must agree to accept as a condition of occupancy the board and services required to comply with state and local laws and regulations.

h. **Meal Requirement.** The ALF must provide three meals per day.

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

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

(3) The meal plan must accommodate residents with special needs diets for health and safety reasons (e.g. soft foods, diabetic diet, etc.) and for religious beliefs and practices (e.g. Kosher, Halal, vegetarian, etc.).



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

i. ALF Admissions. Priority admissions for ALF units are as follows:

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

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

(3) Qualified individuals or families in the community needing ALF services wanting to be added to the project's waiting list;

(4) Qualified disabled non-elderly persons needing assisted living services are eligible to occupy these units on the same basis as elderly persons, except for Section 202 project rental assistance contracts (PRAC) projects, which are limited to elderly persons by law.

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

k. Declaration of Restrictive Covenants. All project owners participating in the ALCP must provide a Declaration of Restrictive Covenants (DRC) upon receipt of a grant under this program. The DRC will be recorded with the land to retain the low income character of the housing and to maintain the project (including the ALF) as a moderate-, low-, or very low-income facility (as appropriate) for 20 years beyond the current 40- to 50-year term of the mortgage loan or capital advance.

l. Service Coordination. The ALCP requires service coordination for linking the ALF to available services in the community for moderate, low or very low-income persons. All projects funded under this NOFA must have sufficient service coordination in place to ensure that services meeting licensing requirements are available to ALF residents on an ongoing basis. The application must describe your service coordination planned efforts. (See Section IV.B. of this NOFA). The service coordination description needs to show evidence on the form SF424, that funding for service coordination is provided by other sources. In any jurisdiction or neighborhood that receives funding for either the same geographic area or the same population, for ROSS Service Coordinators, Public Housing Family Self-Sufficiency, Housing Choice Voucher Family Self-Sufficiency, HOPE VI Revitalization, Choice Neighborhoods, Elderly/Disabled Service Coordinators, HUD-VASH, Family Unification Vouchers, Multi-Family Service Coordinators, Continuum of Care program and/or other special use housing assistance with services or service coordination HUD encourages coordination so that shared resources can be leveraged to avoid duplication of services and to improve access and service

delivery for participating families.

(1) The ALF must be staffed either directly or indirectly, as a result of your coordination with local agencies, depending on state regulations or local requirements. These may also serve non-ALF residents of the project on a time available and appropriate fee basis.

(2) If you are a Section 202 PRAC project owner, you can pay for the service coordinator out of PRAC funds.

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

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

For further guidance on service coordinators, please refer to Handbook 4381.5 REV-2, CHANGE-2, Chapter 8, "The Management Agent's Handbook," which is also available through the HUD's Client Information and Policy System (HUDCLIPS) - Housing database on HUD's website at <http://www.hud.gov/offices/adm/hudclips/>. Enter only the number without the letter prefix (e.g., 99-16) in the "Search box" to retrieve any handbooks or notices.

(5) Training for ALF staff is an eligible project cost under existing operating procedures. For further information on ALFs, please refer to Handbook 4600.1, CHG-1, "Mortgage Insurance for Residential Care Facilities," Chapter 13. This Handbook and recent ALF program Notices are accessible through HUDCLIPS on HUD's website at <http://www.hud.gov/offices/adm/hudclips/>

m. The ALF's operation must be part of the project owner's management organization; however, some or all of its functions may be contracted out. The ALF budget must be a two-tiered structure that has board and supportive service income and expenses maintained separately and independently from the regular income and expenses of the applicable project. The two components of ALF costs are:

(1) Charges/payment for board, (not including rent for the unit) which may be on a sliding scale or any other equitable fee system; and

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

n. Other HUD grants or funds. If selected, you must notify HUD of any other HUD grants or funds that you are applying for that relate to any aspect of the rehabilitation or construction of the ALCP project for which you have been awarded funds under this NOFA.

o. **Energy Efficiency Standards.** Sponsors are required to build to a higher standard by incorporation components of sustainable projects. At a minimum, energy efficiency strategies and water conservation appliances and fixtures must be incorporated in the design, construction, and operation of all projects.

(1) **Energy Efficiency Products and Appliances.** All projects must purchase and install ENERGY STAR-labeled products and appliances when new products are installed or older obsolete products are replaced as part of the scope of work. To easily locate certain ENERGY STAR qualified products or appliances, contact suppliers, and negotiate discounted prices, visit <http://www.quantityquotes.net/>. ENERGY STAR Quality Quotes was developed by the U.S. Department of Energy (DOE) to make it easy to comparison shop for energy-efficient products. For more information on Energy Star appliances and products, please see [www.energystar.gov](http://www.energystar.gov).

(2) **Water Conservation Fixtures.** Installation of water-conserving fixtures is required for the conversion when new products are installed or older obsolete products are replaced. Water Conservation fixtures are resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets. The materials used in the conversion should be either the most current WaterSense product or a greater water efficiency product. More information is available at [www.epa/owm/water-efficiency](http://www.epa/owm/water-efficiency).

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

q. **Economic Opportunities for Low and Very Low-Income Persons (Section 3).** You must comply with Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low and Very Low-Income Persons) and the implementing regulations at 24 CFR part 135. You must ensure that training, employment and other economic opportunities shall, to the greatest extent feasible, be directed toward low and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low and very low-income persons in the area in which the proposed project will be located. To comply with Section 3 requirements you are hereby certifying that you will strongly encourage your general contractor and subcontractors to participate in local apprenticeship programs or training programs registered or certified by the Department of Labor's Office of Apprenticeship, Training, Employer and Labor Services or recognized State Apprenticeship Agency. To receive up to two (2) points, you must submit, under Exhibit 3(j), a description on how you plan to incorporate the Section 3 requirements into your proposed project with goals for expanding training and employment opportunities for low and very-low income (Section 3) residents as well as business concerns. Refer to Section III.C.5.d of the General Section for more information on Section 3.

**4. Non-discrimination and Other Requirements.** Refer to Section III.C.5. of the **General Section** for additional requirements and information regarding non-discrimination and other Requirements, including compliance with the requirements of Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act, the

Age Discrimination Act of 1975, the affirmative fair housing marketing requirements of section 24 CFR 200.600, Subpart M and the implementing regulations at 24 CFR part 108, which requires that the project be marketed to those least likely to apply, including those who are not generally served by the agency administering the program, and other applicable federal, state, and local laws prohibiting discrimination and promoting equal opportunity, including affirmatively furthering fair housing, and other certifications listed in the application.

**a. Federal Physical Accessibility Requirements.** Applicants must comply with the Uniform Federal Accessibility Standards (<http://www.access-board.gov/ufas/ufas-html/ufas.htm>); Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8; and any applicable provisions of the Americans with Disabilities Act of 1990 and applicable Fair Housing Act design and construction requirements for all portions of the development physically affected by this proposal.

**b. Section 232 of the National Housing Act.** Applicants must comply with Section 232 of the National Housing Act as applicable.

**c. Davis-Bacon requirement and the Contract Work Hours and Safety Standards Act.** Applicants must comply with the Davis-Bacon requirements and the Contract Work Hours and Safety Standards Act as applied to this program. Davis-Bacon does not apply statutorily to the ALCP, however, the Department has administratively determined that Davis-Bacon standards and overtime rates, in accordance with the Contract Work Hours and Safety Standards Act will be adhered to in any ALCP conversion grant program in which the total cost of the physical conversion to an ALF (and including any additional renovation work undertaken at the same time) is \$500,000 or more (this includes ALCP grant funds, owner funds, or any third party funds loaned or granted in support of the conversion or other renovation for the project associated with this grant); **and** in which the ALF portion of the project is 12 units or more,

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

**e. Executive Order 13166, Improving Access to Persons with Limited English Proficiency (LEP).** ALCP applicants who receive funding must take reasonable steps to ensure meaningful access to their programs and activities to persons with limited English proficiency by providing materials and information in languages other than English. These could include providing materials and information in languages other than English and making applications and other materials available in languages other than English that are common in the community, if speakers of these languages are found in significant numbers and come into frequent contact with the program. As an aid recipients, HUD published *Final Guidance to Federal Financial Assistance Recipients: Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons* (LEP Guidance) in the Federal Register on January 22, 2007 (72 FR 2732). For assistance and information regarding LEP obligations, go to [http://www.justice.gov/crt/lep/guidance/HUD\\_guidance\\_Jan07.pdf](http://www.justice.gov/crt/lep/guidance/HUD_guidance_Jan07.pdf).

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

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

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

**i. OMB Circulars and Government-wide Regulations Applicable to Financial Assistance.** ALCP applicants are subject to the Administrative Requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; OMB Circular A-122, Cost Principles for Non-Profit Institutions; the administrative requirements of 24 CFR Part 84; and the procurement requirements of 24 CFR 84.44. (Refer to the **General Section** for additional information on this requirement).

**j. Environmental Requirements.** Your ALCP application is subject to the National Environmental Policy Act of 1969 and applicable related federal environmental authorities. (See 24 CFR part 50, as applicable.) An environmental review will be completed by HUD before awarding any grant under this program. ALCP projects are ‘critical actions’ for purposes of 24 CFR part 55 and must comply with requirements applicable to ‘critical actions,’ including floodplain management review requirements, if proposed to be carried out in the 500-year floodplain. Please carefully review the **General Section** for any Additional Nondiscrimination and Other Requirements.

#### **IV. Application and Submission Information**

**A. Address to Request An Application Package.** 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 are contained in HUD’s General Section posted to [www.Grants.gov](http://www.Grants.gov) on June 7, 2010.

**1. Waiver Requests.** Applicants that are unable to submit their application electronically must seek a waiver of the electronic grant submission requirement. You must submit a waiver request no later than 15 days before the application deadline date. Waiver requests may be submitted by mail, fax, or email, and must be on the applicant’s letterhead and signed by an official with the legal authority to request a waiver from the Department. Waiver requests must meet the

following requirements:

- **Mailed Requests.** A mailed request must be sent to David H. Stevens, Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410-8000.
- **Faxed Requests.** Send faxed requests to (202) 708-3104. This is not a toll-free number.
- **Electronic Mail Requests.** Send email requests to [Aretha.M.Williams@hud.gov](mailto:Aretha.M.Williams@hud.gov)

If a waiver is granted, you must submit the original and four (4) copies of your application to Headquarters, and **the application must be received no later than the 4:30 pm eastern time (the apps have to go through scanning which closes at 5pm.) on the application deadline date.** There is no grace period. HUD will not accept paper applications from applicants that did not receive a waiver.

**2. Multiple Applications.** Owners may only submit an application for one ALCP project. If HUD receives multiple applications covering different projects or segments of units within the same project, it will consider only one application. The decision on which application to consider for funding will be the first unique application for a project based upon the application that first meets the timely receipt requirements. If an applicant submits multiple copies of the same application, HUD will review the last application that meets the timely receipt requirements as stated in the General Section.

**3. Technical Assistance.** Before the ALCP application deadline date, HUD staff is available to provide you with general guidance and technical assistance. HUD staff cannot provide assistance in preparing your application. For technical support for downloading the ALCP application or submitting the application, call the toll free Grants.gov Customer Support line at 1-800-518-GRANTS (this is a toll-free number) or send an email message to [support@grants.gov](mailto:support@grants.gov). **The customer support center is open twenty-four hours a day, seven days per week, except federal holidays.**

**4. HUD Website.** Additional information or documents is available on HUD's website at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>

**5. Webcast.** HUD will provide technical assistance and training through an online webcast for potential applicants. For more information about the date and time of the broadcast, you should contact your local HUD Office or go to HUD's web site at: <http://www.hud.gov/webcasts/index.cfm>

**B. Content and Form of Application Submission.** There are eleven required exhibits under the ALCP, including prescribed forms and certifications. In cases where your articles of incorporation and bylaws have NOT changed since the project was originally approved by HUD, your signature on the SF424 signifies that you are self-certifying to that effect - that the documents on file with HUD are current and sufficient. Exhibits for which self-certification of currency is possible are Exhibits 2(a) and (b).

In addition to the relief of paperwork burden, you will not have to submit certain information and exhibits you have previously prepared. See individual item descriptions, below to identify such items. An example of such an item may be the FY2009 Annual Financial Statement. Your application must include all of the information, materials, forms, and exhibits listed below (Please see the General Section for instructions on how to submit third party and other documents such as Articles of Incorporation; by-laws; copies of original plans; evidence of financial commitment; letter(s) from zoning officials; etc.). Attachment file names must not be longer than 50 characters and must not contain spaces or special characters. Applications will be rejected if you fail to follow these instructions. Detailed submission instructions, including file naming requirements, are contained in the General Section.

## **1. Table of Contents**

### **Exhibit I - Form HUD92045, Application Summary for the Assisted Living Conversion Program.**

### **Exhibit II - Evidence of private nonprofit status and legal ability to operate an ALF program:**

- a. Articles of Incorporation.
- b. Bylaws.

### **Exhibit III - Community support:**

- a. Links to the community at large and to the minority and elderly communities in particular; and
- b. Efforts to involve elderly persons, including minority elderly persons and persons with disabilities in:
  - (1) Development of the application;
  - (2) Development of the ALF operating philosophy;
  - (3) Review of the application prior to submission to HUD; and
  - (4) Intent to involve eligible ALF residents in the operation of the project.
- c. Description of your involvement in your community's Consolidated Planning Processing
- d. Implementation measures that will result in residents aging in place.
- e. Policy Priority - Capacity Building and Knowledge Sharing

### **Exhibit IV - Evidence of occupancy.**

### **Exhibit V – Evidence of need for project.**

- a. Need for the ALF by current project residents:

- (1) Demographic characteristics of the elderly residents currently living in the project;  
and
- (2) Services currently available to the residents.

- b. Need for ALF units by very low-income elderly and disabled households in the market area.
- c. Type, availability and cost of alternate care and services,
- d. How the community's Consolidated Plan was used.

**Exhibit VI – Narrative of the physical construction aspect of the ALF conversion. This is not an exhaustive listing. You may describe other physical construction aspects of the conversion being proposed.**

- a. Project development and timeline;
- b. Narrative stating the number of units, special design features, common areas;
- c. Energy efficiency features;
- d. Original plans and specifications;
- e. Description of how the project will conform to UFAS;
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- g. Budget.
- h. Commitment letters.
- i. Relocation:
  - (1) Cost of temporary relocation;
  - (2) Staff to carry out relocation activities;
  - (3) List of tenants to be temporarily relocated;
  - (4) Statement that temporary relocation will not extend beyond one year; and
- j. Section 3 requirements.

**Exhibit VII – Description of Retrofitting or renovations.**

**Exhibit VIII – Zoning.**

**Exhibit IX - Supportive Services Plan:**



- a. Description of the supportive services needed;
- b. Description of how the supportive services are to be provided;
- c. Description of how the operation of your ALF will work;
- d. Costs for board and supportive services;
- e. List who will pay for the board and supportive services and the amount provided.
- f. Support or commitment letter;
- g. State or local support letter; and
- h. Experience in arranging services and/or delivering supportive services to frail residents; and
- i. Policy Priority - Using Housing for Improving Other Outcomes

**Exhibit X – Project’s resources.**

**Exhibit XI – Forms and Certifications:**

**1. Forms.**

- a. HUD92045\_Multifamily\_Housing\_Assisted\_Living\_Conversion\_Program\_Application\_Summary Sheet
- b. SF424\_Application\_for\_Federal\_Assistance.
- c. SF424\_Supplement\_Survey\_for\_Ensuring\_Equal\_Opportunity\_for\_Applicants.
- d. HUD424CB\_Grant\_Applications\_Detailed\_Budget.
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k. HUD96011\_Third\_Party\_Documentation\_Facsimile\_Transmittal

## **2. Programmatic Application Requirements**

**Exhibit I. Application Summary for the Assisted Living Conversion Program, Form HUD92045.**

**Exhibit II.** Evidence that you are a private nonprofit organization or nonprofit consumer cooperative and have the legal ability to operate an ALF program, per the following:

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

b. Bylaws, or self-certification of bylaws, if there has been no change in the bylaws since they were originally filed with HUD.

**Exhibit III.** A description of your community support:

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

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

(1) The development of the application;

(2) The development of the ALF operating philosophy;

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

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

c. A description of your involvement in your community's Consolidated Planning processes including:

(1) An identification of the lead/facilitating agency(ies) that organizes and/or administers the process;

(2) A listing of the Consolidated Plan areas in which you participate; and

(3) The level of your participation in the process, including active involvement with any neighborhood-based organizations, associations, or any committees that support programs and activities that enhance projects or the lives of residents of the projects, such as the one proposed in your application.

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

d. A description of how the assisted living facility will implement measures that will result in assisting residents to age in place with an improved living environment”).

e. Policy Priority: HUD has selected the policy priority: Capacity Building and Knowledge Sharing. To receive 1 policy priority point for this policy priority, applicants must provide a description of activities that will strengthen the capacity of state and local government and nonprofit partners to implement HUD programs, coordinate on cross-programmatic, place-based approaches that encourage on-going communications. For more information, refer to **Rating**

**Factor 1, Section V.A.1.e.**

**Exhibit IV.** Evidence of your project has been occupied for at least five years prior to the date of this application to HUD.

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

a. Evidence of need for the ALF by current project residents:

(1) A description of the demographic characteristics of the elderly residents currently living in the project, including the current number of residents, distribution of residents by age, race, and sex, an estimate of the number of residents with frailties/limitations in activities of daily living, and an estimate of the number of residents in need of assisted living services.; and

(2) A description of the services currently available to the residents and/or provided on or off-site, and what services are lacking.

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

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

d. A description of how information in the community's Consolidated Plan was used in documenting the need for the ALF (covering items in c. above). Your applications should also

describe the specific steps you plan to undertake in affirmatively furthering fair housing to:

- (1) Remedy discrimination in housing; and
- (2) Promote fair housing rights and fair housing choice.

See Section III.C.5.b. of the General Section for a further discussion on affirmatively furthering fair housing.

**Exhibit VI.** A description of the physical construction aspects of the ALF conversion, including the following:

- a. How you propose to carry out the physical conversion (including a timetable and relocation planning). Completion of the Logic Model will assist in completing your response to this Exhibit.
- b. A short narrative stating the number of units, special design features, community and office space/storage, dining and kitchen facility and staff space, and the physical relationship to the rest of the project. You must also describe how this design will facilitate the delivery of services in an economical fashion in the most integrated setting appropriate to the needs of the participating residents with disabilities and accommodate the changing needs of the residents over at least the next 10 years.
- c. A description of how the project will incorporate energy and water efficiency standards. Refer to Section III.E.3. of this NOFA and the General Section for further guidance.
- d. A copy of the original plans for all units and other areas of the development, to be included in the conversion.
- e. A description of the conversion must clearly address how the units will conform to the accessibility requirements described in the Uniform Federal Accessibility Standards (UFAS). (For example, all door openings must have a minimum clear opening of 32 inches; and, all bathrooms and kitchens must be accessible to and functional for persons in wheelchairs.)
- f. Architectural sketches of the conversion to a scale of 1/4 inch to one foot that indicate the following:
  - (1) All doors to be widened to meet the standards;
  - (2) Typical kitchen and bathroom reconfiguration: show all wheelchair clearances, wall reinforcing, grab bars, and elevations of counters and work surfaces;
  - (3) Bedroom/living/dining area modification, if needed;
  - (4) Any reconfigured common space;

(5) Added/reconfigured office and storage space;

(6) Monitoring stations; and

(7) Kitchen and dining facility.

All architectural modifications must meet Section 504, Fair Housing Act, and ADA requirements as appropriate.

g. A budget showing estimated costs for materials, supplies, fixtures, and labor for each of the items listed above in Section IV.B.6.f, items (1) through (7).

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

i. A description of any relocation of current tenants including a statement that:

(1) Indicates the estimated cost of temporary relocation payments and other related services;

(2) Identifies the staff organization that will carry out the relocation activities; and

(3) Identifies all tenants to be moved temporarily to another unit within the development OR from the development during the period that the physical conversion of the project is under way.

(4) Indicates temporary relocation will not extend beyond one year. If it takes more than one year to return the tenant to his or her previous unit or location, the grantee must pay permanent relocation benefits immediately. This assistance would be in addition to any assistance the person has already received for temporary relocation, and may not be reduced by the amount of any temporary relocation assistance. Receiving permanent relocation benefits does not mean that the resident has lost the right to return to the project or unit.

(5) Indicate in the relocation plan residents who are temporarily relocated during the conversion that do not need or seek ALF services.

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

**j. Section 3 Requirements.** Address how training, employment, and economic opportunities will be directed to low- and very low-income persons that receive government assistance for housing and to business concerns that provide economic opportunities to low- and very-low-income persons.

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

**Exhibit VIII.** A letter from the local zoning official indicating evidence of permissive zoning. Also, show that the modifications to include the ALF into the project as proposed are permissible under applicable zoning ordinances or regulations.

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

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

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

**Note: The meal plan must include accommodations for those residents needing special diets for health and safety reason (e.g. soft foods, diabetic diet, etc.) and for religious beliefs and practices (e.g. Kosher, Halal, vegetarian, etc.)**

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

c. A description of how the operation of your ALF will work. Address:

(1) General operating procedures;

(2) ALF philosophy and how it will promote the autonomy and independence of the frail elderly and persons with disabilities;

(3) What will the service coordination function do and the extent to which this function already exists, or will be augmented or new;

(4) ALF staff training plans; and

(5) The degree to which and how, the ALF will relate to the day-to-day operations of the

rest of the project.

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

e. List the amount, and who will pay for the board and supportive services. For example, include such items as:

- (1) Meals by sponsors - \$20
- (2) Housekeeping services by the City government - \$30
- (3) Personal care by State Department of Health - \$60
- (4) Service paid for by state program - \$40
- (5) Fees paid by tenants - \$83

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

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

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

h. A description of your relevant experience in arranging for and/or delivering supportive services to frail residents. The description should include any supportive services facilities owned/operated; also describe your past or current involvement in any project-based programs that demonstrates your management capabilities. The description should include data on the facilities and specific meals and/or supportive services provided on a regular basis, the racial/ethnic composition of the populations served, if available, and information and testimonials from residents or community leaders on the quality of the services.

i. Policy Priority Points: HUD has selected the Policy Priority: Housing as a Platform for

Improving Quality of Life. To receive 1 policy priority point for this policy priority, refer to

**Rating Factor 3, Section D.**

**Exhibit X.** A description of your project's resources:

- a. A copy of the most recent project Reserve and Replacement account statement, and a Reserve for Replacement analysis showing plans for its use over the next five years, and any approvals received from the HUD field office to date.
- b. A copy of the most recent Residual Receipts Account Statement. Indicate any approvals for the use of such receipts from the field office for over \$500/unit.
- c. Annual Financial Statement (AFS). If your FY2009AFS was due to REAC, more than 120 days BEFORE the deadline date for this application, in the interest of reducing work burden, only include the date it was sent to REAC. If the AFS was due to REAC 120 days or less from the deadline date of this application, you **MUST** include a paper copy of your AFS in the application. See Section IV.F.5. of this NOFA for information on addresses to submit paper applications.

**Exhibit XI.**

**1. Forms and Certifications.** The electronic version of the NOFA contains all forms required for submitting the ALCP application. The following exhibits, forms, certifications, and assurances are required.

- a. Form HUD-92045, Multifamily Housing Assisted Living Conversion Program Application Summary Sheet.
- b. Form SF424, Application for Federal Assistance includes your DUNS number and your response to the question asking if you are delinquent on any federal debt; as well as a certification that you have submitted a copy of your application, if required, to the State agency Single Point of Contact (SPOC) for state review in compliance with Executive Order 12372; (Please refer to the **General Section** for instructions in submitting this form).
- c. SF424 Supplement, Survey for Ensuring Equal Opportunity for Applicants (“Faith Based EEO survey (SF-424SUPP)” on Grants.gov). The information on this form will not be considered in making a funding decision, however, it will assist the federal government in ensuring that all qualified applicants have an equal opportunity to compete for federal funding.
- d. Form HUD424CB, Grant Applications Detailed Budget (HUD Detailed Budget Form” on Grants.gov).
- e. Form HUD424CBW, Grant Application Detailed Budget worksheet.
- f. Form HUD2880, Applicant/Recipient Disclosure/Update Report (“HUD Applicant Recipient



Disclosure Report” on Grants.gov), including Social Security and Employment Identification numbers. A disclosure of assistance from other government sources received in connection with the project.

g. Form HUD2991, Certification of Consistency with the Consolidated Plan for the jurisdiction in which the proposed ALF will be located. The certification must be made by the unit of general local government if it is required to have, or has, a complete Plan. Otherwise, the certification may be made by the State, or by the unit of general local government if the project will be located within the jurisdiction of the unit of general local government authorized to use an abbreviated strategy, and if it is willing to prepare such a Plan.

The public official responsible for the plan must make all certifications to HUD. The certifications must be received by the application deadline date herein set forth. The Plan regulations are published in 24 CFR part 91.

h. Standard Form LLL, Disclosure of Lobbying Activities, if applicable. A disclosure of activities conducted that may influence any federal transactions.

j. Form HUD96010, Program Outcome Logic Model.

k. Certification of Consistency with RC/EZ/EC-II Strategic Plan (HUD2990), if applicable. A certification that the project is consistent with the RC/EZ/EC-II's strategic plan, is located within the RC/EZ/EC-II, and serves RC/EZ/EC-II residents. (This certification is not required if the project site(s) will not be located in a RC/EZ/EC-II.).

l. HUD96011, “Third Party Documentation Facsimile Transmittal” (“Facsimile Transmittal Form” on Grants.gov). This form must be used as the cover page to transmit third party documents and other information as described in the General Section as part of your electronic application submittal (if applicable).

### **C. Receipt Dates and Time.**

**1. Application Deadline.** The application deadline for receipt of HUD applications via Grants.gov is 11:59:59 p.m. eastern time on the date identified in the posted program NOFA. Applications must be received by Grants.gov by the deadline in order to meet the program NOFA 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 uploaded successfully to Grants.gov. Only when the upload is completed, 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 4.a. below 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. Please see HUD’s General Section for FY2010 timely receipt and grace period policy, including

proof of timely receipt.

**WARNING:** Applications that contain file names that are longer than 32 characters 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 “VirusDetect” message. In FY2009, most instances of an applicant receiving a “VirusDetect” rejection were due to files having spaces and special characters. 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.

Applicants are advised to use the Grants.gov “Track My Application” capability on the Grants.gov website. Applicants can track the status of their application by entering the Grants.gov application tracking number provided on the confirmation page when an application is successfully uploaded to the Grants.gov system. HUD advises applicants to print the confirmation page and retain it for their records.

**2. Limited Time for Correction of Rejection Errors.** An applicant will not be provided additional opportunities to correct rejection errors beyond the grace period. As with any electronic system, applicants may experience issues when attempting to submit their application, which do 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 on federal holidays when the Grants.gov Help Desk is closed does not allow the time needed for Grants.gov to provide the needed assistance. In addition, HUD staff cannot provide assistance or contact Grants.gov on your behalf after the HUD business hours or when the Grants.gov Help Desk is closed. The Grants.gov help desk is open seven days a week, 24 hours a day, except federal holidays. Grants.gov does do periodic system maintenance and those dates are listed on the grants.gov website well in advance of the scheduled maintenance period. Applicants are advised to take those dates into account when planning to submit their application.

**3. Grants.gov Application Processing Steps and Notifications.** After successful upload of an application to Grants.gov, the following processes will occur:

**a. Confirmation of Submission to Grants.gov.** When an application is successfully uploaded to Grants.gov, the AOR submitting the application will receive a confirmation screen on his or her computer that informs the submitter that the application has been successfully uploaded to Grants.gov and is being processed. This confirmation will include a tracking number. Print this confirmation out and save it for your records. If you submitted multiple applications, check your confirmation for each application submitted. The tracking number, CFDA Number, and Funding Opportunity Number, as well as the date and time of submission will appear on the confirmation. If you do not receive this confirmation, it usually means that your application has not been successfully uploaded. If your screen goes blank, or you have problems uploading or your computer is not saving files, it usually means that your computer does not have sufficient memory or processing capability to store and upload the application. If you experience these difficulties, you should go to [www.grants.gov](http://www.grants.gov) and log in using your user name and password, and then click on “Check Application Status.” If your application does not appear, you should immediately call Grants.gov support at 800-518-GRANTS for assistance (this is a toll-free number). If the Help Desk is closed, you should try reducing the size of your application or temporarily taking files off your computer to reduce the demand on your system. The files that were removed can be placed back on your system after uploading the application. (See information on Adobe Version system requirements contained in Section IV.B.5 of this General Section.) HUD also recommends checking to ensure that the applicant’s firewalls and anti-virus software allows access to the Grants.gov system. HUD also recommends that the applicant check the file size that they intend to upload to Grants.gov and make sure that their computer has sufficient memory to process the application; the Internet service they have with their Internet Service Provider allows them to transmit a file of that size and, if not, either reduce the file size by using the facsimile resource or increasing the service capacity contracted with the service provider; and that their internal network will allow a file of that size to be uploaded. If your internal network has file size limits, the applicant can reduce the file size by using the facsimile resource or work with their IT staff to allow a larger size application to be accepted by their network.

**b. Application Submission Validation Check.** The application will then go through a validation process. The validation check ensures that:

(1) The application is virus free (this includes that the file names comply with the required size limits and spacing and special characters limitations);

(2) The application meets the deadline requirements established for the funding opportunity (this includes the grace period and conditions cited earlier in this notice);

(3) The DUNS number submitted on the application matches the DUNS number in the registration, and that the AOR has been authorized to submit the application for funding by the organization identified by its DUNS number;

(4) The AOR has been authorized by the applicant’s E-Biz POC to submit the application;

(5) All the mandatory (highlighted) fields and forms were completed on the application; and

(6) The correct version of Adobe Reader was used in completing the application package forms.

**c. Application Validation and Rejection Notification.** If the application fails any of the above items during the validation check, the grant application will be rejected and Grants.gov will send an email to the person denoted by the applicant in the registration process to receive email notifications from Grants.gov. The email will indicate that the grant application has been rejected. The email will also include the reasons why the application was rejected. The email will come from Support@Grants.gov. The validation check can occur 24 to 48 hours after the application submission.

Please note that Grants.gov is increasing security on its system. Please go to <http://www.grants.gov/securitybuild/> and read about the security requirement changes and the impact on passwords and IDs. The changes are to take effect October 11, 2010. Grants.gov is notifying those registered at Grants.gov when required changes to passwords and IDs will take effect, but it is incumbent upon the applicant to take the initiative and review the website and make any changes needed to meet the password ID new security requirements.

(1) Applicants receiving a rejection notice have the opportunity to cure the rejection under the terms and provisions listed under HUD's grace period policy.

(2) Grants.gov Support Ticket Numbers. If you call the Grants.gov Support Help Desk, the operator will provide you with a call reference ticket number. Applicants should retain a record of the call ticket number(s) along with the application receipts or rejection notices received from Grants.gov. If the Help Desk does not offer a ticket number, ask for one.

**b. Late applications.**

(1) Applications received by Grants.gov after the program NOFA deadline date or that does not meet the requirements of HUD's grace period policy will be considered a late application and will not be considered for funding. Applicants should pay close attention to the grace period policy and the timely receipt instructions, as they can make a difference in whether HUD will accept the application for funding consideration.

(2) HUD will not consider application information submitted by facsimile as part of the application, if received by HUD after the published deadline date, unless directed by HUD under the terms of Section V.B.2., Corrections to Deficient Applications. There is no grace period for submission of facsimile transmissions, as the facsimile system is not part of Grants.gov. Please take into account the transmission time required for facsimile documents related to your application. Every time you submit an application, you must also refax all the documentation, making sure that you use the form HUD96011, Facsimile Transmittal, as the first page of each document you fax. The help desk is now available 24/7 except on federal holidays. If you try to submit your application on a federal holiday, please refer to HUD's Desktop Users Guide for

Submitting Electronic Grant Applications found at <http://www.hud.gov/offices/adm/grants> and submission information contained in the **General Section**.

#### **D. Intergovernmental Review**

1. **State Review.** This funding opportunity is subject to Executive Order 12372 “Intergovernmental Review of Federal Programs.” ALCP applicants are subject to the Executive Order 12372 process. (Refer to Section IV.D. of the **General Section** for instructions on the intergovernmental review process.)

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

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

#### **E. Funding Restrictions**

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

2. This program does **NOT** allow permanent displacement of any resident living in the project at the time the application was submitted to HUD. (HUD will only provide temporary relocation costs for current tenants if they must vacate their unit while conversion work is underway (temporary relocation costs include increases in rent, reconnection of telephones, moving costs, and appropriate out-of-pocket expenses). See HUD Handbook 1378 and the URA for further guidance regarding relocation costs.

3. ALCP grants funds are to be considered the **TOTAL** amount of funds that the Department will provide for the conversion of the project. Due to **limited** funds available, amendment funds will only be provided in **EXCEPTIONAL** circumstances, that is, to cover increases in costs that

are beyond the control of the owner. The applicant should consider the total cost of the conversion and foresee any increases that may occur during the conversion. Otherwise, any costs over and above the award amount are the responsibility of the owner.

4. Applicants will not be awarded multiple grant funds for the same elderly housing development.

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

a. Add additional dwelling units to the existing project.

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

c. Purchase or lease additional land.

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

e. Use the ALCP to reduce the number of accessible units in the project that are not part of the ALF.

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

g. Pay management fees.

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

## **F. Other Submission Requirements**

**1. Address for Submitting Applications.** Applications must be submitted electronically through the [http://www.grants/applicants/apply\\_for\\_grants.jsp](http://www.grants/applicants/apply_for_grants.jsp) website, unless the applicant receives a waiver from the electronic submission requirement. For **Application Submission and Receipt Procedures**, refer to Section IV.F. of the **General Section** for additional information on application submission requirements.

### **2. Electronic Delivery**

a. The Grants.gov web site offers a simple, unified application process. Applicants need to complete the registration steps contained in the General Section.

**b. Electronic Signature.** ALCP applications submitted through Grants.gov constitute submission as an electronically signed application.

## **V. Application Review Information**

### **A. Criteria.**

**1. Policy Priorities.** HUD encourages applicants to undertake specific activities that will assist the Department in implementing its policy priorities that will help the Department achieve its strategic goals for FY 2010. This NOFA supports the HUD policy priorities, “Capacity Building and Knowledge Sharing” and “Using Housing as a Platform for Improving Other Outcomes.” Refer Section 1.B. of the **General Section** for a full discussion of HUD’s policy priorities. In order to receive priority-funding status, the HUD96010\_Logic\_Model must include at least one set of outputs and outcomes for each of the above mentioned policy priorities.

**2. Rating Factors.** HUD will rate ALCP applications that successfully complete technical processing using the Rating Factors set forth below and in accordance with the above application submission requirements identified in Section IV.B. The maximum number of points an application may receive under this program is 100 plus 2 bonus points as described in the **General Section** and below in Section V.A.

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

This factor addresses your capacity to carry out the conversion in a timely, cost-conscious and effective manner. It also addresses your experience providing the proposed supportive services you intend to make available at the ALF for elderly residents, especially in such areas as meals, 24-hour staffing, and on-site health care. Submit information responding to this factor in accordance with Application Submission Requirements in Sections IV. B. Exhibits 6. a. and b. and 9. a. through c and h. of this NOFA.

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

a. **(10 points).** The timeframe planned for carrying out the physical conversion of the development to the ALF. Timeframe for completion of the project in 9 months or less (10 points); completion in 13 months (5 points); completion in 18 months (3 points); completion in more than 18 months (0 points).

b. **(8 points).** Describe your experience in providing or arranging for supportive services either on or off-site for those who are frail. Examples are: Meals delivered to apartment of resident or in a congregate setting (2 points), arranging for or providing personal care (2 points), providing 24-hour staffing (2 points), providing or making available on-site preventive health care and other support services (2 point).

c. **(1 point).** The Department will provide 1 point to those applicants who currently or propose

to partner, fund, or subcontract with grassroots organizations. HUD will consider an organization a "grassroots organization" if the organization is headquartered in the local community and has a social services budget of \$300,000 or less; or has six or fewer full-time equivalent employees

d. **(1 points)** Policy Priority: HUD has selected Capacity Building and Knowledge Sharing as a policy priority. To receive 1 policy priority point for this policy priority, applicants must provide a description of activities that will strengthen the capacity of state and local government and nonprofit partners to implement HUD programs, coordinate on cross-programmatic, knowledge sharing, and place-based approaches that encourage ongoing communications.

1. In order to receive status consideration, your HUD96010\_Logic\_Model must include the following output: Participate in information sharing sessions or seminars with ALF staff, residents, state or local government agency on aging in your jurisdiction, and your non-profit partners to address the challenges and/or solutions of serving ALF residents, with a least two sessions/seminars per annum.

2. The corresponding outcome must be the number of new strategies implemented as a result of the information sharing sessions or seminars.

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

This factor addresses the extent to which the conversion is needed by the categories of elderly persons and persons with disabilities that the ALF is intended to serve. The application must include evidence of current needs among project residents and needs of potential residents in the housing market area for such persons including economic and demographic information on very low-income, frail, elderly, and persons with disabilities and information on current assisted living resources in the market area.

The factor also addresses your inability to fund the repairs or conversion activities from existing financial resources. In making this determination, HUD will consider the project's financial information. Submit information responding to this factor in accordance with Application Submission Requirements in Sections IV.B. Exhibits 3.c., 5. a. through d., and 10. a. through c. of this NOFA. In evaluating this factor, HUD will consider:

a. **(7 points)**. The need for assisted living among the elderly and disabled residents of the project taking into consideration those currently in need and the depth of future needs given aging in place.

b. **(3 points)**. The need for assisted living among very low-income elderly persons and persons with disabilities in the housing market area.

c. **(9 points)**. Insufficient funding for any needed conversion work, as evidenced by the project's financial statements and specifically the lack of excess Reserve for Replacement dollars and residual receipts. If the available Reserve for Replacement and residual receipts are less than 10 percent of the total funds needed = 9 points; if the available Reserve for Replacement and residual receipts are 10-50 percent of need = 5 points; and, if the available Reserve for



Replacement and residual receipts are 51 percent or more of the total funds needed = 0 points).

d. **(1 point)**. The Department will provide 1 point to those applications, which establish a connection between the proposed ALF and the community's Consolidated Plan, or other planning document that analyzes fair housing issues and is prepared by a local planning or similar organization.

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

This factor addresses the quality and effectiveness of your proposal in addressing the proposed conversion; effectiveness of service coordination and management planning and the meals and supportive services which the ALF intends to provide; whether the jurisdiction in which the ALF is located has taken successful efforts to remove regulatory barriers to affordable housing; whether you will incorporate energy efficiency and/or Green Design and Building in the design and operation of the assisted living facility; provide training, employment, and economic opportunities to low- and very low-income persons; and the extent to which you have evidenced general support for conversion by participating in your community's Consolidated Planning Process, including involving the residents in the planning process. Submit information responding to this factor in accordance with Application Submission Requirements in Sections IV.B. Exhibits 3.a. through c. and e., IV.B.6.b. through e., IV. B.9.a. through e., g., and h. of this NOFA. In evaluating this factor, HUD will consider the following:

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

b. **(12 points)**. The extent to which the ALF's proposed management and operational plan ensures that the provision of both meals and supportive services planned will be accomplished upon completion of the conversion and receipt of license for the operation of the facility. (Consider ALF design/management plan: meets needs of management operations = 12 points; ALF design/management plan partially meets needs of management operations = 6 points; and ALF design/management plan does not meet needs of management operations = 0 points.)

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

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

e. **(1 point)**. To the greatest extent feasible, describe how you propose to provide opportunities to train and employ low- and very low-income persons in the project area; and how you plan to award contracts to business concerns, which provide economic opportunities to low- and very low-income persons and people with disabilities in the project area.

f. **(1 point)**. Policy Priority: HUD has selected Using Housing as A Platform for Other Outcomes as a policy priority. To receive 1 policy priority point for the policy priority, applicants must provide a description that addresses using housing as a platform to improve the resident's quality of life. In this description there should be a specifics on how do you plan on improving the resident's quality through providing services (i.e. healthcare or wellness programs) and increasing access to public benefits (i.e. SSA),. This description should also indicate plans to collaborate with public, private, non-profit, and community and or faith-based organizations to improve health outcomes of residents and measurements of the outcomes of the related activities.

(1) In order to receive status consideration, your HUD96010\_Logic\_Model must include the following output: Collaborating with local or national community health organizations to create quarterly mobile health screening events (i.e. diabetes, cardiovascular diseases, cancer screenings, and/or glaucoma.) The corresponding outcome will be the number of ALF residents who participated in the quarterly mobile health screening events.

(2) In order to receive status consideration, your HUD96010\_Logic\_Model must include the following output: The number of outreach activities per year to increase the awareness and access to public benefits (such as SSA, SSI, Medicaid, and other social services). The corresponding outcome will be the number of ALF residents who are receiving increased public benefits as the result of the outreach activities.

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

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

Submit information responding to this factor in accordance with Application Submission Requirements in Section IV.B. Exhibits 6.h. and i., B.7., and B.9.e. through g. of this NOFA.

a. **(4 points)**. The extent to which there are commitments for the funding needed for the meals and the supportive services planned for the ALF and that the total cost of the estimated budget of the ALF is covered.

HUD will consider that:

(1) 90 percent or more commitment of the total budget with no more than 10 percent for meals and services = 4 points;

(2) 80-89.9 percent with no more than 20 percent for meals and services = 3 points;

(3) 65-79.9 percent with no more than 35 percent for meals and services = 2 points;

(4) 40-64.9 percent with no more than 60 percent for meals and services = 1 point;

(5) less than 40 percent commitment of the total budget with no more than 60 percent support for meals and services = 0 points.

b. **(2 points)**. The extent to which your past performance evidence commitments for funding for meals and supportive services.

c. **(2 points)**. The extent of local organizations' support, which is firmly committed to providing at least 50 percent of the total cost of ALF conversion (consider 50% or more = 2 points, 20-49.9 percent = 1 point, and under 20 percent = 0 points).

d. **(2 points)**. The extent of local organizational support which is firmly committed to providing funds for additional repair or retrofit necessary for the project NOT specifically directed to activities eligible under this NOFA (funds firmly committed = 2 points, funds not committed = 0 points).

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

This factor reflects HUD's goal to embrace high standards of ethics, management, and accountability. This factor emphasizes HUD's commitment to ensure that promises you make in the application are kept; and to ensure performance goals with outcomes are established and are met (refer to Section V.B. of the **General Section** for more detail). Outcomes may include the extent to which your project will implement practical solutions that will result in assisting residents in achieving independent living and an improved living environment, as well as the extent to which the project will be viable absent HUD funds but rely more on state, local, and private funds. Submit information responding to this factor in accordance with Application Submission Requirements in Section IV.B. Exhibits 3.d.; 6.a. through g.; and 9.a. through e. of this NOFA. Applicants must complete Form HUD-96010, Program Outcome Logic Model in responding to this Rating Factor. HUD will evaluate the Logic Model in accordance with the matrix provided in Attachment 1 to the General Section.

a. **(4 points)**. Describe the extent to which residents will benefit from the conversion of the units; and how the converted units will result in ALF residents being able to age in place.

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

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

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

**6. Bonus Points (2 bonus points).** The project to be converted is located in an RC/EZ/EC-II area, as described in the **General Section**.

## **B. Reviews and Selection Process**

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

**2. Review for Curable Deficiencies.** You should ensure that your application is complete before submitting it to HUD electronically via Grants.gov. If you received a waiver of the electronic submission requirement, you must submit an original and four copies to HUD. Submitting less than the original and four copies of the application is not a curable deficiency and will cause your application to be considered non-responsive to the NOFA and returned to you.

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

### **List of Curable Exhibits**

- Application Summary
- \*Articles of Incorporation, or certification of Articles of Incorporation
- \*Bylaws, or certification of bylaws
- Evidence of occupancy for at least five years
- Original project plans
- Relocation Plan
- Evidence of Permissive Zoning
- Form SF424 Supplement, Survey for Ensuring Equal Opportunity for Applicants ("Faith Based EEO Survey (SF424 SUPP)" on Grants.gov);
- Form HUD424CB, Grant Applications Detailed Budget ("HUD Detailed Budget Form")

- on Grants.gov);
- Form HUD424CBW, Grant Application Detailed Budget worksheet
- Form HUD2880, Applicant\_Recipient Disclosure\_Update Report (“HUD Applicant Recipient Disclosure Report” on Grants.gov);
- Form HUD2991, Certification of Consistency with the Consolidated Plan
- Standard Form\_LLL, Disclosure of Lobbying Activities, if applicable
- HUD96011, “Third Party Documentation Facsimile Transmittal” (“Facsimile Transmittal Form on Grants.gov) (For use with electronic applications as the cover sheet to provide third party documentation.)

HUD will notify you in writing if your application is missing any of the exhibits listed above and you will have 14 days from the date of the HUD notification to submit the information required to cure the noted deficiencies. The information to cure the deficiencies must be submitted to HUD by facsimile using the fax form that was contained in the application package that you downloaded from grants.gov and used to submit your application to HUD. Please be sure to use the same application package as each package contains a unique embedded ID number that HUD uses to match faxes to applications. If the numbers do not match your application, HUD cannot match the submitted deficiency cure items to your application. If you submitted multiple applications, HUD will match the fax to the last submitted application that was received and validated by Grants.gov in accord with the timely submission requirements stated in the FY2010 General Section. **The exhibits identified by an asterisk (\*) must be dated on or before the application deadline date.** If not dated before the application deadline date, the application will not be given further funding consideration and rejected from the competition.

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

**3. Threshold Review.** Only those ALCP applications that meet all threshold requirements will be eligible to receive an award. HUD will reject applications that do not pass threshold requirements. (See Section III.E.2. above for threshold requirements).

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

**5. Review Panels.** HUD will establish panels to review all eligible applications that have passed threshold.

**6. Rating of Applications.** HUD staff teams will review and rate ALCP applications in accordance with the Ranking and Selection procedures outlined below. All applications are either rated or technically rejected at the end of technical review. If your application meets all program eligibility requirements after completion of technical review, it will be rated according to the rating selection factors in Section V.A. above of this NOFA. HUD reserves the right to

reduce the amount requested in the application if any proposed components are ineligible or if the cost of items is not deemed reasonable. HUD will **NOT** reject an ALCP application based on technical review without notifying you of that rejection with all the reasons for the rejection, and providing you an opportunity to appeal. You will have 14 calendar days from the date of HUD's written notice to appeal a technical rejection to the Headquarters. HUD staff will make a determination on an appeal before finalizing selection recommendations.

**7. Ranking and Selection Procedures.** Applications submitted in response to this NOFA that are eligible, pass threshold and have a total score of 75 points (or more) are eligible for ranking and selection.

a. HUD Headquarters will be responsible for the application review process and the technical processing of applications

b. After the application review and technical processing, HUD Headquarters will select one or more applications based upon the HUD staff rating and rankings, beginning with the highest rated application nationwide.

## **VI. Award Administration Information**

### **A. Award Notices**

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

**2. Adjustments to Funding.** HUD will not fund any portion of your application that is not eligible for funding under specific program statutory or regulatory requirements; does not meet the requirements of this notice; or may be duplicative of other funded programs or activities. HUD will only fund eligible portions of your application.

**3. Applicant Debriefing.** All requests for debriefing must be made in writing and submitted to Headquarters (who and where). Materials provided to you during your debriefing will include the final scores you received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which assistance was provided or denied. Information regarding debriefings is found in the **General Section**.

**B. Administrative and National Policy Requirements.** See Section III.C. of this NOFA and the **General Section**.

### **C. Reporting**

**1. Progress Reporting.** Recipients of funding under this program NOFA shall submit a progress report every six months after the effective date of the Grant Agreement. Every six months owners must report their progress in attaining the goals and objectives they proposed in their ALCP Logic Model that was included in their application. Each semi-annual report must

identify any deviations (positive or negative) from outputs and outcomes proposed and approved by HUD, by providing the information in the reporting TAB of the approved Logic Model. Information regarding the Logic Model may be found in the **General Section** of the NOFA. Training on the FY2010 Logic Model is at HUD's website at <http://feeds.theplatform.com/ps/getRSS?client=Standard&PID=ivexaI58u5gejs2mLZWiHFKrgkUHTNSc&startIndex=1&endIndex=500>. Scroll down the page until you come to the Logic Model archived webcast session.

**2. FFATA Subrecipient Reporting.** Applicants selected for funding should also be aware that they will be required to report first sub-grant award and executive compensation information, where both their initial award is \$25,000 or greater, as required by the Federal Funding Accountability and Transparency Act (FFATA) of 2006 (Public Law 109-282), also referred to as the Transparency Act. The prime grant awardees will have until the end of the month plus one additional month after an award or sub-grant is obligated to fulfill the reporting requirement. The Federal Funding Accountability and Transparency Act of 2006 calls for the establishment of a publicly available web site to disclose the use of Federal finance assistance. The Act requires the reporting of the following data for first-tier sub-grants of \$25,000 or more:

- (1) Name of entity receiving award
- (2) Amount of award
- (3) Funding agency
- (4) NAICS code for contracts / CFDA program number for grants
- (5) Program source
- (6) Award title descriptive of the purpose of the funding action
- (7) Location of the entity (including congressional district)
- (8) Place of performance (including congressional district)
- (9) Unique identifier of the entity and its parent; and
- (10) Total compensation and names of top five executives (same thresholds as for primes)

The Transparency Act also requires the reporting of the Total Compensation and Names of the top five executives in either the prime awardee or a sub-awardee's organization if:

- (a) More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually; and
- (b) Compensation information is not already available through reporting to the SEC.

The statute exempts from reporting any sub-awards less than \$25,000 made to individuals or to an entity whose annual expenditures are less than \$300,000. OMB has published Interim Final Guidance to agencies regarding the FFATA subrecipient reporting requirements in the Federal Register on September 14, 2010 (75FR55663.)

3. **FAPISS (Federal Awardee Performance and Integrity Information System) Reporting.**

Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), referred to as “Section 872, requires each recipient of federal funds with a cumulative value greater than \$10 million and their direct (i.e., first-tier) subrecipients to report to the Federal Awardee Performance and Integrity Information System (FAPISS) information about certain civil judgments, criminal convictions, and outcomes of administrative proceedings that reached final disposition within the most recent 5-year period and were connected with the award or performance of a federal or state award. Recipients and first-tier subrecipients must report information at least semi annually to maintain the currency of the information. Section 872 also requires that an entity be allowed to submit comments to the data system about any information that system contains about the entity. Use of the FAPISS system requires a DUNS number and current valid registration in the CCR for HUD awardees and first-tier sub-recipients.

4. Federal Financial Report, SF425 reports on utilization of grant funds. ALCP grantees are required to report financial status using the SF-425 Federal Financial Report with each progress report submission. (If the program uses another financial status report through its systems then you can note that system report. LOCCS is draw report not the full financial status report.)

## **VII. Agency Contacts**

**A. For Further Information and Technical Assistance.** You should contact the HUD Multifamily Hub in your geographical area. For a list of HUD Multifamily Hub Offices, see HUD’s Web site at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

You also may contact Katina Washington or Aretha Williams, Director, Grant Policy and Management Division, at (202) 708-3000, for questions regarding the ALCP grant award process. This is not a toll-free number. Ms. Washington can be reached at [Katina.X.Washington@hud.gov](mailto:Katina.X.Washington@hud.gov) and Ms. Williams can be reached by email at [Aretha.M.Williams@hud.gov](mailto:Aretha.M.Williams@hud.gov). If you have a hearing or speech impairment, you may access the telephone number via TTY by calling the Federal Information Relay Service at 800-877-8339.

## **VIII. Other Information**

**A. Paperwork Reduction Act.** The information collection requirements in this notice have been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). 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 valid OMB control number. Public reporting burden for the collection of information is estimated to average 2,373 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting data for the application, semi-annual



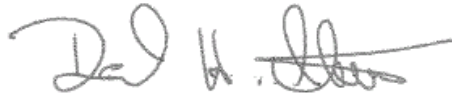
reports, and final report. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

**B. Environmental Impact.** A Finding of No Significant Impact with respect to the environment has been made for this notice, in accordance with HUD regulations at 24 CFR part 50 that implement Section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The Finding of No Significant Impact for this notice is available for public inspection between 9:00 a.m. and 5:00 p.m. eastern time, Monday through Friday, except federal holidays, in the Office of General Counsel, Regulations Division, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10267, Washington, DC 20410.

C. Appendix. Appendix 1 provides a list of HUD Multifamily Hub Offices. Appendix 1 is located at HUD's web site at <http://www.hud.gov>.

JAN 21 2011

Dated: \_\_\_\_\_



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David H. Stevens  
Assistant Secretary for Housing—  
Federal Housing Commissioner

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