

Exhibit 2

Fiscal Year 2019 Section 811 Project Rental Assistance NOFA



**U.S. Department of Housing and Urban Development**

Housing

Project Rental Assistance Program of Section 811 Supportive Housing for Persons with  
Disabilities

FR-6300-N-53

Application Due Date: 02/10/2020

/s/

10/9/2019

---

Signature

---

Date

Project Rental Assistance Program of Section 811 Supportive Housing for Persons with  
Disabilities

FR-6300-N-53

TABLE OF CONTENTS

- I. [Funding Opportunity Description.](#)
- II. [Award Information.](#)
- III. [Eligibility.](#)
  - A. Eligible Applicants.
  - B. Ineligible Applicants.
  - C. Cost Sharing or Matching.
  - D. Threshold Eligibility Requirements.
  - E. Statutory and Regulatory Requirements Affecting Eligibility.
  - F. Program-Specific Requirements Affecting Eligibility.
  - G. Criteria for Beneficiaries.
- IV. [Application and Submission Information.](#)
  - A. Obtaining an Application Package.
  - B. Content and Form of Application Submission.
  - C. System for Award Management (SAM) and Dun and Bradstreet Universal Numbering System (DUNS) Number.
  - D. Application Submission Dates and Times.
  - E. Intergovernmental Review.
  - F. Funding Restrictions.
  - G. Other Submission Requirements.
- V. [Application Review Information.](#)
  - A. Review Criteria.
  - B. Review and Selection Process.
- VI. [Award Administration Information.](#)
  - A. Award Notices.
  - B. Administrative, National and Department Policy Requirements for HUD recipients.
  - C. Reporting.
  - D. Debriefing.
- VII. [Agency Contacts.](#)
- VIII. [Other Information.](#)
- IX. [Appendix.](#)

## U.S. Department of Housing and Urban Development

<b>Program Office:</b>	Housing
<b>Funding Opportunity Title:</b>	Project Rental Assistance Program of Section 811 Supportive Housing for Persons with Disabilities
<b>Announcement Type:</b>	Initial
<b>Funding Opportunity Number:</b>	FR-6300-N-53
<b>Primary CFDA Number:</b>	14.326
<b>Due Date for Applications:</b>	<b>02/10/2020</b>

### Overview

Prospective applicants should carefully read all instructions in all sections to avoid sending an incomplete or ineligible application. HUD funding is highly competitive. Failure to respond accurately to any submission requirement could result in an incomplete or noncompetitive proposal.

HUD is prohibited from disclosing 1) information regarding any applicant's relative standing, 2) the amount of assistance requested by an applicant, and 3) any information contained in the application. Prior to the application deadline, HUD may not disclose the identity of any applicant or the number of applicants that have applied for assistance.

**For Further Information Regarding this NOFA:** Please direct questions regarding the specific program requirements of this Program Notice of Funding Availability (NOFA) to the office contact identified in Section VII.

OMB Approval Number(s): 2502-0608

### Paperwork Reduction Act.

## I. Funding Opportunity Description.

### A. Program Description.

#### 1. Purpose.

The Frank Melville Supportive Housing Investment Act of 2010 (Pub. L. No. 111-374) amended Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013). The most significant change to Section 811 was the establishment of a new Project Rental Assistance (PRA) program that provides funding to state housing and other appropriate agencies for project-based rental operating assistance for extremely low-income persons with disabilities. The primary purpose of the Section 811 PRA Program is to identify, stimulate, and support innovative state-level strategies that will transform and increase housing for extremely low-income persons with disabilities while also making available appropriate support and services. HUD is seeking to support collaborations between State Housing and Health and Human Service/Medicaid Agencies that have resulted or will result in increased access to

affordable permanent supportive housing units – new and existing– with access to appropriate services. Many States have already developed partnerships to address this need, and the Department hopes to further support these efforts as well as to incentivize additional states to develop similar collaborative efforts. This Section 811 PRA NOFA will allow HUD to identify and support successful and promising state models. This program provides states with the flexibility to award and administer these funds to address the shortage of affordable and integrated housing for persons with disabilities.

Housing agencies may either directly administer the rental assistance contracts to eligible properties or contract with other qualified parties to administer the long-term rental assistance contracts.

The desired outcomes of the program include:

- Facilitating and sustaining effective and successful partnerships between State Housing or other appropriate housing agencies and State Health and Human Service/Medicaid agencies to provide permanent housing with the availability of supportive services for extremely low-income persons with disabilities
- Discovering replicable approaches to providing housing with access to appropriate services for persons with disabilities
- Identifying innovative ways of using and leveraging Section 811 PRA funds
- Substantially increasing integrated affordable rental housing units for persons with disabilities within existing, new, or rehabilitated multifamily properties with a mix of incomes and disability status
- Creating more efficient and effective uses of housing and health care resources.

## **2. Changes from Previous NOFA.**

Funding for this program was last provided in Fiscal Year (FY) 2013. Since that time there has been a change to the program delivery systems in one key area:

**Leveraging.** Rating Factor 4, Leveraging has been removed and replaced with Aligning PRA with New or Existing State Housing Initiatives or Strategies which is located under Rating Factor 3, Soundness of Approach/Implementation.

**Aligning PRA with New or Existing State Housing Initiatives or Strategies.** Eligible Applicants are encouraged to align their PRA programs with state or local initiatives (e.g. Low-Income Housing Tax Credit (LIHTC) Qualified Allocation Plans (QAP), local jurisdiction capital finance strategies, etc.) that will directly increase the development or production of permanent supportive housing for persons with disabilities.

### **3. Definitions.**

#### a. Standard Definitions

**Affirmatively Furthering Fair Housing (AFFH) Regulations.** Statutory obligation to affirmatively further the purposes and policies of the Fair Housing Act and guidance promulgated thereunder.

**Assurances.** By submitting your application, you provide assurances that, if selected to receive an award, you will comply with U.S. statutory and public policy requirements, including, but not limited to civil rights requirements.

**Authorized Organization Representative (AOR)** is the person authorized to submit applications on behalf of the organization via Grants.gov. The AOR is authorized by the E-Biz point of contact in the System for Award Management. The AOR is listed in item 21 on the SF-424.

**Award**, as used in this NOFA means a federal grant OR cooperative agreement as specified in Section II.E (Type of Funding Instrument).

**Catalog of Federal Domestic Assistance (CFDA)** is a directory of the various Federal listings, projects, services and activities offering financial and non-financial assistance and benefits to the American public. CFDA Number is the unique number assigned to each program, project, service or activity listed in the Catalog of Federal Domestic Assistance (CFDA).

**Consolidated Plan** is a document developed by states and local jurisdictions. This plan is completed by engaging in a participatory process to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions with funding from formula grant programs. (See 24 CFR part 91 for more information about the Consolidated Plan and related Annual Action Plan).

**Contract** means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this NOFA does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (See 2 CFR 200.22.)

Contractor means an entity receiving a contract.

**Deficiency** is information missing or omitted within a submitted application. Deficiencies typically involve missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box.). Depending on specific criteria, deficiencies may be either curable or non-curable.

- Curable Deficiency – Applicants may correct a curable deficiency with timely action.

To be curable the deficiency must:

- Not be a threshold requirement, except for documentation of applicant eligibility;
  - not influence how an applicant is ranked or scored versus other applicants; and
  - be remedied within the time frame specified in the notice of deficiency.
- Non-Curable Deficiency – An applicant cannot correct a non-curable deficiency after the submission deadline.

Non-curable deficiencies are deficiencies that, if corrected, would change an applicant's score or rank versus other applicants. Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination.

**DUNS Number** is the nine-digit identification number assigned to a business or organization by Dun & Bradstreet and provides a means of identifying business entities on a location-specific basis. Requests for a DUNS number can be made by visiting the Online DUNS Request Portal.

**Eligibility requirements** are mandatory requirements for an application to be eligible for funding.

**Federal Awardee Performance and Integrity Information System (FAPIIS)** is a database that has been established to track contractor misconduct and performance.

**Grants.gov** is the website serving as the Federal government's central portal for searching and applying for federal financial assistance throughout the Federal government. Registration in Grants.gov is required for submission of applications to prospective agencies.

**Historically Black Colleges and Universities (HBCUs).** -The Higher Education Act of 1965 defines historically Black colleges and universities (HBCUs) as "any historically Black college or university that was established prior to 1964, whose principal mission was, and is, the education of Black Americans, and that is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation..."

**Institution of Higher Education (IHE)**, has the meaning given at 20 U.S.C. 1001.

**Non-Federal Entity** means a state, local government, Indian tribe, institution of higher education (IHE), or non-profit organization carrying out a Federal award as a recipient or sub recipient.

**Nongovernmental organizations** include Non-Federal entities and for-profit entities for the purpose of calculating indirect cost proposals accompanying applications submitted under this NOFA.

**Personally identifiable information (PII)** means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. For more detail, refer to 2 CFR 200.79.

**Point of Contact (POC)** is the person who may be contacted with questions about the application submitted by the AOR. The point of contact is listed in item 8F on the SF-424.

**Opportunity Zone** according to the IRS, is an “economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment.” Opportunity Zones are further defined in 26 U.S.C. 1400Z.

**Promotores/Promotoras** are Spanish-speaking Community Health Workers who work in their communities to reduce barriers to health services and make health care systems more responsive.

**Recipient** means a non-Federal entity receiving an award directly from HUD to carry out an activity under a HUD program.

**Section 3 Business Concern** means a business concern: (1) 51 percent or more owned by Section 3 residents; (2) of which at least 30 percent of permanent, full-time employees are currently Section 3 residents, or were Section 3 residents within three years of the date of first employment with the business concern; or (3) provides evidence of a commitment to subcontract over 25 percent of the dollar award of all subcontracts to be awarded to business concerns meeting the qualifications in this definition.

**Section 3 Residents** means: 1) Public housing residents; or 2) Low and very-low income persons, as defined in 24 CFR 135.5, who live in the metropolitan area or non-metropolitan county where Section 3 covered assistance is expended.

**Standard Form 424 (SF-424)** means the government-wide forms required to apply for Application for Federal Assistance Programs, required by discretionary Federal grants and other forms of financial assistance programs. Applicants for this Federal assistance program must submit all required forms in the SF-424 Family of forms, including SF-424B. For an application under this notice to be complete, the applicant must sign and submit all required forms in the SF-424 Family.

**Subaward** means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the recipient. It does not include payments to a contractor or payments to an individual beneficiary of a Federal program. A



subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. The legal agreement must contain the subrecipient's assurance of compliance with program requirements, including but not limited to nondiscrimination and equal opportunity requirements.

**Subrecipient** means a non-Federal entity receiving a subaward from a pass-through entity to carry out part of a HUD program; but does not include an individual beneficiary of such program. A subrecipient may also receive other Federal awards directly from a Federal awarding agency (including HUD).

**System for Award Management (SAM)**, is an official website of the U.S. government. SAM is a U.S. Government system that consolidated the capabilities of Central Contractor Registry (CCR), Excluded Parties List System (EPLS) and the Online Representations and Certifications Application (ORCA). Registration with [Sam.gov](http://sam.gov) is required for submission of applications via Grants.gov. You can access the website at [Sam.gov](http://Sam.gov) There is no cost to use SAM.

**Threshold Requirement** – Threshold requirements are a type of eligibility requirement. Threshold requirements must be met for an application to be reviewed; are not curable, except for documentation of applicant eligibility and are listed in Section III.D *Threshold Eligibility Requirements*. Similarly, there are eligibility requirements under Section III.E, *Statutory and Regulatory Requirements Affecting Eligibility*.

#### **4. Program Definitions.**

For purposes of the Section 811 PRA program, the following definitions apply. For more definitions, applicants should reference the governing statute (42 U.S.C. 8013).

**a. Administrative Costs for Awardees.** Administrative costs pursuant to this grant award may be provided at initial funding and subsequent annual funding renewals under this award. Administrative costs are allowable at a rate of up eight percent of the total amount awarded at HUD's discretion based upon the range of tasks undertaken by the Grantee, see Section V.B.1.a Rating Factor 1, for additional information. These funds may be used for planning and costs associated with developing and operating the Section 811 PRA program, including infrastructure and technology needed to administer the program. The costs should include direct and indirect costs. If a Grantee includes administrative costs in their budget as a direct cost, it cannot charge these costs as part of the 10% de minimis indirect cost rate. Grantees should instruct their auditor or the government auditor setting the rate of the availability, the use of the administrative costs, and how the Grantee is applying them in their PRA program as described in this NOFA.

**b. Co-Applicant. When two Eligible Applicants work together to submit a unified application to HUD, each will be considered a Co-Applicant under the same application.** The Co-Applicant will also sign the Cooperative Agreement and will be responsible for implementing the activities identified in the approved Implementation Plan but will not directly receive access to funding through HUD's Line of Credit Control System (LOCCS). Only the Lead Applicant, as defined below, which must be identified in the Abstract and the Narrative response to the Rating Factors, shall have access to LOCCS.

See definition of Lead Applicant below.

**c. Cooperative Agreement.** The grant award shall be in the form of a Cooperative Agreement executed between HUD and the Grantee (and where applicable, Co-Applicant). HUD will be involved during the period of performance, including but not limited to: the development of the program; the oversight of the progress made on the proposed activities and results of those activities; and the monitoring of funds drawn, project deliverables and timelines. The terms of the Cooperative Agreement will include the work to be performed under the grant and any special conditions or requirements, including the extent of HUD involvement. The Implementation Plan will be included with the Cooperative Agreement.

**d. Eligible Applicants.** Any housing agency currently allocating Low Income Housing Tax Credit (LIHTC) program under Section 42 of the Internal Revenue Service Code of 1986 (IRC), any applicable participating jurisdiction allocating and overseeing assistance under the HOME Investment Partnerships Act (HOME), and/or a housing agency who operates a similar federal or state program to LIHTC or HOME. An Eligible Applicant may also include state housing agencies and/or state and local/regional housing agencies. To be eligible, the Eligible Applicant must have an Inter-Agency Partnership Agreement with the State agency responsible for health and human services programs and State agency designated to administer or supervise the administration of the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396, *et seq.*), i.e. Medicaid. “Eligible Applicant” and “Grantee” will be used interchangeably throughout this NOFA.

**e. Eligible Multifamily Property.** An Eligible multifamily property can be any new or existing property owned by a non-profit or a private entity with at least 5 housing units. The the Eligible Applicants or any housing agency currently allocating LIHTC under Section 42 of the Internal Revenue Service Code of 1986 (IRC), any applicable participating jurisdiction that receives assistance allocating and overseeing assistance under the HOME Investment Partnerships Act (HOME), and/or any federal agency or any state or local government program. Development costs, if any, must be paid with other public or private resources. Section 811 and Section 202 Capital Advances may not be used in the finance of these properties. Properties with existing use restrictions for persons with disabilities are not eligible, unless such Section 811 PRA funds are being used to support other units in the building without such restrictions. Existing units receiving any form of long-term operating housing subsidy within a six-month period prior to receiving Section 811 PRA funds, such as project-based Section 8, are ineligible to receive this assistance. In addition, units with use agreements requiring housing for persons 62 or older would not be eligible to receive Section 811 PRA funds.

**f. Eligible Tenants.** Section 811 PRA funds can only be provided to support units for extremely low-income households where at least one person must be an individual with a disability, 18 years of age or older and less than 62 years of age at the time of admission into the property. The person with the disability must be eligible for community-based, long-term services as provided through Medicaid waivers, Medicaid state plan options, state funded services or other appropriate services related to the target population under the Inter-Agency Partnership Agreement, as described in Section III.C.4.a.

**g. Extremely Low-Income Family.** A family whose annual income does not exceed 30

percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, is eligible to benefit from this rental assistance program. Both “annual income” and “extremely low-income family” are defined in 24 CFR 5.603. Federally mandated income exclusions defined by 24 CFR 5.609 must be applied in determining income eligibility at the time of admission and in calculating the Eligible Tenant’s income during the interim/annual re-certification stages.

**h. Grantee.** A successful Eligible Applicant that is selected under this NOFA and executes the Cooperative Agreement with HUD. In cases where a Co-Applicant also executes the Cooperative Agreement, the Co-Applicant would be referred to as the Co-Grantee. “Grantee” and “Applicant” will be used interchangeably throughout this NOFA.

**i. Implementation Plan.** The Implementation Plan is the applicant’s comprehensive strategy that will be used to develop and manage the state’s Section 811 PRA Program as presented in the Section 811 PRA application. The Implementation Plan will include the following sections:

- Process for Identification of Units
- Alignment of New or Existing Housing Initiatives or Strategies
- Calculation of PRA Funds
- Program Implementation Schedule
- Integration of Services (which includes the Inter-Agency Partnership Agreement).

The specific requirements are outlined in Section V.B.3. Rating Factor 3, Soundness of Approach/Implementation Plan. The HUD-approved Implementation Plan will be included with the executed Cooperative Agreement.

**j. Lead Applicant.** Lead Applicant is the primary housing agency responsible for implementing the HUD funded Section 811 PRA Program for applications involving a Co-Applicant. The Lead Applicant must meet the definition of an Eligible Applicant. The Lead Applicant will sign the HUD Agreement and is the sole entity that will have access to HUD’s Electronic Line of Credit Control System (eLOCCS) in order to drawdown PRA funding.

**k. Letter(s) of Intent.** Eligible Applicants must demonstrate their ability to administer the type of multifamily financing and ensure Eligible Tenants in the Eligible Multifamily Property receive supportive services as described in this NOFA. To do so, Eligible Applicants must demonstrate their own capacity to provide required capital funding and manage affordable housing programs and projects OR must provide letters of intent from one or more third party entities (such as Performance Based Contract Administrators [PBCAs], Public Housing Authorities [PHAs], or private contractors) that specialize in this work and have established high quality track records administering and processing payments to property owners. Eligible Applicants can contract with public or private entities to perform functions under this NOFA. Letters of Intent must be provided in those instances where the Eligible Applicant is using other entities to perform requirements under this NOFA. To qualify, the letter of intent, whether from the one or more state agencies or third-party entities must:

- Include the name of the entity agreeing to perform an activity specified in the

application

- Include the name of the Applicant
- Demonstrate the financial capacity to deliver the resources necessary to carry out the activity expressed in dollar value as it relates to the program activity or commit to provide the specific supportive service(s)
- Evidence the intent to commit the resources to the program if the application is funded
- Be written on the letterhead of the entity/agency and addressed to the Applicant
- Be executed by an official of the organization legally authorized to make commitments on behalf of the organization and,
- Be dated no earlier than nine months before the date of publication of this NOFA and must state how long the commitment remains valid should an award be granted.

**NOTE: HUD understands the difficulties in obtaining new agreements in existing programs, however, existing agreements dated prior to nine months of the date of the publication of this NOFA need to be ratified or confirmed by all signatories.**

**Eligible Applicants must provide the required documents/information in the application under Tab F.**

**I. Persons with Disabilities.** Persons with disabilities shall have the meaning provided in Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(k)(2)). The term "person with disabilities" shall also include the following:

(1) A person who has a developmental disability, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 15002), i.e., if he or she has a severe chronic disability which:

- i. Is attributable to a mental or physical impairment or combination of mental and physical impairments
- ii. Is manifested before the person attains age twenty-two
- iii. Is likely to continue indefinitely
- iv. Results in substantial functional limitation in three or more of the following areas of major life activity:
  - (a) Self-care
  - (b) Receptive and expressive language
  - (c) Learning
  - (d) Mobility
  - (e) Self-direction
  - (f) Capacity for independent living
  - (g) Economic self-sufficiency
  - (h) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

(2) A person with a chronic mental illness, i.e., a severe and persistent mental or emotional impairment that seriously limits his or her ability to live independently, and which impairment could be improved by more suitable housing conditions.

(3) A person infected with the human acquired immunodeficiency virus (HIV) and a person who suffers from alcoholism or drug addiction, provided they meet the definition of "person with disabilities" in Section 811 (42 U.S.C. 8013(k)(2)). A person whose sole impairment is a diagnosis of HIV positive or alcoholism or drug addiction does not meet the qualifying criteria in section 811 (42 U.S.C. 8013(k)(2) and will not be eligible for occupancy in a Section 811 PRA project.

**m. Section 811 Project Rental Assistance (PRA).** Section 811 Project Rental Assistance is defined as funding that is made available by HUD to Grantees for purposes of providing long-term rental assistance for supportive housing for non-elderly, extremely low-income persons with disabilities and for extremely low-income households that include at least one non-elderly person with a disability that will fund the difference between the tenants' payment for rent and the approved for the Section 811 PRA unit.

**n. Rental Assistance Contract (RAC).** Rental Assistance Contract is defined as the contract between the Grantee and the owner of the Eligible Multifamily Property which sets forth the rights and duties of the parties with respect to the Eligible Multifamily Property and the administration of the PRA program.

**o. Uniform Physical Condition Standards (UPCS).** UPCS are uniform national standards established by HUD to determine that housing is decent, safe, sanitary, and in good repair. UPCS requires that items in five categories (site, building exterior, building systems, dwelling units, and common areas) must be inspected in any physical inspection of the property. UPCS is more specifically described in 24 CFR 5.703.

## 5. Web Resources.

- [Affirmatively Furthering Fair Housing Regulations](#)

- [Code of Conduct list](#)
- [Do Not Pay](#)
- [Dun & Bradstreet](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [FFATA Subaward Reporting System](#)
- [Grants.gov](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD Funding Opportunities](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [Limited English Proficiency](#)
- [NOFA webcasts](#)
- [Opportunity Zone](#)
- [Procurement of recovered materials](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Uniform Relocation Act – Real Property Acquisition and Relocation Requirements](#)
- [USA Spending](#)

## [Section 811 PRA](#)

### **B. Authority.**

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), as amended by the Frank Melville Supportive Housing Investment Act of 2010 (Pub. L. No. 111-374); funding for this NOFA is authorized pursuant to the Consolidated Appropriations Act, 2018 (Pub. L. No. 115-141), and the Consolidated Appropriations Act, 2019 (Pub. L. No. 116-6).

## **II. Award Information.**

### **A. Available Funds.**

Funding of up to **\$37,000,000** is available through this NOFA.

Additional funds may become available for award under this NOFA, because of HUD's efforts to recapture unused funds, use carryover funds, or because of the availability of additional appropriated funds. Use of these funds is subject to statutory constraints. All awards are subject to the applicable funding restrictions contained in this NOFA.

In addition to this NOFA, HUD plans to release an additional Section 811 NOFA to

competitively award Capital Advance and Project Rental Assistance Contract (PRAC) funds. HUD has the budget authority to award up to a total of \$112,000,000 to support the new affordable housing units for persons with disabilities. This NOFA will make approximately \$37,000,000 available to state entities and the second NOFA will be for the Section 811 Capital Advance NOFA which will make approximately \$75,000,000 directly available to non-profit entities.

***If any funds remain after all eligible applicants under this NOFA have been selected, HUD reserves the right to use those remaining funds to make awards under the Capital Advance NOFA.***

**B. Number of Awards.**

HUD expects to make approximately 8 awards from the funds available under this NOFA. The precise number of awards will depend on the nature of the applications reviewed.

**C. Minimum/Maximum Award Information.**

**Maximum Award Amount:** \$7,000,000

**Minimum Award Amount:** \$1

**Rental Assistance Funds.** Eligible Applicants will include the requested Project Rental Assistance funds in the HUD-92239 PRA Detailed Budget and must clearly outline how rents will initially be established. In no circumstance may the initial RAC rent level exceed the applicable Fair Market Rent (FMR) level as determined by HUD, unless such rent level is substantiated by a market study that has been prepared and reviewed in accordance with the requirements of a state housing agency or of Chapter 9 of HUD’s Section 8 Renewal Guide (see [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/mfhsec8](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/mfhsec8)) or as approved by HUD. Applicants must provide the number of units for which they are requesting assistance in the Abstract. The initial Project Rental Assistance five years of funding.

**Administrative Costs.** Eligible Applicants will include the requested Administrative funds in the HUD-92239 PRA Detailed Budget. Administrative Costs are allowable at a rate up to eight (8) percent of the total amount awarded and may be billed as indirect **or** direct costs. These funds are allowable at the discretion of HUD for activities associated with the implementation of the PRA program. Applicants will need to cover any costs associated that exceed the eight (8) percent Administrative Costs.

Estimated Total Funding:	\$37,000,000
Minimum Award Amount:	\$1 Per Project Period
Maximum Award Amount:	\$7,000,000 Per Project Period

**D. Period of Performance.**

The Cooperative Agreement between HUD and the Grantee shall be for a minimum of twenty years, with initial funding for the first five years, and with subsequent funding renewal subject to appropriations. All Rental Assistance Contracts shall be for a minimum of twenty years (continued funding in years beyond the first five years is also subject to appropriations).

**HUD Award and HUD's Involvement.** HUD will notify all applicants whether they have been conditionally selected for an award. If selected, HUD's notice concerning the award will constitute HUD's conditional approval, subject to negotiation and the execution of a Cooperative Agreement.

HUD will be involved during the period of performance, including but not limited to: the development of the program; the oversight of the progress made on the proposed activities and results of those activities; and the monitoring of funds drawn, project deliverables, and timelines. In addition, any withdrawals of funds from the eLOCCS system are subject to HUD's approval.

**Rescission of Funds.** HUD reserves the right to rescind the funds of Grantees and award funds to another eligible applicant when HUD reasonably believes the funds are at risk of not being expended within the applicable deadlines in the Cooperative Agreement. See Section VI.A.2. for more information. In selecting developments, applicants should assume the Rental Assistance amount awarded is the total of Rental Assistance funds available for a specific project.

**Project Period.** The Project Start Date is the estimated date of the executed Cooperative Agreement and the Project End Date is the expiration of the last RAC but not less than 20 years. These dates are estimates only and will be adjusted depending on the actual date of the preliminary selection letter and the Length of the Project Period.

Estimated Project Start Date:	07/06/2020
Estimated Project End Date:	07/05/2025
Length of Project Periods:	60-month project period with five 12-month budget periods
Length of Project Periods Explanation of Other:	

#### **E. Type of Funding Instrument.**

Funding Instrument Type:	Cooperative Agreement
--------------------------	-----------------------

### **III. Eligibility.**

#### **A. Eligible Applicants.**

Others (see text field entitled "Additional Information on Eligibility" for clarification)



Additional Information on Eligibility:

**1. Eligibility.** Any housing agency currently allocating LIHTC under Section 42 of the Internal Revenue Service Code of 1986 (IRC), any applicable participating jurisdiction allocating and overseeing assistance under the HOME Investment Partnerships Act (HOME), and/or a similar federal or state program are eligible to apply. An Eligible Applicant may also be a state, regional, or local housing agency or agencies; or a partnership or collaboration of state and local/regional housing agencies. To be eligible, the applicant must have an Inter-agency Partnership Agreement with the State Health and Human Services/Medicaid agencies (See Section III below for further information).

**Note: Only one Eligible Applicant per state may receive funding. In the event there are more than one Eligible Applicant, each state must determine which Eligible Applicant is the most appropriate.**

The State Health and Human Services/Medicaid agency can only be included in one application for Section 811 PRA funds per state. **If the State Health and Human Services/Medicaid Agency is included in multiple applications from one state, none will be considered.** Since this is a state program, HUD will be rating individual state applications. The State Health and Human Services/Medicaid agency will need to decide which Eligible Applicant, in the event there may be more than one, to partner with for this application submission.

## **2. Ineligibility**

**a. Ineligible to Apply.** Private citizens, for-profit entities, and non-profit organizations are not eligible to apply.

**b. Use of Funds Prohibition.** Funding under this NOFA must be used in accordance with the allowable uses as defined in this NOFA. Funding under this NOFA must not be used to support:

- (1) Capital advance or the development of units
- (2) Project-based or tenant-based vouchers
- (3) Restrictions as identified in Section E.2 below, **Limitation on Units Assisted.**

**3. Troubled Status.** If an applicant or co-applicant has any outstanding HUD or Office of Inspector General (OIG) audit finding or has been designated with a “Troubled” status or other similar finding or designation, as a threshold requirement under Section III.C.3 of this NOFA. HUD will use documents and information available to it to determine whether the applicant is acceptable to HUD. The applicant may still be eligible to apply if HUD determines:

**a.** The finding or designation is for reasons that will not affect its capacity to carry out the Eligible Activity.

**b.** The applicant is making substantial progress toward eliminating the deficiencies of the agency that resulted in the designation or finding.

**c.** The applicant has not been found to be in non-compliance for fair housing or other civil rights requirements.

**d.** The applicant is otherwise determined to be capable of carrying out the Eligible Activity.

## **B. Ineligible Applicants.**

### **C. Cost Sharing or Matching.**

This Program does not require cost sharing, matching or leveraging.

### **D. Threshold Eligibility Requirements.**

Applicants who fail to meet any of the following threshold eligibility requirements will be deemed ineligible. Applications from ineligible applicants will not be evaluated.

Outstanding civil rights matters must be resolved to HUD's satisfaction prior to grant award, provided that all applicable legal processes have been satisfied.

**1. Timely Submission of Applications.** – Applications submitted after the deadline stated within this NOFA that do not meet the requirements of the grace period policy will be marked late. Late applications are ineligible and will not be considered for funding. See also Section IV Application and Submission Information, part D. Application Submission Dates and Times.

**2. Complete Application.** HUD reserves the right to determine whether an application is substantially deficient and non-responsive to the NOFA application requirements. Refer to Section IV.B. Content and Form of Application Submission, for information on the required documentation for submission with the application to ensure that your application is complete at time of submission.

**3. General HUD Threshold Nondiscrimination and Other Requirements.** Except for those specific Program Requirements in Section III of this NOFA, Eligible Applicants should review those provisions that could result in the failure to receive funding, including the Dun and Bradstreet Universal Numbering System (DUNS) Number Requirement, Resolution of Outstanding Civil Rights Matters, provisions relating to Delinquent Federal Debts, and the

Name Check Review. HUD will not make awards to entities that are debarred, suspended or are on the HUD Limited Denial of Participation List. **Non-compliance with a threshold requirement will result in disqualification.**

#### **4. Program Specific Threshold Requirement.**

**a. Inter-Agency Partnership Agreement. The Inter-Agency Partnership Agreement outlining the partnership between the Lead Applicant and state Health and Human Service/Medicaid agency or agencies.** The Eligible Applicant – or in cases where there are Co-applicants, the Lead Applicant – must provide an Inter-Agency Partnership Agreement that provides evidence of a formal structure for collaboration in participating in the state’s Section 811 PRA program. This Inter-Agency Partnership Agreement must include the Eligible Applicant and the state agency or agencies charged with administering state health and human services programs and policies and the state Medicaid program. In states where the State Health and Human service agency is not the state’s Medicaid agency, both agencies’ participation must be evidenced. **Eligible Applicants must provide the required agreement in the application under Tab B.**

The agreement must include:

- Detailed description of the target population(s) to be served (Note that the authorizing legislation allows the Section 811 PRA program applicants to identify one or more specific targeted populations for this funding)
- Methods for outreach and referral
- Commitments to make appropriate services available for residents in Section 811 PRA assisted units in multifamily properties
- Description of available state administered services and other appropriate services and a description of how such services will be made available to the tenants.

**NOTE: If these agencies have an existing agreement to provide housing and services, an addendum may be added to that existing document that addresses the provisions for this 811 PRA program and that can then serve as the Inter-Agency Partnership Agreement. Additional agencies providing oversight, coordination or services should also be included in this agreement.**

(1) **Terms.** The agreement shall have a term of not less than five (5) years and should be co-terminus with the term of the initial funding of units under this NOFA. HUD is seeking long-term commitments beyond the initial five-years to make available services for the targeted populations. HUD understands these services are typically funded annually through state and federal entitlement programs and will accept commitments subject to contingencies based upon annual funding.

(2) **Tenancy.** The Agreement must also evidence the Eligible Applicant’s commitment to ensure that tenancy in Section 811 PRA assisted units is reserved for the targeted populations identified in the agreement that will benefit from the available services. Such services will allow for eligible residents to live independently in supportive housing units. To protect the interest of both tenants and multifamily

owners, participating agencies must demonstrate the States' ability to provide appropriate community-based long-term services and supports to the populations proposed to be targeted under this application.

(3) **Choice.** Tenant participation in supportive services is voluntary and cannot be required as a condition of tenancy. Persons with disabilities must have choice in the housing, health care, and related support services they receive as individual states facilitate the transition and integration of individuals with disabilities from institutional and other segregated settings into the community.

## **E. Statutory and Regulatory Requirements Affecting Eligibility.**

### **Eligibility Requirements for Applicants of HUD's Grants Programs.**

The following requirements affect applicant eligibility. Detailed information on each requirement is posted on HUD's Funding Opportunities Page ([click here](#)).

[Outstanding Delinquent Federal Debts](#)

[Debarments and/or Suspensions](#)

[Pre-selection Review of Performance](#)

[Sufficiency of Financial Management System](#)

[False Statements](#)

[Mandatory Disclosure Requirement](#)

[Prohibition Against Lobbying Activities](#)

[Equal Participation of Faith-Based Organizations in HUD Programs and Activities](#)

## **F. Program-Specific Requirements Affecting Eligibility.**

**1. Limitation on Populations Served.** Section 811 PRA funds may only be provided for housing units set aside for extremely low-income households, where at least one person is an individual with a long-term disability, and is age 18 or older, but less than 62 years of age at the time of admission. Furthermore, a person with a long-term disability served under this program must be eligible for community-based long-term care services and supports provided for under the state's plan for medical assistance under Title XIX of the Social Security Act, such as Medicaid 1915(c) waivers, the Medicaid 1915(i) option, the Medicaid Rehabilitation option, certain Medicaid 1115 demonstration waivers and similar successor programs, or other federal or state appropriated or other targeted community-based long-term services and supports program that the state certifies is comparable to Medicaid long-term care services. Additionally, applicants may identify specific targeted populations of persons with disabilities.

**2. Limitation on Units Assisted.** Eligible Multifamily Properties may only receive Section 811 PRA funds if the housing assisted does not currently have an existing use restriction or a contractual obligation to serve persons with disabilities, as described below.

**a.** Units already receiving any form of federal or state housing operating assistance (such as project-based ) are ineligible to receive Section 811 PRA assistance, unless the Section 811 PRA funds are being used to support other units in the building without such restrictions. Existing units receiving any form of long-term operating housing subsidy within a six-month period prior to receiving Section 811 PRA funds, such as assistance under project-based Section 8, are ineligible to receive this assistance. Please note that the Low-Income Housing Tax Credit is not considered a long-term operating subsidy.

**b.** Units with use agreements requiring housing for persons 62 or older would not be eligible to receive Section 811 PRA funds.

**c. No more than 25 percent of the total units in Eligible Multifamily Properties can: 1) be used for supportive housing for persons with disabilities (either under the Section 811 PRA program or any other federal or state program); or 2) have any occupancy preference for persons with disabilities.**

**d.** Units must be dispersed throughout the property and must not be segregated to one area of a building (such as on a particular floor or part of a floor in a building or in certain sections within a project). Owners may designate unit types (*g.*, accessible, 1-bedroom, etc.) rather than designating specific units (*e.g.*, units 101, 201, etc.) to be set-aside for Section 811 PRA supportive housing units. This would allow flexibility in offering the next available unit to a person with a disability under this program if the unit type was designated as being set-aside for persons with disabilities and the number of units occupied by persons with disabilities under the set-aside had not been met.

**NOTE: Eligible Applicants may not prohibit persons with disabilities from applying for residency in non-Section 811 PRA units.**

**3. Inter-Agency Partnership Agreement.** Eligible Applicants must evidence a formalized structure for collaboration between the Eligible Applicant and the state agency charged with administering state health and human services programs and policy and the state Medicaid programs as more fully described above in Section III.C.4. In states where these functions have been separated, both agencies' participation must be evidenced.

**4. Rental Assistance Contract (RAC).** A contract must be executed between the Grantee administering the Section 811 PRA funds and each owner of an Eligible Multifamily Property, in a manner and form as determined by HUD. The initial term of such contracts between the Grantee and the Eligible Multifamily Property owners shall have a minimum term of 20 years; however, financial support from HUD following initial funding is subject to available appropriations. Contracts may be renewed if all parties agree; however, funding under the terms of the contract will be subject to the availability of federal appropriations. Grantees may include an addendum to the RAC, subject to written HUD approval, provided that the provisions of the addendum do not conflict with any requirement under the NOFA or the Cooperative Agreement, or any HUD or federal requirements.

**a.** This contract will provide the rental assistance payments to the owner for Eligible Tenants, as defined above in Section I.C.4.f., residing in units that have been set-aside by

the owner as supportive housing for persons with disabilities.

**b.** The RAC will identify the project, the number of contract units by bedroom size and accessibility, and the contract terms and the conditions for receipt of the project rental assistance payments, including provisions ensuring that tenants are afforded all tenant protections in 42 USC 8013(i)(2), g., lease term, termination of tenancy, and voluntary participation in services.

**c.** The RAC will provide for the Grantee to certify annually to HUD that Section 811 PRA assisted units are by Eligible Tenants. It will also provide for the Grantee to conduct regular physical inspections of those units to confirm that they meet the uniform national standards established by HUD for housing that is decent, safe, sanitary, and in good repair. The Grantee may inspect Section 811 PRA units using a frequency and sample size that conforms with other federal or state housing program requirements.

**d.** For the purpose of this grant, the Grantee must determine an appropriate RAC rent level which may or may not reflect the actual costs of operating the Section 811 PRA assisted units. The RAC will specify that the rental assistance payment made to the owner of a Section 811 PRA unit will be the difference between the RAC rent level for the unit and the Eligible Tenant rent payable by the Extremely Low-Income Family. In no circumstance may the initial RAC rent level exceed the applicable Fair Market Rent (FMR) as determined by HUD, unless such rent level is substantiated by a market study that has been prepared in accordance with the requirements of a state housing agency or of Chapter 9 of HUD's Section 8 Renewal Guide (see [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/mfhsec8](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/mfhsec8)) as approved by HUD.

**5. Administration of the Rental Assistance Contracts (RACs).** Grantees will be responsible for administering the Section 811 PRA Program, managing the RACs and maintaining all applicable HUD and other federal requirements. HUD or its designee reserves the right to assume and administer the RACs at any time as a result of material non-compliance or non-performance by the Grantee, or its designee is the most viable option for the long-term implementation and oversight of the PRA program.

**6. Use Restriction.** Housing assisted with Section 811 PRA must have a minimum 30-year use restriction for extremely low-income persons with disabilities. The terms and conditions of the use agreement and its enforcement shall be specified in the Cooperative Agreement and the RAC. If Congress fails to appropriate funds adequate to meet future renewal needs pursuant to the Cooperative Agreement, HUD will not enforce any use agreements on properties that have been funded under such agreement. However, under such a circumstance, and in accordance with policies, requirements and terms of the Cooperative Agreement, as will be established by HUD, HUD will allow grantees to continue to enforce or terminate such use agreements at the Grantees' discretion.

**7. Eligible Tenant's Contribution to Rent.** The Eligible Tenant's rent contribution shall be no more than 30 percent of the family's adjusted monthly income, as determined through an income re-certification as described in 24 CFR 891.610.

**a. TRACS.** Grantees will be required to ensure that tenant data is entered into HUD's Tenant Rental Assistance Certification System (TRACS) in the administration of the Section 811 PRA program.

**b. EIV.** HUD's Enterprise Income Verification (EIV) System must be used by owners of Eligible Multifamily Properties and/or Grantees to verify income on all Section 811 PRA assisted units.

**8. Tenant Lease Term.** The initial lease term between an Eligible Tenant and an owner of an Eligible Multifamily Property for the Section 811 PRA assisted units shall not be less than one year. **The lease will be on a HUD provided form (HUD-92236).** Grantees may include an addendum to the HUD lease, with prior written HUD approval, provided that the provision(s) of the addendum does not conflict with any requirement under the HUD lease, the NOFA or the Cooperative Agreement, or any HUD or other federal requirements.

**9. Termination.** In addition to HUD regulations regarding evictions under 24 CFR part 5, an owner may not terminate the tenancy or refuse to renew the lease of a tenant of a Section 811 PRA assisted unit except:

- a.** For serious or repeated violations of the terms and conditions of the lease, for violation of applicable federal, state, or local law, or for other good cause; and
- b.** By providing the tenant, not less than 30 days before such termination or refusal to renew, with written notice specifying the grounds for such action.

**10. Approved Rent and Rent Adjustments.** Eligible Applicants must clearly outline how contract rents will initially be established. In no circumstance may the initial RAC rent level exceed the applicable Fair Market Rent (FMR) level as determined by HUD, unless such rent level is substantiated by a market study that has been prepared and reviewed in accordance with the requirements of a state housing agency, Chapter 9 of HUD's Section 8 Renewal Guide (see [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/mfhsec8](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/mfhsec8)), or as approved by HUD. Contract rents can only be adjusted annually based upon HUD's Operating Cost Adjustment Factor (OCAF) or another operating cost index proposed by the Eligible Applicant. If suggesting another operating cost index, please provide justification on why the applicant prefers to use this index instead of HUD's OCAF. For the most recent guidance on OCAF, please see <https://www.govinfo.gov/content/pkg/FR-2018-11-23/pdf/2018-25440.pdf>. The Eligible Applicants will be rated based upon how approved rents will be established and adjusted in Section V.B.3.c. Rating Factor 3 below.

**11. Barrier Free/Accessibility Requirement for Units, Buildings, and Facilities, Including Public and Common Use Areas.** An Eligible Multifamily Property must meet accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8, and the Americans with Disabilities Act and implementing regulations at 28 CFR parts 36 and 36, as applicable. Eligible Multifamily Properties must also meet the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR part 100. However, Section 811 PRA assisted units can consist of a mix of accessible units for those persons with physical disabilities and non-accessible units for those persons without physical disabilities.

**12. Compliance with Fair Housing and Civil Rights Laws.** Grantees and owners of Eligible Multifamily Properties must comply with fair housing and civil rights requirements. In addition, Grantees will be required to certify that they will comply with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Title II or III of the Americans with Disabilities

Act, as applicable.

**13. Affirmatively Furthering Fair Housing.** Under Section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Grantees will be required to certify that they will affirmatively further fair housing. Grantees must affirmatively further fair housing by selecting projects for participation that offer access to appropriate services, accessible transportation, and commercial facilities to ensure greater integration of persons with disabilities in the broader community. Grantees must require owners of Eligible Multifamily Properties to adopt actions and procedures to ensure that Section 811 PRA assisted units are dispersed and integrated within the property. Eligible applicants must describe their methods of outreach and referral and waiting list policies in Section V.B.3.c. Rating Factor 3. All methods of outreach and referral and management of the waiting list must be consistent with fair housing and civil rights laws and regulations. Grantees must conduct affirmative outreach to provide information and otherwise attract eligible persons to the program regardless of race, color, national origin, religion, sex, disability, or familial status, who are not likely to apply to the program without special outreach. Grantees must maintain records describing actions taken to affirmatively further fair housing.

**14. Full Disclosure of Available Housing.** Grantees must adopt a process for providing full disclosure to each applicant for a Section 811 PRA unit of all options available to the applicant in the selection of the property in which to reside, including basic information about available sites (*e.g.*, location, number and size of accessible units, access to transportation and commercial facilities) and an estimate of the period the applicant would likely have to wait to be admitted to units of different sizes and types (*e.g.*, regular or accessible) at each site. Where, as the result of the unavailability of an accessible unit, an individual with a disability chooses to reside in a non-accessible unit, grantees are still required to provide reasonable accommodations to qualified individuals with disabilities, which includes structural modifications to existing dwelling units and public use and common use areas, in order to make effective use of the recipient's program.

**15. Effective Communication.** Grantees must ensure that all communications are provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 and, as applicable, the Americans with Disabilities Act.

**16. Limited English Proficiency (LEP).** Executive Order (E.O.) 13166 seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have LEP. Grantees must take reasonable steps to ensure meaningful access to their programs and activities to LEP individuals. As an aid to 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).

**18. Davis-Bacon Labor Standards.** All laborers and mechanics (other than volunteers under the conditions set out in 24 CFR part 70) employed by contractors and subcontractors in the shall be paid wages at rates not less than those prevailing in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 3141 *et seq.*). Contracts involving employment of laborers and mechanics shall be subject to the provisions of the Contract Work Hours and Safety Standards Act (CWHSSA) (40 U.S.C 3701 *et seq.*). Owners of



Eligible Multifamily Properties and owners' contractors and subcontractors must comply with all related rules, regulations, and requirements. Eligible Applicants shall be responsible for ensuring inclusion of appropriate contract provisions, monitoring to ensure compliance, and correction of violations in accordance with HUD guidance. Projects where construction is fully complete before an application is submitted to the Grantee to receive assistance under the Section 811 PRA are not subject to Davis-Bacon or CWHSSA requirements, except to the extent that the project is also assisted under another federal program that is subject to such requirements (e.g., the HOME program). In accordance with U.S. Department of Labor regulations at 29 CFR 1.6(g), if a project is approved by an Eligible Applicant to receive Section 811 PRA assistance after a contract for construction of the project has been awarded (or after the beginning of construction where there is no contract award) but before completion of construction, the state housing agency shall require that the wage determination effective on the date of award (or beginning of construction) be incorporated into the construction contract retroactively to the date of award or beginning of construction. Grantees may request the HUD Office of Davis-Bacon and Labor Standards to seek approval from the U.S. Department of Labor for the incorporation of a wage determination to be effective on the date of the state housing agency's approval of Section 811 PRA assistance for the project. Such approval may be granted only where there is no evidence of intent to apply for the federal assistance for the project prior to contract award or start of construction.

**NOTE: For projects funded in response to this NOFA, construction is fully complete as demonstrated by a final invoice and completion inspection approval by the Architect and all financing inspectors, and the entire project is ready for occupancy. It is acceptable for fully complete construction to have items of delayed completion subject to escrow of funds to assure completion of such items.**

**19. Energy and Water Conservation.** At a minimum, energy efficiency strategies and water conservation appliances and fixtures must be incorporated in the design, construction, and operation of all new construction and substantial (gut) rehabilitation projects. For further assistance, Eligible Applicants can access the report, "Enhancing Energy Efficiency and Green Building Design in Section 202 and Section 811 Programs", at [http://www.huduser.org/portal/publications/affhsg/enh\\_eng\\_eff\\_gbd.html](http://www.huduser.org/portal/publications/affhsg/enh_eng_eff_gbd.html). The report was developed to assist Eligible Applicants in responding to this requirement as well as to inform them about other green building standards.

**a. Energy Efficiency.** Owners of new construction and substantial rehabilitation low-rise (up to 3 stories) Eligible Multifamily Properties must meet the requirements of EPA's ENERGY STAR Qualified Homes at the time of Grantee award, unless the Grantee has a higher standard. Mid-Rise & High-Rise developments (4 or more stories) must meet the requirements of the ENERGY STAR Qualified Multifamily High-Rise Buildings at the time of Grantee award unless the Grantee has a higher standard. Any state energy code requirements will take precedence over ENERGY STAR specifications when the state code approximates or exceeds that standard. More information concerning this requirement can be found at [http://www.energystar.gov/index.cfm?c=bldrs\\_lenders\\_raters.pt\\_bldr](http://www.energystar.gov/index.cfm?c=bldrs_lenders_raters.pt_bldr) or specific questions can be emailed to [energystarhomes@energystar.gov](mailto:energystarhomes@energystar.gov). To learn more about ENERGY STAR qualified multifamily high-rise buildings, visit [http://www.energystar.gov/index.cfm?c=bldrs\\_lenders\\_raters.nh\\_multifamily\\_highrise](http://www.energystar.gov/index.cfm?c=bldrs_lenders_raters.nh_multifamily_highrise).

**b.** All new construction and substantial rehabilitation projects must purchase and install

ENERGY STAR-labeled appliances.

**c. Water Conservation Fixtures.** Installation of water-conserving fixtures is required in all new and substantially rehabilitated developments (i.e. resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets). The materials used should be the most current WaterSense or a greater water efficiency product. More information is available at [epa.gov/owm/water-efficiency](http://epa.gov/owm/water-efficiency).

**20. Housing Standard for Section 811 PRA Assisted Units.** All Section 811 PRA units must meet local and state housing code, ordinances, and zoning requirements and minimum UPCS standards.

**21. Environmental Requirements and Environmental Assurance.** As HUD does not approve program funding for specific activities or projects of the Eligible Applicants in the 811 PRA program, it will not perform environmental reviews on such activities or projects. However, to ensure that the tenets of HUD environmental policy and the requirements of applicable statutes and authorities are met, Eligible Applicants selected for funding will be required to implement the following analyses and determinations for specific program activities and projects unless:

- The property is existing, is currently HUD-assisted or HUD-insured, and will not engage in activities with physical impacts or changes beyond routine maintenance activities or minimal repairs, or
- The project already has environmental clearance under 24 CFR Part 50 or Part 58 (see note below).

For projects that do not meet one of the above exceptions, the Eligible Applicant's signature on the application shall constitute an assurance that the applicant, if selected, will implement the requirements below, as applicable to existing and new projects.

If, at the time that a project applies for PRA assistance, the project is under construction or being rehabilitated and work has progressed beyond a stage of construction where modifications can be undertaken to avoid the adverse environmental impacts addressed by the requirement, the project shall not be subject to the environmental requirements applicable to new construction or rehabilitation, but shall be subject to the remaining environmental requirements.

Citations to authorities in the following paragraphs are for reference only; to the extent that property standards or restrictions on the use of properties stated in the following paragraphs are more stringent than provisions of the authorities cited, the requirements stated in the following paragraphs shall control:

**NOTE: Projects that include funding from other HUD programs (such as HOME) or that have mortgage insurance through FHA can use the environmental clearance under those programs in lieu of PRA NOFA requirements as long as the environmental reviews were completed within 5 years and the project description covers the units proposed to be assisted by the PRA.**

**a. Site Contamination (24 CFR 50.3(i)).** It is HUD policy that all properties for use in HUD assisted housing be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property (24 CFR 50.3(i)(1)).

Therefore, projects applying for assistance shall:

- (1) Assess whether the site (i) is listed on an EPA Superfund National Priorities or CERCLA list or equivalent State list; (ii) is located within 3,000 feet of a toxic or solid waste landfill site; (iii) has an underground storage tank other than a residential fuel tank; or (iv) is known or suspected to be contaminated by toxic chemicals or radioactive materials. If none of these conditions exists, a letter of finding certifying these findings must be submitted and maintained in the site's environmental record. If any of these conditions exist, the grantee must provide an ASTM Phase I Environmental Site Assessment (ESA) in accordance with ASTM E 1527-13 (or the most recent edition); OR
- (2) Provide a Phase I ESA in accordance with ASTM E 1527-13 (or the most recent edition).

**NOTE: A Phase I ESA which complies with these standards and was prepared within the Phase I ESA continuing viability timeframe for the acquisition of the property or a real estate transaction (construction, rehabilitation, or refinancing) for the property, will be deemed acceptable.**

If a Phase I ESA is conducted and the Phase I ESA identifies Recognized Environmental Conditions (RECs), a Phase II ESA in accordance with ASTM E 1903-11 (or the most recent edition) shall be performed. Any hazardous substances and/or petroleum products that are identified at levels that would require clean-up under State policy shall be so cleaned up in accordance with the State's clean-up policy. Risk-Based Corrective Actions are permitted if allowed for under a State's clean-up policy.

**b. Historic Preservation (54 U.S.C. 300101 *et seq.*)**

- (1) As the various States, Territories, Tribes and municipalities have established historic preservation programs to protect historic properties within their jurisdiction, all work on properties identified as historic by the State, Territory, Tribe, or Municipality, as applicable, must comply with all applicable State, territorial, and tribal historic preservation laws and requirements and, for projects affecting locally designated historic landmarks or districts, local historic preservation ordinance and permit conditions.
- (2) In addition, all work on properties listed on the National Register of Historic Places, or which the Eligible Applicant knows are eligible for such listing, must comply with "The Secretary of the Interior's Standards for Rehabilitation." Complete demolition of such properties would not meet the Standards and is prohibited.
- (3) On site discoveries. If archaeological resources and/or human remains are discovered on the project site during construction, the recipient must comply with applicable State, tribal, or territory law, and/or local ordinance (e.g., State unmarked burial law).

**c. Noise (24 CFR part 51, Subpart B - Noise Abatement and Control).** All activities and projects involving new construction shall be developed to ensure an interior noise level of 45 decibels (dB) or less. In this regard, and using the day-night average sound level ( $L_{dn}$ ), sites not exceeding 65 dB of environmental noise are deemed to be acceptable; sites

above 65 dB require sound attenuation in the building shell to 45 dB; and sites above 75 dB shall not have noise sensitive outdoor uses (e.g. picnic areas, tot lots, or patios) situated in areas exposed to such noise levels.

**NOTE: Balconies are allowed as per [Notice CPD-16-19: Balcony Policy Under 24 CFR 51, Subpart B as it Applies to Parts 50 and 58 Regarding Building Facades Exposed to Noise](#)**

**d. Airport Clear Zones (24 CFR part 51, Subpart D - Siting of HUD Assisted Projects in Runway Clear Zones at Civil Airports and Clear Zones and Accident Potential Zones at Military Airfields).** No activities or projects shall be permitted within the "airport clear zones" or the "accident potential zones" of military airfields or the runway protection zones of civilian airports.

**e. Coastal Zone Management Act (16 U.S.C. 1451 *et seq.*).** Activities and projects shall be consistent with the appropriate state coastal zone management plan. Plans are available from the local coastal zone management agency.

**f. Floodplains (Executive Order 11988; Flood Disaster Protection Act (42 U.S.C. 40014008); National Flood Insurance Reform Act (P.L. 108-264)).** No new construction activities or projects shall be located in the mapped 100-year floodplain according to FEMA's best available data, which may be Advisory Base Flood Elevations (ABFEs), Preliminary Flood Insurance Rate Maps (P-FIRMs), or Flood Insurance Rate Maps (FIRM). New construction activities are also prohibited in the mapped 500-year floodplain unless the Eligible Applicant determines that there are no alternatives outside of the 500-year floodplain within the metropolitan area, with access to transportation and services. Existing structures and structures in the 500-year floodplains where there are no alternatives may be assisted in the 100-year or 500-year floodplain, except for sites located in coastal high hazard areas (V Zones) or regulatory floodways, but must meet the following requirements:

(1) The existing structures must be flood-proofed or must have the lowest habitable floor and utilities elevated above both the 500-year floodplain and the 100-year floodplain according to FEMA's best available data.

(2) The project must have an early warning system and evacuation plan that includes evacuation routing to areas outside of the applicable floodplains.

(3) Project structures in the 100-year floodplain according to FEMA's best available data must obtain flood insurance under the National Flood Insurance Program. No activities or projects located within the 100-year floodplain may be assisted in a community that is not participating in or has been suspended from the National Flood Insurance Program.

**g. Wetlands (Executive Order 11990).** No new construction shall be performed in wetlands. No rehabilitation of existing properties shall be allowed that expands the footprint such that additional wetlands are destroyed. New construction includes draining, dredging, channelizing, filling, diking, impounding, and related grading activities. The term wetlands is intended to be consistent with the definition used by the U.S. Fish and Wildlife Service in Classification of Wetlands and Deep Water Habitats of the United States (Cowardin, et al., 1977). This definition includes those wetland areas separated from their natural supply of water as a result of activities such as the construction of structural flood

protection methods or solid-fill road beds and activities such as mineral extraction and navigation improvements.

**h. Siting of Projects Activities Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature (24 CFR part 51, Subpart C).** Unshielded or unprotected new construction sites shall be allowed only if they meet the standards of blast overpressure (0.5psi – buildings and outdoor unprotected facilities) and thermal radiation (450 BTU/ft<sup>2</sup> -hr – people, 10,000 BTU/ft<sup>2</sup>-hr – buildings) from facilities that store, handle, or process substances of explosive or fire prone nature in stationary, above ground tanks/containers. Containers used to hold liquefied petroleum gas with a volumetric capacity not to exceed 1,000 gallons water capacity are acceptable if they comply with the National Fire Protection Association (NFPA) Code 58 (Liquefied Petroleum Gas Code) (2017) (incorporated by reference, see § 51.200(b)).

**i. Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*).** New construction shall not be permitted that would result in a taking of endangered plant or animal species as listed under the Endangered Species Act of 1973. Taking includes not only direct harm and killing but also modification of habitat. Maps for listed species and geographic habitat by state can be found at: [http://ecos.fws.gov/tess\\_public/StateListing.do?state=all](http://ecos.fws.gov/tess_public/StateListing.do?state=all).

**j. Farmland Protection (7 USC 4201 *et seq.*).** New construction shall not result in the conversion of unique, prime, or otherwise productive agricultural properties to urban uses.

**k. Sole Source Aquifers (Section 1424(e) of the Safe Drinking Water Act of 1974 (42 U.S.C. 201, 300 *et seq.*, and 21 U.S.C. 349)).** Any new construction activities and projects located in federally designated sole source aquifer areas (SSAs) shall require consultation and review with the U.S. Environmental Protection Agency (USEPA). Information regarding location and geographic coverage of the 73 federally designated SSAs can be found at: <http://water.epa.gov/infrastructure/drinkingwater/sourcewater/protection/solesourceaquifer.cfm>.

**20. Coastal Barrier Resources Act.** Grantees must adhere to the Coastal Barrier Resources Act which prohibits activities or projects in Coastal Barrier Resource System (CBRS) units. CBRS units are mapped and available from the Fish and Wildlife Service at: <http://www.fws.gov/CBRA/>.

**21. Flood Insurance. (Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 *et seq.*)).** Project structures in the 100-year floodplain must obtain flood insurance under the National Flood Insurance Program. No activities or projects located within the 100-year floodplain may be assisted in a community that is not participating in or has been suspended from the National Flood Insurance Program.

**22. Program Income.** Eligible Applicant must have knowledge and experience to identify and account for program income as defined in 2 CFR Part 200.

**23. Procurement of Recovered Materials.** Requirements for the procurement of recovered materials apply to this program as described in 2 CFR 200.322.

**24. Period of Performance.** The period of performance shall begin with the execution date of the Cooperative Agreement and terminate on the expiration date of the Grantee's very last Rental Assistance Contract (RAC), but not less than 20 years.

**25. Uniform Physical Construction Standards (UPSC).** Multifamily owners shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR part 5, Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR part 200, Subpart P, including any changes in the regulation and related Directives.

**26. HUD's Electronic Line of Credit Control System.** Eligible Applicants must be eligible to acquire rights and access under HUD's Electronic Line of Credit Control System (eLOCCS) as approved by HUD. This is the sole mechanism for drawing funds.

**27. Uniform Administrative Requirements.** All States, Territories, Urban Counties, and Metropolitan cities receiving funds under this NOFA shall be subject to the requirements of 2 CFR part 200. Non-profit subgrantees shall be subject to the requirements of 2 CFR part 200.

**Eligible Applicants must provide the above required documents/information, as applicable, in the application under Section IV.B.**

## **G. Criteria for Beneficiaries.**

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

### **A. Obtaining an Application Package.**

#### **Instructions for Applicants.**

You must download both the Application Instruction and the Application Package from Grants.gov. You must verify that the CFDA Number and CFDA Description on the first page of the Application Package, and the Funding Opportunity Title and the Funding Opportunity Number match the Program and NOFA to which you are applying.

The Application Package contains the portable document forms (PDFs) available on Grants.gov, such as the SF-424 Family. The Instruction Download contains official copies of the NOFA and forms necessary for a complete application. The Instruction Download may include Microsoft Word, Microsoft Excel and additional documents.

An applicant demonstrating good cause may request a waiver from the requirement for electronic submission. For example, a lack of available Internet access in the geographic area in which your business offices are located. Lack of SAM registration or valid DUNS is not deemed good cause. If you cannot submit your application electronically, you must ask in writing for a waiver of the electronic grant submission requirements. HUD will not grant a waiver if HUD does not receive your written request at least 15 days before the application deadline and if you do not demonstrate good cause. An email request for a waiver sent 15 days before the application is due will also be considered. If HUD waives the requirement, HUD

must receive your paper application before the deadline of this NOFA. To request a waiver you must contact:

811 NOFA Team  
 Email: [FY18811NOFA@hud.gov](mailto:FY18811NOFA@hud.gov)  
 Office of Multifamily Housing  
 451 7th ST SW, Room 6150  
 Washington, DC 20410

**B. Content and Form of Application Submission.**

You must verify that boxes 11, 12, and 13 on the SF424 match the NOFA for which you are applying. If they do not match, you have downloaded the wrong Application Instruction and Application Package.

Submission of an application that is otherwise sufficient, under the wrong CFDA and Funding Opportunity Number is a curable deficiency.

**1. Content.**

Forms for your package include the forms outlined below:

Forms / Assurances / Certifications	Submission Requirement	Notes / Description
Disclosure of Lobbying Activities, SF-LLL	Required.	Instructions on how to complete this form can be found on Grants.gov.
Application for Federal Assistance, SF-424	Required.	Instructions on how to complete this form can be found on Grants.gov.
PRA Detailed Budget, HUD-92239	Required.	HUD instructions to grantees are provided by webcast.
HUD Applicant Recipient Disclosure Report (HUD) 2880 Applicant/Recipient Disclosure/Update Report	HUD will provide instructions to grantees on how the form is to be submitted.	HUD instructions to grantees are provided by webcast, To view the webcast, <a href="#">click here</a> .

Additionally, your complete application must include the following narratives and non-form attachments.



TAB NUMBER	ITEM	NUMBER OF PAGES, IF APPLICABLE	SUBMISSION REQUIREMENTS	NOFA SECTION REFERENCE
A.	Abstract/(including Narrative for Rating Factor 1)		Applicants and Co-Applicants, (if any) must also provide this information. The Abstract must not exceed 5 pages.	Section V.B.1, Rating Factor 1
B.	Inter-agency Partnership Agreement		Required.	Section III.C.4., Program Specific Threshold Requirements
C.	Need/Using housing as platform for improving of life			Section V.B.2, Rating Factor 2
D.	Soundness of Approach/Implementation Plan		The plan must be labeled identical to parts "a" through "e" as defined in the rating factor	Section V.B.3, Rating Factor 3
E.	Achieving Results, Program Innovation and Evaluation			Section V.B.4, Rating Factor 4
F.	Letters of Intent		This may include commitment letters or letters of intent.	Section.I.A.4, Program Definitions

## 2. Format and Form.

Narratives and other attachments to your application must follow the following format guidelines.

**Format:** Applicant must not exceed 40 pages. Page limits (other than for supporting documentation) refer to double spaced pages with no smaller than 1-inch margins and, for all narrative pages, Times New Roman font in at least 12-point size. Page limits do not include documentation in other tabs which are cross-referenced in the narrative. All narrative pages must be numbered and organized by tab section, please see Section IV.B.1. Applicants must use 8 1/2 x 11-inch layout. No more than one page of text may be placed on one page; i.e., you may not shrink pages to get two or more on a page. Except in the case of schematic drawings, shrunken pages, or pages where a minimized/reduced font are used, will be counted as multiple pages. Please do not use end notes or footnotes and do not format your narrative in columns. Pages with text in columns will be counted as two pages. The maximum page limits, where applicable, are indicated below for each of the required narratives and supporting documents.

**Content of Application and Identification of Documents:** A complete application must include all the information, materials, forms and documents listed above, as applicable.

### **C. System for Award Management (SAM) and Dun and Bradstreet Universal Numbering System (DUNS) Number.**

#### **1. SAM Registration Requirement.**

Applicants must be registered with SAM before submitting their application. In addition, applicants must maintain an active SAM registration with current information while they have an active Federal award or an application or plan under consideration by HUD.

#### **2. DUNS Number Requirement.**

Applicants must provide a valid DUNS number, registered and active at SAM, in the application. DUNS numbers may be obtained for free from [Dun & Bradstreet](#).

#### **3. Requirement to Register with Grants.gov.**

Anyone planning to submit applications on behalf of an organization must register at Grants.gov and be approved by the EBiz Point of Contact in SAM to submit applications for the organization.

Registration for SAM and Grants.gov is a multi-step process and can take four (4) weeks or longer to complete if data issues arise. Applicants without a valid registration cannot submit an application through Grants.gov. Complete registration instructions and guidance are provided at Grants.gov. See also Section IV.B for necessary form and content information.

### **D. Application Submission Dates and Times.**

The application deadline is 11:59:59 p.m. Eastern time on **02/10/2020**. Applications must be received no later than the deadline.

Submit your application to Grants.gov unless a waiver has been issued allowing you to submit your application in paper form. Instructions for submitting your paper application will be contained in the waiver of electronic submission.

"Received by Grants.gov" means the applicant received a confirmation of receipt and an application tracking number from Grants.gov. Grants.gov then assigns an application tracking number and date-and time-stamps each application upon successful receipt by the Grants.gov system. A submission attempt not resulting in confirmation of receipt and an application tracking number is not considered received by Grants.gov.

Applications received by Grants.gov must be validated by Grants.gov to be received by HUD.

"Validated by Grants.gov" means the application has been accepted and was not rejected with errors. You can track the status of your application by logging into Grants.gov, selecting "Applicants" from the top navigation, and selecting "Track my application" from the dropdown list. If the application status is "rejected with errors," you must correct the error(s) and resubmit

the application before the 24-hour grace period ends. Applications in “rejected with errors” status after the 24-hour grace period expires will not be received by HUD. Visit Grants.gov for a complete description of processing steps after submitting an application.

HUD strongly recommends applications be submitted at least **48 hours before the deadline** and during regular business hours to allow enough time to correct errors or overcome other problems.

You can verify the contents of your submitted application to confirm Grants.gov received everything you intended to submit. To verify the contents of your submitted application:

- Log in to Grants.gov.
- Click the Check Application Status link, which appears under the Grant Applications heading in the Applicant Center page. This will take you to the Check Application Status page.
- Enter search criteria and a date range to narrow your search results.
- Click the Search button. To review your search results in Microsoft Excel, click the Export Data button.
- Review the Status column.
- To view more detailed submission information, click the Details link in the Actions column.
- To download the submitted application, click the Download link in the Actions column.

Please make note of the Grants.gov tracking number as it will be needed by the Grants.gov Help Desk if you seek their assistance.

HUD may extend the application deadline for any program if Grants.gov is offline or not available to applicants for at least 24 hours immediately prior to the deadline date, or the system is down for 24 hours or longer and impacts the ability of applicants to cure a submission deficiency within the grace period.

HUD may also extend the application deadline upon request if there is a presidentially-declared disaster in the applicant’s area.

If these events occur, HUD will post a notice on its website establishing the new, extended deadline for the affected applicants. HUD will also include the fact of the extension in the program’s Notice of Funding Awards required to be published in the Federal Register.

In determining whether to grant a request for an extension based on a presidentially-declared disaster, HUD will consider the totality of the circumstances including the date of an applicant’s extension request (how closely it followed the basis for the extension), whether other applicants in the geographic area are similarly affected by the disaster, and how quickly power or services are restored to enable the applicant to submit its application.

**PLEASE NOTE:** Busy servers, slow processing, large file sizes, improper registration or

password issues are not valid circumstances to extend the deadline dates or the grace period.

### **1. Amending or Resubmitting an Application.**

Before the submission deadline, you may amend a validated application through Grants.gov by resubmitting a revised application containing the new or changed material. The resubmitted application must be received and validated by Grants.gov by the applicable deadline.

If HUD receives an original and a revised application for a single proposal, HUD will evaluate only the last submission received by Grants.gov before the deadline.

### **2. Grace Period for Grants.gov Submissions.**

If your application is received by Grants.gov before the deadline, but is rejected with errors, you have a grace period of 24 hours after the application deadline to submit a corrected, received, and validated application through Grants.gov. The date and time stamp on the

Grants.gov system determines the application receipt time. Any application submitted during the grace period not received and validated by Grants.gov will not be considered for funding. There is no grace period for paper applications.

### **3. Late Applications.**

An application received after the NOFA deadline date that does not meet the Grace Period requirements will be marked late and will not be received by HUD for funding consideration. Improper or expired registration and password issues are not causes that allow HUD to accept applications after the deadline.

### **4. Corrections to Deficient Applications.**

HUD will not consider information from applicants after the application deadline. HUD may contact the applicant to clarify information submitted prior to the deadline. HUD will uniformly notify applicants of each curable deficiency. A curable deficiency is an error or oversight that, if corrected, it would not alter, in a positive or negative fashion, the review and rating of the application. See curable deficiency in the definitions section (Section I.A.3.). Examples of curable (correctable) deficiencies include inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

When HUD identifies a curable deficiency, HUD will notify the authorized representative by email. This email is the official notification of a curable deficiency. Each applicant must provide accurate email addresses for receipt of these notifications and must monitor their email accounts to determine whether a deficiency notification has been received. The applicant must carefully review the request to cure a deficiency and must provide the response in accordance with the instructions contained in the deficiency notification.

Applicants must email corrections of curable deficiencies to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) within the time limits specified in the notification. The time allowed to correct deficiencies will be no less than 48 hours and no more than 14 calendar days from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when

HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open.

The subject line of the email sent to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) must state: Technical Cure and include the Grants.gov application tracking number or the GrantSolutions application number (e.g., Subject: Technical Cure - GRANT123456 or Technical Cure - XXXXXXXXXXXX). If this information is not included, HUD cannot match the response with the application under review and the application may be rejected due to the deficiency.

Corrections to a paper application must be sent in accordance with and to the address indicated in the notification of deficiency. HUD will treat a paper application submitted in accordance with a waiver of electronic application containing the wrong DUNS number as having a curable deficiency. Failure to correct the deficiency and meet the requirement to have a DUNS number and active registration in SAM will render the application ineligible for funding.

**5. Authoritative Versions of HUD NOFAs.** The version of these NOFAs as posted on Grants.gov are the official documents HUD uses to solicit applications.

**6. Exemptions.** Parties that believe the requirements of the NOFA would impose a substantial burden on the exercise of their religion should seek an exemption under the Religious Freedom Restoration Act (RFRA).

#### **E. Intergovernmental Review.**

This program is subject to Executive Order 12372, Intergovernmental Review of Federal Programs. Executive Order 12372 allows each state to designate an entity to perform a state review function. To determine if your state has designated a State Point of Contact (SPOC), please see the [SPOC List at OMB](#). States not listed on the website have chosen not to participate in the intergovernmental review process and, therefore, do not have a SPOC. If your state has a SPOC, you should contact the SPOC to see if that person/office is interested in reviewing your application before you submit it to HUD.

#### **F. Funding Restrictions.**

The initial Project Rental Assistance must cover five years of funding and administrative costs are limited to no more than eight (8) percent of the annual Section 811 PRA award. For more information on funding restrictions, see Sections III.A.2.b. and III.E.2.

Indirect Cost Rate.

Normal indirect cost rules apply. If you intend to charge indirect costs to your award, your application must clearly state the rate and distribution base you intend to use. If you have a Federally negotiated indirect cost rate, your application must also include a letter or other documentation from the cognizant agency showing the approved rate. Successful applicants whose rate changes after the application deadline must submit new rate and documentation.

Nongovernmental organizations and Indian tribal governments. If you have a Federally negotiated indirect cost rate, your application must clearly state the approved rate and distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate. If you have never received a Federally negotiated indirect cost rate and elect to use the de minimis rate, your application must clearly state you intend to use the de minimis rate of 10% of Modified Total Direct Costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. Once elected, the de minimis rate must be applied consistently for all Federal awards until you choose to negotiate for a rate, which you may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

State and local governments. If your department or agency unit has a Federally negotiated indirect cost rate, your application must include that rate, the applicable distribution base, and a letter or other documentation from the cognizant agency showing the negotiated rate. If your department or agency unit receives more than \$35 million in direct federal funding per year, you may not claim indirect costs until you receive a negotiated rate from your cognizant agency for indirect costs as provided in Appendix VII to 2 CFR part 200.

If your department or agency unit receives no more than \$35 million in direct federal funding per year and your department or agency unit has developed and maintains an indirect cost rate proposal and supporting documentation for audit in accordance with 2 CFR part 200, Appendix VII, you may use the rate and distribution base specified in that indirect cost rate proposal.

Alternatively, if your department or agency unit receives no more than \$35 million in direct federal funding per year and has never received a Federally negotiated indirect cost rate, you may elect to use the de minimis rate of 10% of MTDC. As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. Once elected, the de minimis rate must be applied consistently for all Federal awards until you choose to negotiate for a rate, which you may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

## **G. Other Submission Requirements.**

### **1. Application Certifications and Assurances.**

By signing the forms in the SF-424 either through electronic submission or in paper copy submission (for those granted a waiver), the applicant and the signing authorized representative affirm that they have reviewed the certifications and assurances associated with the application for federal assistance and (1) are aware the submission of the SF424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which HUD will rely when making an award to the applicant. If it is later determined the signing authorized representative to the application made a false certification or assurance, caused the submission of a false certification or assurance, or did not have the authority to make a legally binding

commitment for the applicant, the applicant and the individual who signed the application may be subject to administrative, civil, or criminal action. Additionally, HUD may terminate the award to the applicant organization or pursue other available remedies. Each applicant is responsible for including the correct certifications and assurances with its application submission, including those applicable to all applicants, those applicable only to federally-recognized Indian tribes, and those applicable to applicants other than federally-recognized Indian tribes. All program-specific certifications and assurances are included in the program Instructions Download on Grants.gov.

**2. Lead Based Paint Requirements.**

When providing education or counseling on buying or renting housing that may include pre-1978 housing, when required by regulation or policy, applicants must inform clients of their rights under the Lead Disclosure Rule (24 CFR part 35, subpart A), and, if the focus of the education or counseling is on rental or purchase of HUD-assisted pre-1978 housing, the Lead Safe Housing Rule (subparts B, R, and, as applicable, F - M).

**V. Application Review Information.**

**A. Review Criteria.**

**1. Rating Factors.**

Eligible Applicants should review the factors carefully and respond specifically to each factor since project locations are not identified prior to award.

**Rating Criteria.** The maximum number of points to be awarded for the Section 811 PRA program is 100.

Rating Factor 1: Applicant and State Health and Human Service/Medicaid Agencies Relevant Experience, Capacity, and Readiness	Maximum Points: 33
--	--------------------

The Eligible Applicant and the State Health and Human Services/Medicaid Agency or Agencies must each demonstrate its ability, capacity, and readiness to undertake the proposed activities, use its award successfully, and maintain compliance with its grant terms. **The Eligible Applicant must provide the Abstract in the application under Tab A. The contents of the Abstract are listed below:**

**Abstract Content.** Applications must contain an Abstract. The information in the Abstract should not be more than 5 pages. The following elements below should be addressed:

- (1) Name of the Applicant
- (2) Mailing Address, including city, state, and zip code
- (3) Name of Applicant Director or CEO
- (4) Primary Contact Name and Title

- (5) Contact Telephone Number and Email Address
- (6) Name, title and contact information of the primary contact at the State Health and Human Service Agency and the name, title, and contact information for the primary contact at the State Medicaid Agency identified in the Partnership Agreement
- (7) Number of units to be funded with the PRA funds
- (8) Total dollars of Section 811 PRA funds requested by the applicant, including the amount of the administrative fee

**(9) Eligible Applicant’s Relevant Experience, Capacity, and Readiness.** The Eligible Applicant should provide a narrative that describes the Eligible Applicant’s, Co-Applicant’s, and/or contractor’s experience. The narrative should address the Eligible Applicant’s, as well as its leadership’s and key staff’s, relevant experience, such as in compliance and monitoring, management of affordable multifamily rental housing, and management of Section 8 project-based rental assistance programs utilizing TRACS. The requirements of Applicant’s Relevant Experience, Capacity, and Readiness, below in Section V.A.1.a., must be addressed in this element.

**(10) State Health and Human Service/Medicaid Agencies’ Relevant Experience and Capacity.** The Eligible Applicant should provide a narrative that describes the State Health and Human Service/Medicaid Agencies’ relevant experience and capacity. The narrative should address the State Health and Human Service/Medicaid agencies’ general experience and experience with supportive housing and working with housing providers. The requirements of State Health and Human Service/Medicaid Agencies’ Relevant Experience and Capacity, below in Section V.A.1.b., must be addressed in this element.

**NOTE: Co-Applicants, if any, must also provide information as identified in (1) to (5) above.**

**a. Eligible Applicant’s Relevant Experience, Capacity, and Readiness (up to 18 points).**

**(1) Applicant and/or Other Housing Agencies Description of Relevant Experience (up to 3 points).** Describe the Eligible Applicant and any other housing agencies participating in this program. Eligible Applicants should demonstrate recent (within five (5) years) and relevant experience directly related to the financing of affordable rental multifamily housing and asset management of a portfolio of affordable multifamily housing units, particularly experience funding permanent supportive housing. The principal tasks that the Eligible Applicant must address include, but are not limited to:

- i. reviewing applications for funding
- ii. underwriting and awarding funds
- iii. negotiating and executing rental assistance contracts

If the Lead Applicant is partnering with another housing agency as a co-applicant, a joint letter, agreement or MOU must be included. As applicable, the Eligible Applicant may also describe the experience of one or more entities with whom the



applicant has partnered, contracted, or proposes to contract with to provide services as required under this NOFA.

**(2) Compliance and Monitoring Experience (up to 4 points).** Describe experience in managing programs with a portfolio of projects with similar program requirements. Outline how the Eligible Applicant currently monitors program compliance during construction and operation. The monitoring experience should include physical inspections and occupancy and management reviews. Describe the Eligible Applicants' and Co-Applicants' capacity and readiness to successfully implement proposed activities including necessary financial resources, technical expertise, reporting systems, and other experience associated with proposed activities. To receive maximum points, Eligible Applicants must demonstrate substantial experience assessing the management and oversight of permanent housing programs that target vulnerable populations who would best benefit from affordable housing with community-based long-term services and supports.

**(3) Management of Affordable Multifamily Rental Housing (up to 4 points).** In this narrative, provide a brief description of each of the affordable multifamily rental housing program(s) that the Eligible Applicant is responsible for managing, the number of projects awarded over the last three (3) years, the total amount and type of subsidy funding or financing provided, the number of units in each project, and the number of units assisted (if different from total units in project). Specify the supportive housing programs included or identify the number of supportive housing units funded.

**(4) Leadership and Key Staff's Capacity (up to 2 points).** Outline the specific tasks that the Eligible Applicant and any other housing agencies will undertake and be responsible for managing. Identify and describe the Eligible Applicant's leadership team integral to implementation of the program. Describe the roles and responsibilities of other key staff responsible for this program. Include a specific description of how many Full Time Equivalents (FTEs) staff from which agencies will be tasked with operations of this program.

**(5) Managing Section 8 Project-based Rental Assistance programs utilizing HUD's Tenant Rental Assistance Certification System (TRACS) (up to 5 points).** This section must include a detailed description of the Eligible Applicant's and/or Co-Applicant's experience administering HUD Multifamily project-based Section 8 programs including previous experience in administering the PRA program. If awarded, Grantees will be required to ensure that tenant data is entered into TRACS in the administration of the Section 811 PRA program.

To receive maximum points, the Eligible Applicant should have at least ten (10) years of experience administering project-based Section 8 programs with five (5) years of that experience taking place in the last five (5) years. Eligible Applicants with minimal to no TRACS experience must agree to contract with another entity such as a PBCA, TCA, or a private entity that has 10 years' experience with five (5) years of experience occurring within the last five (5) years. If the Eligible is contracting with another entity for this function, the Eligible Applicant must provide a letter of intent or a MOU. Eligible Applicants may substitute PBCAs or other contractors after the

award with HUD approval. Eligible Applicants should describe their actual experience or the experience of the contracted entity performing tasks relating to the administration of a project-based Section 8 program utilizing TRACS, including the following:

i. Examples of managing a portfolio of affordable multifamily housing units that specifically includes a HUD Multifamily project-based Section 8 program.

**(NOTE: This experience can include serving as a PRA Grantee, Performance-Based Contractor Administrator (PBCA), Traditional Contract Administrator (TCA), or a third-party contractor with extensive experience managing project-based Section 8 programs).**

ii. Dates of experience and whether the experience is current or within the last five years in order to earn minimum points.

**(6) Past Performance and/or Past Noncompliance (up to -10 points).**

i. **Past Performance (up to -5 points).** If Eligible Applicants have previously received funding through a Section 811 PRA NOFA, HUD will deduct points for Eligible Applicants whose performance data demonstrates low quality or partial implementation.

ii. **Past Non-compliance (up to -5 points).** If Eligible Applicants have previously received funding through any HUD program, HUD will consider and may deduct points for an Eligible Applicant (or its affiliates) that has a documented history of non-compliance with:

- Maintaining adequate financial resources (up to -3 points); and/or
- Inadequate reporting systems or ongoing failure to report timely (up to -2 points) as measured by the terms of that program funding.

HUD will use existing criteria or information in evaluating an Eligible Applicant's past performance or past non-compliance. For Eligible Applicants and partnering agencies that have received awards from other federal programs, HUD reserves the right to contact officials from the appropriate federal agency or other agencies to determine whether the applicant is compliant with current or prior award agreements, and to take such information into consideration in rating this sub-factor.

**b. State Health and Human Service/Medicaid Agencies' Relevant Experience and Capacity (up to 15 points)**

(1) **General Experience (up to 8 points).** The State Health and Human Services/Medicaid agencies that are parties to the grant application will also need to include its management staff and key staff responsible for their program administration in this partnership. Describe the State Health and Human Service/Medicaid agencies' capacity to successfully implement proposed activities including necessary financial resources, technical expertise, reporting systems, and other experience associated with proposed activities. The State should demonstrate its experience providing long-term services and supports network to vulnerable populations living in or transitioning to the community. Eligible Applicants must

demonstrate that they have an acceptable home and community-based services infrastructure including the capacity to conduct person-centered needs assessments, providing adequate services and supports, and conduct program monitoring. Evidence of experience may include descriptions of long-term services and supports programs under the Money Follows the Person (MFP) Rebalancing Demonstration Program Medicaid State Plan, 1915(c) or 1915(i) waiver programs, or programs specifically designed to divert or delay individuals from entering institutions.

**(2) Experience with Supportive Housing and working with housing providers (up to 7 points).** The State Health and Human services/Medicaid agencies should demonstrate experience transitioning individuals from institutions or from homelessness into affordable housing in the community with access to supportive services. This description should include a discussion of how the State Health and Human services/Medicaid agencies have worked with state housing agencies or other affordable housing programs. Evidence may include experience with the CMS Money Follows the Person (MFP) Rebalancing Demonstration or other similar efforts to integrate affordable housing with community-based long-term supports and services. Include a discussion on the role of the housing providers.

Rating Factor 2: Need/Using housing as a platform for improving of life

Maximum Points: 5

Describe and document how this funding will address a specific need for housing for extremely low-income persons with disabilities who are eligible for services from Medicaid or another similar program in the Eligible Applicant's state. In addition to statistical data to quantify the need related to the target population(s), describe how this funding will address a specific issue or issues or fill a gap in a state's existing continuum of services for persons with disabilities, such as a particular program issue that the State has been attempting to solve beyond its basic need for affordable housing for persons with disabilities. For example, this funding may assist a state seeking to transition persons from institutional care into integrated housing or working to ensure that persons at risk of institutionalization remain in community-based settings in accordance with the Supreme Court's *Olmstead v. L.C.* decision. Programs will earn maximum points if they are designed in response to *Olmstead*-related litigation or enforcement (*e.g.*, settlement agreement, court order, or consent decree) or designed to complement a State's voluntary affirmative *Olmstead* planning and implementation efforts that are clearly outlined, with implementation underway evidenced by significant progress such as financial

commitments or new governance structures or numbers of persons with disabilities transitioned into the community. Points will be provided based on how the State has been directing resources or partnership efforts to address a goal relative to the need for this type of subsidy or how this specific gap financing will enable the state to accomplish a specific program initiative or *Olmstead*-related objective. Eligible Applicants should describe what structural changes are being made in the way the Health & Human Services/Medicaid agency partners connect individuals with housing resources. For example, what changes are being made within the State's service delivery system that will be supported by the award of these PRA funds and how will that assist the State in meeting *Olmstead* related obligations. Additional documentation can be provided in the attachments. **Eligible Applicants must provide the required documents/information in the application under Tab C.**

**Rating Factor 3. Soundness of Approach/Implementation Plan** **Maximum Points: 55**

This factor focuses on the Eligible Applicant's PRA program design and operation, management and oversight, the integration of services provided by the State Health and Human Service/Medicaid Agency or agencies and the timely implementation of the State's program. HUD is seeking to fund high quality and effective programs. The Eligible Applicant must demonstrate how its PRA program will work to stimulate, support, and advance the availability of integrated housing for persons with disabilities in a timely manner. Eligible Applicants should briefly discuss these in the context of existing state analysis of Impediments as a component of the States plans, and how determinations will be made in relation to those plans, Transportation plans, and any other existing state or regional development plans, and how determinations will be made in relation to those plans. Working in partnership with the State Health and Human Services/Medicaid agency, the Eligible Applicant should include the specific financing and development programs that will be included in the program, the number of units that will be provided, and the amount of the HUD Section 811 PRA funds requested. **Eligible Applicants must provide the required documents/information in the application under Tab D.**

**Implementation Plan.** Eligible Applicants should submit a plan that outlines and describes the proposed State's PRA program. The Implementation Plan should be based upon and specifically reference the formal agreement between the Eligible Applicant and the State Health and Human Service Agency/Medicaid agency described in Section III.C.3.b.2.(ii). It should incorporate and expand upon the specific elements of the agreement including a detailed description of the target populations and method of outreach and referral. The Implementation Plan must incorporate the commitment to the specific roles and responsibilities.

HUD will consider the extent to which the Eligible Applicant thoroughly describes their program plan. The Implementation Plan must include the following sections below a-e as part of the plan:

**a. Identification of Units (up to 10 points)**

(1) **Project Selection Criteria (up to 8 points).** Provide the project selection criteria that will be used for this program and how it will be implemented. Eligible Applicants are not required to identify specific projects for which PRA funds will be allocated, but they must provide enough justification for how projects will be selected, including any special qualifications or program requirements. Eligible Applicant's State PRA programs can include a range of properties including new construction, substantially

rehabilitated, and existing properties. Specify what range/type of properties will be included and how the applicant will ensure that each will be high-quality and well-managed properties.

- i. **Existing Properties.** If the Eligible Applicant plans to provide assistance at existing properties, HUD is particularly interested in the criteria and methodology that the Eligible Applicant will use to select the properties and track the turnover of units. In addition, Eligible Applicants must provide a plan if units do not turnover in a timely matter.
- ii. **New Construction.** Eligible Applicants that will target new construction will receive more points than those Eligible Applicants that solely targets existing properties.
- iii. **Existing oversight.** Eligible Applicants that solely fund projects where the Eligible Applicant has existing oversight will receive at a 4 points.
- iv. **Outreach of the Availability of Funds.** Describe how owners and developers will be informed of the availability of funding and how the Eligible Applicant's state program will be structured to ensure participation.

(2) **PRA Program Funding Structure (up to 2 points).** Specify what development and/or financing program(s) will be used to create and/or develop PRA units (State Housing Trust funds, 4% and 9% LIHTC, tax-exempt financing, etc.). Include a detailed description of the program(s) identified including program requirements and procedures used to award funding.

**b. Alignment of New or Existing Housing Strategies or Initiatives. (up to 10 points).** HUD seeks to identify Eligible Applicants that will be able to align their PRA program with state or local initiatives that will increase the supply of permanent supportive housing for persons with disabilities. Eligible Applicants should describe key state housing policies that reflect a commitment to support the program proposed in the PRA application. Approaches may include requiring set-asides in LIHTC Qualified Allocation Plans (QAP), local jurisdiction's capital financing strategies, or other rental housing finance and development programs that will increase the production of affordable supportive housing aligned with the PRA program goals of integrating units into traditional multifamily developments. HUD encourages grantees to consider placing units in Opportunity Zones.

- i. **Existing Strategies or Initiatives.** Eligible Applicants that evidence the existence of set-asides, incentives or significant competitive priorities in their primary housing production programs that will directly result in the creation of PRA units in multifamily projects, such as the Low-Income Housing Tax Credit Qualified Allocation Plan (QAP), or have similar program(s) designed to create supportive housing units in newly developed and substantially rehabilitated multifamily projects, may receive maximum points in this section.
- ii. **Implementation of New Strategies or Initiatives.** Eligible Applicants with no existing programs but that will implement set-asides, incentives or other significant competitive priorities for this PRA program within a calendar year after execution of the award will receive only 5 points under this sub-factor.

Furthermore, Eligible Applicants who solely target existing properties will not receive any points under this sub-factor.

**c. Calculation of PRA funds (up to 10 points).** Specify how the amount of requested PRA funds were determined, including the assumptions and methodology for calculating and tracking the Rental Assistance and Program Administrative Costs. The PRA detailed budget and the narrative response to the sub-factors below will be used to determine points under this subsection.

**(1) Rental Assistance Calculations (up to 5 points).** Eligible Applicants must identify what methodology will be used for establishing initial contract rents as well as annual rent adjustments and any other assumptions used in projecting the amount of rental assistance funds required. Applicants must also describe their methodology for tracking the expenditures of the rental assistance funds. In no circumstance may the initial RAC rent level exceed the applicable Section 8 Fair Market Rent, unless such rent level is substantiated by a market study that has been prepared in accordance with the requirements of a state housing agency, Chapter 9 of HUD's Section 8 Renewal Guide (see [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/mfhsec8](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/mfhsec8)) or as approved by HUD – see Section III.C.3 Program Requirements. Rents can only be adjusted annually based upon HUD's Operating Cost Adjustment Factor (OCAF) or other operating cost index proposed by the applicant and approved by HUD. Since this award includes funding for the first five years, applicants should carefully prepare this budget. Applicants should use one of the following data sets to determine the expected average tenant payment: a) the average tenant payment in the Section 811 PRA (if Eligible Applicant has received previous funding under the program) or Section 811 PRAC program, or b) the average state median income available on HUD's website at <https://www.huduser.gov/portal/datasets/il.html>. Average tenant payment in the Section 811 PRA program proposed should be similar to any existing 811 PRA tenant payment or 811 PRAC tenant payment.

**(2) Program Administrative Costs (up to 5 points).** In addition to the HUD-form 92239 detailed budget, provide a narrative with appropriate justification for the use of grant funds and the methodology that will be used to track expenditures for the administrative costs requested for this 5-year funding period.

**d. Program Implementation Schedule (up to 10 points).** HUD seeks to fund programs that will begin identifying units within 6 months and the leasing of units within 18 months after execution of a Cooperative Agreement. HUD will evaluate applications in this rating subfactor based on the milestones that need to be accomplished to develop this program. Eligible Applicants should be reasonable in setting milestones and take into consideration factors such as construction periods, unit turnover, transitioning of residents, and other factors that might impact the timely occupancy of units.

Include a schedule that outlines the occupancy goals annually. Describe the methodology used to determine unit occupancy goals in the schedule. The schedule should project the number of units to be funded per fiscal year quarters over the 5-year funding period for this grant. Consistent with the HUD-form 92239 PRA Detailed budget described above, if units are occupied in Year 2 of the program, the Implementation Schedule will extend to

Year 6 to allow for the full 5 years of funding per unit in the program. This schedule will be incorporated into the Cooperative Agreement with HUD.

**NOTE:** Program funds not utilized as outlined in the Implementation Plan and Schedule may be subject to rescission as described in 2 CFR 200.338.

**e. Integration of Services (up to 15 points).**

**(1) Management and Coordination of Services (up to 10 points).** The details provided in the Inter-Agency Partnership agreement will be used to determine points under this sub-factor. HUD is seeking Eligible Applicants that provide a high quality and detailed Inter-Agency Partnership agreement that goes beyond the minimum program requirements set-forth in “Program Specific Threshold Requirements.” The Inter-Agency Partnership agreement should include a description of the supportive services; the entity or agency responsible for the overall integration effort; how the services will be provided and how tenants will access those services; whether new or existing programs are involved; and demonstrate Eligible Applicant’s understanding that participation in these services are voluntary.

i. **Management.** Eligible Applicants must provide a description of how ongoing housing program management and management of services will be handled between agencies. The description should also include the strategy for continuous improvement of the program, including specifics regarding operational details relative to the commitment of services. Eligible Applicants must describe how the housing staff will interact with the service providers and planned efforts to support training and coordination of program implementation, including any necessary training, between the housing and service partners.

ii. **Coordination.** HUD is interested in understanding how services will be coordinated throughout the state. Describe what staff and agency will be managing the outreach, referrals, and waiting lists to successfully identify and refer prospective tenants to owners/management agents of these supportive housing units in a timely and efficient manner, particularly if the state program includes several targeted populations. Identify how staff will be assigned to efficiently work with owners/management agents of PRA units throughout the state and how they will be managed. Specify how dispute resolution between residents and owners/management agents will be managed, tracked, and reported, particularly how a range of program/service needs will be addressed within one multifamily property.

**(2) Systems in Place (up to 5 points).** Describe the information technology systems and associated staffing structures that you currently have in place or will be putting in place to track, monitor, and oversee the implementation of this program. Specifically, how will you:

- i. Identify entities responsible for outreach to the various target populations/sub-populations
- ii. Manage waiting lists
- iii. Communicate with owners/property managers of PRA units

- iv. Track the referral process (e.g. how many applicants are referred to one available PRA unit, and how are they sequenced and tracked) and synchronize the referral process with a unit-tracking system identifying available new and/or turnover units in each locality with PRA units.
- v. Describe the software system you are using and provide representative screen shots. Describe how performance measures for each program component will be tracked. Describe the staff and/or contract support that is expected to develop the IT infrastructure if such does not exist at this time.

Rating Factor 4: Achieving Results, Program Innovation and Evaluation

Maximum Points: 7

**a. System Change (up to 5 points).** Describe how the system change will impact the PRA program management and operation, as well as the performance measures used to determine effectiveness. To receive maximum points under this subfactor, Eligible Applicants must address the elements below:

(1) **Increase Access to Permanent Supportive Housing.** Describe and document the extent to which your state system of producing housing and services for persons with disabilities has resulted or will result in access to affordable permanent supportive housing beyond Section 811 PRA units. For example, Eligible Applicants may describe their previous experience with operating PRA or similar programs and previous collaborations with the State Health and Human Service/Medicaid agencies that have transformed and increased housing for persons with disabilities with access to long-term community-based services. HUD is seeking Eligible Applicants with unique approaches that have resulted in system change solutions, such as tracking, targeting, and referrals systems that will creatively combine PRA into an existing housing finance program.



**(2) Removing Regulatory Barriers to Increase the Production of Affordable Housing.** Describe any efforts the state has undertaken to remove regulatory barriers to the development of affordable housing. For more information, please refer to Executive Order on Eliminating Regulatory Barriers to Affordable Housing (<https://www.whitehouse.gov/presidential-actions/executive-order-establishing-white-house-council-eliminating-regulatory-barriers-affordable-housing/>).

**(3) Evaluation of Existing Programs.** For Eligible Applicants that have existing programs that have led to the increased production of permanent supportive housing for persons with disabilities, discuss unanticipated outcomes, savings, approaches, and/or partnerships. Applicants should provide a description of the mechanism used to evaluate the success of existing programs that have similar goals to the PRA program.

**b. Expand Cross-Cutting Policy Knowledge (up to 2 points).** Taking successful models to other communities requires quantitative evidence and public dissemination of this information. HUD's experience is that many state and local organizations and governments collect administrative data as part of their regular operations. Policymakers at all levels could benefit from this rich data that HUD's grantees collect. To receive the points under this sub-factor, HUD expects applicants to demonstrate their willingness to collaborate with policy researchers and program evaluators to quantify the accomplishments of this program and to increase the overall body of policy knowledge.

HUD seeks to fund Eligible Applicants that go beyond the specific outcomes of this program to provide information that informs future policymaking and that support knowledge sharing and innovation by disseminating best practices, encouraging peer learning, publishing data analysis and research, and helping to incubate and test new ideas. All Eligible Applicants must demonstrate the direct impact of their programs as described in this NOFA. To receive points for this sub-factor, grantees must go beyond these requirements and detail other outcomes to be improved. Examples might include reduction in housing and service cost per beneficiary; changes in the amount and quality of services received by the target populations; integration of the target population in supportive housing, such as the social interaction of the target populations with existing multifamily residents; health outcomes, such as changes in well-being; the level of coordination of housing and health services, such as the coverage of case management or service coordinators; or structural, process, and outcome measures that can capture the level of integration of services.

To achieve full points, the Eligible Applicant must indicate what administrative data they and/or partner organizations will collect on primary and secondary outcomes for the target population, as described in their Implementation Plan. The Eligible Applicants must describe the extent of data on primary and secondary outcomes made available to policy researchers through documentation, such as a letter of cooperation, demonstrating a data-sharing agreement.

**Eligible Applicants must provide the required documents/information in the application under Tab E.**

## **2. Other Factors.**

### **Preference Points.**

HUD encourages activities in Opportunity Zones (OZ) and activities in collaboration with HBCUs. HUD may award two (2) points for qualified activities supporting either or both initiative(s). In no case will HUD award more than two preference points for these activities.

### **Opportunity Zones.**

This program does not offer Opportunity Zone preference points.

### **HBCU.**

This program does not offer HBCU preference points.

## **B. Review and Selection Process.**

### **1. Past Performance**

In evaluating applications for funding, HUD will consider an applicant's past performance in managing funds. Items HUD may consider include, but are not limited to:

- The ability to account for funds appropriately;
- Timely use of funds received from HUD;
- Timely submission and quality of reports submitted to HUD;
- Meeting program requirements;
- Meeting performance targets as established in the grant agreement;
- The applicant's organizational capacity, including staffing structures and capabilities;
- Time-lines for completion of activities and receipt of promised matching or leveraged funds;
- and
- The number of persons to be served or targeted for assistance;

HUD may reduce scores as specified under V. A. Review Criteria. Whenever possible, HUD will obtain past performance information. If this review results in an adverse finding related to integrity or performance, HUD reserves the right to take any of the remedies provided in Section III.E Pre-selection Review of Performance, above.

### **2. Assessing Applicant Risk.**

In evaluating risks posed by applicants, the Federal awarding agency may use a risk-based approach and may consider any items such as the following:

- Financial stability;
- Quality of management systems and ability to meet the management standards prescribed in this part;
- History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable

reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;

- Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and
- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

**HUD's selection process is designed to ensure that grants are awarded to Eligible Applicants that submit the most meritorious applications.** HUD will consider the information submitted by the application deadline date. After the application deadline date, HUD may not, consistent with its regulations in 24 CFR part 4, subpart B, consider any unsolicited information that you or any third party may want to provide. HUD may verify information provided application as needed by sending a written request for clarification. Responses to such inquiries regarding Rating Factors will be required within 5 business days of receipt.

### **3. Application Screening**

#### **a. HUD will screen each application to determine if:**

- (1) The eligibility and application requirements outlined in Section III and IV are satisfied
- (2) It is deficient
- (3) It meets the Threshold Requirements in this Program Section of the NOFA.

**b. Threshold Requirements.** All applications must meet all threshold requirements of this NOFA in order to be rated and ranked. Eligible Applicants must demonstrate compliance with the threshold requirements through the information provided in their application, unless instructed otherwise in this NOFA. If an application does not meet all threshold requirements, HUD will not consider the application as eligible for funding and will not rate and rank the application.

**c. Technical Deficiencies.** HUD will screen for technical (not substantive) deficiencies and administer a cure period. Examples of curable (correctable) technical deficiencies include, but are not limited to, inconsistencies in the funding request, failure to submit the proper certifications (e.g., form HUD-2880), and failure to submit a signature and/or date of signature on a certification. Clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within fourteen (14) business days (i.e. excluding Saturdays, Sundays and federal holidays) of the date of the HUD notification. If an Eligible Applicant does not cure all its technical deficiencies that relate to threshold requirements within the cure period, HUD will consider the threshold(s) in question to be failed, will not consider the application as eligible for funding, and will not rate and rank the application.

**d. Applicants must review and follow documentation requirements provided in this Thresholds Requirements Section.** Required forms, certifications and assurances must be included in the Section 811 PRA application.

**e. DUNS Number Requirement.** All Eligible Applicants are advised to check and maintain their DUNS numbers and CCR registrations at [www.sam.gov](http://www.sam.gov) so any updates or changes are completed well in advance of application deadline dates. All applicants must have an active registration in the Central Contractor Registration (CCR) system. In July 2012, the CCR was converted to the System for Award Management (SAM) found at [www.SAM.gov](http://www.SAM.gov). The new SAM website incorporates requirements for Central Contractor Registration (CCR).

#### **4. Preliminary Rating and Ranking.**

##### **a. Rating.**

- (1) Reviewers will preliminarily rate each eligible application, SOLELY based on the rating factors described in V.A of this NOFA.
- (2) HUD will assign a preliminary score for each rating factor and a preliminary total score for each eligible application.
- (3) The maximum number of points for each application is 100.

**b. Ranking.** After preliminary review, applications will be ranked in score order.

#### **5. Final Review Panel.** A Final Review Panel will:

##### **a. Review the Preliminary Rating and Ranking documentation to:**

- (1) Ensure that any inconsistencies between preliminary reviewers have been identified and rectified.
- (2) Ensure that the Preliminary Rating and Ranking documentation accurately reflects the contents of the application.

**b. Assign a final score to each application and rank them in score order.**

**c. Recommendations.** The most highly rated applications will be recommended for selection, subject to the amount of available funding, in accordance with the allocation of funds described in Section II of this NOFA.

#### **6. Funding Decisions.** Awards will be made based on HUD's assessment of the Eligible

Applicant's ability to manage a sustainable permanent affordable housing program for persons with disabilities that successfully integrates residents into the community. Furthermore, Eligible Applicants will be assessed on their ability to use Section 811 PRA funds in accordance with the rating and ranking points system set forth in this document. After all eligible applications have been reviewed and scored, HUD will make award determinations by selecting the highest rated applications. Applications that receive a minimum score of 75 points or more and meet the applicable threshold requirements of this NOFA are eligible for selection.

**7. Tie Scores.** If two or more applications have the same score and there are insufficient funds to select each application, HUD will select for funding the application(s) with the highest score for Rating Factor 3 (Implementation Plan). If a tie remains, HUD will select for funding the application(s) with the highest combine score for Rating Factor 1, (Experience/Capacity/Readiness) and Rating Factor 3 (Soundness of Approach/Implementation Plan).

**8. Debriefing.** For a period of 120 days, beginning 30 days after the final awards for assistance are publicly announced; HUD will provide a debriefing to a requesting unsuccessful Eligible Applicant related to that application. A debriefing request must be made in writing or by email by the applicant's authorized official whose signature appears on the SF-424, or his or her successor in the office and submitted to Katina Washington, Office of Office of Asset Management and Portfolio Oversight, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6150, Washington, DC 20410 or to [HSNG\\_MF\\_HQ\\_FY18\\_811Applications@hud.gov](mailto:HSNG_MF_HQ_FY18_811Applications@hud.gov). Information provided during a debriefing will include, at a minimum, the final score received for each rating factor, final evaluation comments for each rating factor, and the final assessment indicating the basis upon which the award was provided or denied.

## **VI. Award Administration Information.**

### **A. Award Notices.**

Following the evaluation process, HUD will notify successful applicants of their selection for funding. HUD will also notify other applicants, whose applications were received by the deadline, but have not been chosen for award. Notifications will be sent by email to the person listed as the AOR in item 21 of the SF424.

**Negotiation.** After HUD has made selections, some HUD programs may negotiate specific terms of the funding agreement and budget with selected applicants. If HUD and a selected applicant do not successfully conclude negotiations in a timely manner, or a selected applicant fails to provide requested information, an award will not be made to that applicant. In this case, HUD may select another eligible applicant. Consult the program NOFA for specific details.

HUD may impose special conditions on an award as provided under 2 CFR 200.207:

- Based on HUD’s review of the applicant’s risk under 2 CFR 200.205;
- When the applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award;
- When the applicant or recipient fails to meet expected performance goals; or
- When the applicant or recipient is not otherwise responsible.

**Adjustments to Funding.** To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, HUD reserves the right to fund less than the amount requested in an application.

a. HUD will fund no portion of an application that:

- (1) Is not eligible for funding under applicable statutory or regulatory requirements;
- (2) Does not meet the requirements of this notice; or
- (3) Duplicates other funded programs or activities from prior year awards or other selected applicants.

b. If funds are available after funding the highest-ranking application, HUD may fund all or part of another eligible fundable application. If an applicant turns down an award offer, or if HUD and an applicant do not successfully complete grant negotiations, HUD may make an offer of funding to another eligible application.

c. If funds remain after all selections have been made, remaining funds may be made available within the current FY for other competitions within the program area, or be held for future competitions, or be used as otherwise provided by authorizing statute or appropriation.

d. If, after announcement of awards made under the current NOFA, additional funds become available either through the current appropriations, a supplemental appropriation, other appropriations or recapture of funds, HUD may use the additional funds to provide additional funding to an applicant awarded less than the requested amount of funds to make the full award, and/or to fund additional applicants that were eligible to receive an award but for which there were no funds available.

**Funding Errors.** If HUD commits an error that when corrected would cause selection of an applicant during the funding round of a Program NOFA, HUD may select that applicant for funding, subject to the availability of funds.

## **1. Preliminary Selection/Notification.**

**a. Preliminary Selection Letter.** HUD will notify all Eligible Applicants as to the outcome of the preliminary selection process. If an Eligible Applicant is preliminarily selected, HUD will send a letter notifying the Eligible Applicant with instructions on how to proceed with the negotiation and execution of the award documents.

**b. Negotiations and Award.** HUD will require the Eligible Applicant's participation in negotiations to determine the specific terms of the Cooperative Agreement. HUD will follow the negotiation procedures provided within the preliminary selection letter. The selection is preliminary and does not become final until the negotiation between an Eligible Applicant and HUD are successfully concluded, the Implementation Plan is approved by HUD, and the Cooperative Agreement and other award documents are signed and executed.

(1) **Limitations on Award Amounts.** Costs may be denied or modified if HUD determines that they are not allowable, allocable, and/or reasonable.

(2) **Negotiation Results.** As a result of the negotiations, HUD may request the Eligible Applicant to submit revisions to the Implementation Plan. HUD will request these plans to be submitted by email so that the changes can be incorporated into HUD's official electronic files.

(3) **Award Offer.** In cases where HUD cannot successfully conclude negotiations with a selected Eligible Applicant or a selected Eligible Applicant fails to provide HUD with requested information by the deadline stated in the preliminary selection letter, an award will not be made to that Eligible Applicant. In this instance, HUD will preliminarily select and proceed to negotiation with another Eligible Applicant in accordance with the selection process identified in this NOFA. HUD reserves the right to reject an application if information comes to the attention of HUD that adversely affects an Eligible Applicant's eligibility for an award, adversely affects HUD's evaluation or scoring of an application, or indicates evidence of fraud or mismanagement on the part of an Eligible applicant.

**2. Rescission of Funds.** Funds not being utilized in the manner provided or otherwise contemplated under the final Implementation Plan are subject to recapture or de-obligation by HUD, in HUD's sole discretion. Causes for rescission of funding may include, but are not limited to:

**a.** Failure to carry out or meet required deadlines set forth in the Implementation Plan

**b.** Non-performance or improper performance under the terms of the Cooperative Agreement

**c.** Suspension, debarment, or other serious enforcement actions taken against the Grantee, a recipient or affiliates.

**3. Selection of Another Applicant.** If awarded funds are rescinded for any reason, HUD reserves the right, in its sole discretion, to award those funds to another qualified Eligible Applicant.

## **B. Administrative, National and Department Policy Requirements for HUD recipients.**

For this NOFA, the following Administrative, National and Department Policy Requirements and Terms for HUD Financial Assistance Awards apply. Please [Click here](#) to read the detailed description of each applicable requirement.

### 1. Compliance with Non-discrimination and Other Requirements

Unless otherwise specified, these non-discrimination and equal opportunity authorities and other requirements apply to all NOFAs. Please read the following requirements carefully as the requirements are different among HUD's programs.

- Compliance with Fair Housing and Civil Rights Laws, Which Encompass the Fair Housing Act and Related Authorities (cf. 24 CFR 5.105(a)).
  - Affirmatively Furthering Fair Housing.
  - Economic Opportunities for Low-and Very Low-income Persons (Section 3).
  - Improving Access to Services for Persons with Limited English Proficiency (LEP).
  - Accessible Technology.

### 2. Equal Access Requirements.

### 3. Ensuring the Participation of Small Disadvantaged Business, and Women-Owned Businesses.

### 4. Equal Participation of Faith-Based Organizations in HUD Programs and Activities.

### 5. Real Property Acquisition and Relocation.

### 6. Participation in HUD-Sponsored Program Evaluation.

### 7. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

### 8. Drug-Free Workplace.

### 9. Safeguarding Resident/Client Files.

### 10. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended.

### 11. Eminent Domain.

### 12. Accessibility for Persons with Disabilities.

### 13. Violence Against Women Act.

### 14. Conducting Business in Accordance with Ethical Standards/Code of Conduct.

### 15. Environmental Requirements.

Compliance with 24 CFR part 50 or 58 procedures is explained below:

As HUD does not approve program funding for specific activities or projects, it will not perform environmental reviews on such activities or projects. However, to ensure that the tenets of HUD environmental policy and the requirements of applicable statutes and authorities are met, Eligible Applicants selected for funding will be required to implement the Environmental Requirements and Environmental Assurance analyses and determinations for specific program activities and projects. For more information on the requirements and any exceptions, see Section III.E.18. Please note that projects that include funding from other HUD programs (such



as HOME) or that have mortgage insurance through FHA can use environmental clearance under those programs (such as the project has an environmental clearance under 24 CFR Part 50 or 58) in lieu of PRA NOFA requirements as long as the environmental reviews were completed within 5 years and the project description covers the units proposed to be assisted by the PRA.

### **C. Reporting.**

HUD requires recipients to submit performance and financial reports under OMB guidance and program instructions.

**1. Reporting Requirements and Frequency of Reporting.** Applicants should be aware that if the total Federal share of your Federal award includes more than \$ 500,000 over the period of performance, you may be subject to post award reporting requirements reflected in Appendix XII to Part 200-Award Term and Condition for Recipient Integrity and Performance Matters.

**2. Performance Reporting.** All HUD-funded programs, including this program, require recipients to submit, not less than annually, a report documenting achievement of outcomes under the purpose of the program and the work plan in the award agreement.

**3. Race, Ethnicity and Other Data Reporting.** HUD requires recipients that provide HUD-funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987. NOFAs may specify the data collection and reporting requirements. Many programs use the Race and Ethnic Data Reporting Form HUD-27061, U.S. Department of Housing OMB Approval No. 2535-0113.

### **D. Debriefing.**

For a period of at least 120 days, beginning 30 days after the public announcement of awards under this NOFA, HUD will provide a debriefing related to their application to requesting applicants. A request for debriefing must be made in writing or by email by the authorized official whose signature appears on the SF424 or by his or her successor in office and be submitted to the point of contact in Section VII Agency Contact(s), below. Information provided during a debriefing may include the final score the applicant received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

## **VII. Agency Contacts.**

HUD staff will be available to provide clarification on the content of this NOFA.

Questions regarding specific program requirements for this NOFA should be directed to the point of contact listed below.

811 NOFA Team

[FY18811NOFA@hud.gov](mailto:FY18811NOFA@hud.gov)

Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Relay Service at 800-877-8339. Please note that HUD staff cannot assist applicants in preparing their applications.

## **VIII. Other Information.**

### **1. National Environmental Policy Act.**

A Finding of No Significant Impact (FONSI) with respect to the environment has been made for this NOFA in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

The FONSI is available for inspection at HUD's Funding Opportunities web page at:

[https://www.hud.gov/program\\_offices/spm/gmomgmt/grantsinfo/fundingopps](https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps).

**2. Further Information and Technical Assistance.** Before the application deadline date, HUD staff may provide general guidance and technical assistance about this NOFA. However, staff is not permitted to assist in preparing the application. Also, following selection of applicants, but before awards are announced, staff may assist in clarifying or confirming information that is a prerequisite to the offer of an award. An applicant may contact 811 NOFA Team at [HSNG\\_MF\\_HQ\\_FY18811Applications@hud.gov](mailto:HSNG_MF_HQ_FY18811Applications@hud.gov). For technical support for downloading an application or electronic submission of an application, please call Grants.gov help desk at 800-518-GRANTS (this is a toll-free number) or send an email to [support@grants.gov](mailto:support@grants.gov).