

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4581-N-01]

## Fiscal Year 2000 Notice of Funding Availability for the Assisted Living Conversion Program (ALCP) for Section 202 Projects

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

**ACTION:** Notice of funding availability (NOFA).

**SUMMARY:** This NOFA announces the FY 2000 funding available for conversions of units within existing Section 202 projects into licensed Assisted Living Facilities (ALFs).

*Purpose of the Program.* The purpose of this program is to provide the owners/borrowers of Section 202, 202/8 and 202 Project Rental Assistance Contract (PRAC) projects designed for the elderly with a grant to allow conversion of some or all of the units in these housing projects into ALFs serving frail elderly, as defined in Section 232(B)(6) of the National Housing Act.

*Available Funds.* \$50 million for Section 202 conversions to ALFs.

*Eligible Applicants.* Only owners/borrowers of eligible developments (as described in Section III of this NOFA) may apply for and become the recipient of a grant.

*Application Due Date.* July 17, 2000.  
*Match.* None required.

### ADDITIONAL INFORMATION:

#### I. Application Due Date, Application Kits, and Technical Assistance

*Application Due Date.* Your completed application (one original and four copies) is due on or before 6:00 pm, local time, on July 17, 2000, at the address shown below:

*Addresses for Submitting Applications.* The official place for receipt of your application is ONLY in the designated lead Multifamily Hub in the HUD State Office.

You must ALSO send one copy of your application to the Office of Portfolio Management, Room 6160, ATTN: ALCP Staff, HUD Building, 451 Seventh Street, SW, Washington, DC 20410

Submit an original and three copies of the ALCP application to the lead HUD Multifamily Hub, as designated in Section II of this NOFA, with jurisdiction over your development.

Appendix A to this NOFA lists the four (4) lead Multifamily Hubs with the Program Centers under them, to facilitate applicants knowing the correct location to send the application.

Appendix B to this NOFA consists of a list of the four (4) lead HUD Housing Multifamily Hubs designated to receive ALCP applications, with addresses and phone numbers.

*Application Submission Procedures. Mailed Applications.* If your application is mailed, your application will be considered timely filed if postmarked on or before 12:00 midnight on the application due date and received by the appropriate HUD Multifamily Hub on or within ten (10) days of the application due date.

*Applications Sent by Overnight/Express Mail Delivery.* If your application is sent by overnight delivery or express mail, your application will be considered timely filed if received at the Multifamily Hub before or on the application due date, or upon submission of documentary evidence that the application was placed in transit with the overnight delivery service by no later than the specified application due date.

*Hand Carried Applications.* If your application is hand carried, the application will be accepted by a Multifamily Hub between 8:45 a.m. and 5:15 p.m., local time, Monday through Friday (except on designated national holidays, e.g., Memorial Day (5/31/00) and Independence day (7/4/00)). On the application due date, applications will be accepted at the Hub up to 6:00 p.m. local time. This deadline is firm.

*For Application Kits, Further Information, and Technical Assistance.* *For Application Kits.* You may obtain an ALCP application kit and supplemental information by calling either the Multifamily Housing Clearinghouse at (voice) 1-800-MULTI-70 (1-800-685-8470). There is a separate application kit for service coordination information (which is necessary for those needing to enhance or add service coordination per Section III(A)(14) of this NOFA). Please make sure to provide your name, address (including zip code), and telephone number (including area code). The application kit is also available on the Internet through the HUD web site at <http://www.hud.gov>.

*For Further Information and Technical Assistance.* You should contact the lead Multifamily Hub where you will be mailing your ALCP Application. (Please refer to Hub telephone numbers in Appendix B.)

You also may contact Aretha Williams, Housing Project Manager, Office of Business Products, Room 6138, at (202)-708-2866 x2480, for questions regarding the physical conversion of the ALF. Ms. Williams can be reached, also by e-mail, at "aretha\_m.\_williams@hud.gov". For

questions about management of the ALF and coordination with agencies of the Department of Health and Human Services and other third parties, you may contact Jerry Nachison, Senior Housing Project Manager, Office of Portfolio Management, Room 6168 at (202)-708-3730 x2485. Mr. Nachison may be reached also by e-mail at "jerold\_s.\_nachison@hud.gov". Both Ms. Williams and Mr. Nachison are located at the Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410 (neither of the telephone numbers are toll free).

If you have a hearing or speech impairment, you may access either telephone number via TTY by calling the Federal Information Relay Service at 1-800-877-8339.

#### II. Amount Allocated

This NOFA makes available \$50,000,000 for the physical conversion of section 202 projects or portions of projects to ALFs. The FY 2000 funding is in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, for the fiscal year ending September 30, 2000 (Pub.L. 106-74, 113 Stat. 1047, approved October 20, 1999).

Under the ALCP, the 18 HUD Multifamily Hubs are grouped into four geographic areas, so that the amount of fair-shared grant funds will be sufficient to enable reasonable competition, and insure projects of feasible size and quality.

The four geographic areas and the lead Hub under the ALCP for each are:

The lead Hub for the *East* Geographic Area is Buffalo (the other Hubs which feed into Buffalo for the ALCP are Boston, New York, Philadelphia, and Baltimore).

The lead Hub for the *South* Geographic Area is Greensboro (the other Hubs which feed into Greensboro for the ALCP are Atlanta, Jacksonville, and Fort Worth).

The lead Hub for the *Central* Geographic Area is Kansas City (the other Hubs which feed into Kansas City for the ALCP are Chicago, Columbus, Detroit, and Minneapolis).

The lead Hub for the *West* Geographic Area is San Francisco (the other Hubs which feed into San Francisco for the ALCP are Seattle, Los Angeles and Denver).

The allocation formula used for the ALCP reflects demographic characteristics of age and incidence of frailty that would be expected for program participants. The Fiscal Year (FY) 2000 formula consists of three data

elements from the 1990 decennial census:

(1) The number of non-institutional elderly population aged 55 years or older with a self-care limitation,

(2) The number of non-institutional elderly population aged 75 or older with a mobility limitation, and,

(3) The number of the non-institutional elderly population aged 75 or older with both a mobility limitation and a self-care limitation.

The data were taken from the 1990 Census Special Tabulation on Aging, STP-14, sponsored by the Administration on Aging, U.S. Department of Health and Human Services.

A mobility limitation is defined as a health condition that has lasted for six (6) or more months, making it difficult for the person to go outside the home alone. This includes outside activities such as shopping or visiting the doctor's office. A self-care limitation is defined as a health care limitation that has lasted for six (6) months or more which makes it difficult for the person to take care of his/her own personal needs such as dressing, bathing, or getting around in the home.

A fair share factor for each state was developed by taking the sum of the three elements within each state as a percentage of the sum of the three elements for the total United States. The resulting percentage for each state was then adjusted to reflect the relative difference in the cost of providing housing among the states. The total of the grant funds available (\$50 million) was multiplied by the adjusted fair share percentage for each state, and the resulting funds for each state were totaled for each of the four geographic areas.

The ALCP grant funds fair share allocations for the four geographic areas are shown below:

#### FISCAL YEAR ALLOCATION 2000 FOR THE ASSISTED LIVING CONVERSION PROGRAM (ALCP)

Area	Grant authority
East .....	\$14,760,882
South .....	14,567,452
Central .....	11,989,455
West .....	8,682,211
	50,000,000

### III. Program Description; Eligible and Ineligible Applicants, Developments, and Activities

#### (A) Program Description

Assisted living facilities are designed to accommodate frail elderly and people

with disabilities who can live independently but need assistance with activities of daily living (e.g., assistance with eating bathing, grooming, dressing and home management activities. ALFs must provide support services such as personal care, transportation, meals, housekeeping, and laundry. Frail elderly person means an individual 62 years of age or older who is unable to perform at least three activities of daily living (ADLs) as defined by the regulations for HUD's Section 202 Program (Supportive Housing for the Elderly) at 24 CFR 891.205.

Assisted living is defined in section 232(b)(6) of the National Housing Act (12 U.S.C. 1715w). The ALCP provides funding for the physical costs of converting some or all of the units of a section 202 development into an ALF, including the unit configuration, common and services space and any necessary remodeling, consistent with HUD or the State's statute/regulations (whichever is more stringent).

Typical funding will cover basic physical conversion of existing project units, common and services space. There must be sufficient community space to accommodate a central kitchen or dining facility, lounges, recreation and other multiple-areas available to all residents of the Section 202 projects, or office/staff spaces in the ALF. When food is prepared at an off-site location, the preparation area of the facility must be of sufficient size to allow for the installation of a full kitchen, if necessary. You must provide supportive services for the residents either directly or through a third party. Your application must include a firm commitment for the supportive services to be offered within the ALF as part of the application. You may charge assisted living residents for meals and/or service fees. Residents may contract with third party agencies directly for nursing, therapy or other services not offered by the ALF.

#### (B) Program Requirements

The following program requirements apply:

(1) Your ALF facility must be licensed and regulated by the State (or if there is no State law providing such licensing and regulation, by the municipality or other subdivision in which the facility is located). Each assisted living unit must include its own kitchen, bathroom, living/dining area (1 bedroom unit) or bedroom/living/dining area (efficiency unit) and must meet the state and/or local licensing, building, zoning and other requirements for an ALF.

(2) Your ALF must be available to qualified elderly and persons with

disabilities, consistent with the rules and payment plans of the State, who need and want the supportive services in order to remain independent and avoid premature institutionalization.

(3) Your ALF's residents are section 202 tenants and must comply with the requirements applicable thereto. Thus, you cannot charge additional rent over what is charged to residents in the non-ALF portion of the section 202 project. All admissions to the ALF must be through the section 202 project admissions office. However, persons accepted into the ALF also must sign an ALF admissions agreement which shall be an addendum to the section 202 lease.

(4) At a minimum, your ALF must provide room, board (as defined in Section III(A)(6)) of this NOFA) and continuous protective oversight (CPO). CPO involves a range of activities and services that may include such things as awareness by management and staff of the occupant's condition and location as well as an ability to intervene in a crisis for dependent and relatively independent occupants on a 24-hour basis. The two occupant groups in an ALF are:

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

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

(5) Anyone moving into an ALF unit must agree to accept as a condition of occupancy the board and services required for the purpose of complying with state and local law and regulation. *However, occupancy in an ALF unit may not be conditioned on receipt of other services or board not required by state or local requirements.*

(6) Your ALF must offer three meals per day to each resident.

(a) Residents in old section 202 ("SH") projects (those approved before 1972) which may not have kitchens in their units must take such meals as required by their mandatory meals agreement, or by the state's mandated requirements if more stringent (e.g., 2 meals, 2 snacks daily).

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

In either case, ALF management must coordinate meals requirements with the needs of residents who are out part of the day, *e.g.*, in day care. The meals program may not be operated at a profit by the owner/borrower.

(7) Your ALF's operation must be part of the section 202 owner/borrower's management organization. Some or all of its functions may be contracted out. The ALF must predicate its budget on a two-tiered structure under which board and supportive service income and expenses must be maintained separately and independently from the regular income and expenses of the section 202 project. The two components of ALF costs are:

(a) Charges/payment for board, which may be on a sliding scale or any other equitable fee system; and

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

(8) Priority admissions for ALF units is as follows:

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

(b) Qualified individuals or families needing ALF services who are already on the section 202 project's waiting list;

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

**Note:** Qualified physically disabled non-elderly persons needing assisted living services are eligible to occupy these units on the same basis as elderly persons.

(9) The management of the section 202 project must set up a separate waiting list for ALF units. ALF units must be for eligible Section 202 residents who meet the admissions/discharge requirements as established for assisted living by State and local licensing, or HUD frailty requirements under 24 CFR 891.205 if more stringent.

(10) Costs of meals and supportive services are NOT covered by this HUD grant.

These items must be paid for through other sources, *e.g.*, a mix of resident fees and/or third party providers. Evidence of third party commitment(s) must be included as part of the application. (See Section IV(B) of this NOFA.) The assisted living supportive services program must promote independence and provide personal care assistance based on individual needs in a home-like environment (see Section VI(B)(8)(b) through (c) of this NOFA).

(11) Upon receipt of a grant under this program, all owner/borrowers participating in the ALCP must provide

a Declaration of Restrictive Covenants (DRC), which will be recorded with the land, to retain the low income character of the housing, and to maintain the project (including the ALF), as a moderate, low, or very low income facility (as appropriate) for at least 20 years beyond the current 40-to-50 year term of the Section 202 mortgage loan or capital advance.

(12) In addition to the physical costs of the conversion (see Section VI(B)(5) of this NOFA), the grant will pay for reasonable legal, architectural and consultant fees, and temporary relocation costs for current tenants if they must vacate their unit while conversion work is underway (normal temporary relocation costs include increases in rent, reconnection of telephones, moving costs and appropriate out-of-pocket expenses).

(13) This program does NOT allow permanent displacement of any resident living in the project at the time the application was submitted to HUD.

(14) The ALCP requires service coordination responsible for linking the ALF to services in the community which are available to low income persons. All section 202 projects funded under this NOFA must have sufficient service coordination in place, or request additional funds if appropriate, to ensure that services meeting licensing requirements are available to ALF residents on an ongoing basis. Service coordination must be described in the application (see Section VI(B)(8)(b) through (c) of this NOFA). If you need to enhance an existing service coordination program or add one where it does not exist, you must apply for funding through the Service Coordinator NOFA, published elsewhere in this edition of the **Federal Register**, and attach a copy of the Form HUD 424M so indicating the request to the ALCP application. Alternatively, you may show evidence that funding for the enhanced service coordination is provided by other sources and indicate such funding on the HUD Form 424M which is exhibit 10(c) of your ALF application. If you are funded under this NOFA and requested new or enhanced service coordination in this application, you will be funded first under the service coordinator NOFA.

In addition to above requirements, the following applicable guidelines are stated:

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

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

**Note 1:** Owners of section 202/PRAC projects are reminded that they may include a PRAC payment of up to \$15/unit/month consistent with 24 CFR 891.225(b)(2) to cover part of the cost of meals and/or supportive services for frail elderly residents, including residents of the ALF.

**Note 2:** Training for ALF staff is an eligible project cost under existing operating procedures.

For further information on ALFs, please refer to Handbook 4600.1, CHG-1, "Mortgage Insurance for Residential Care Facilities," Chapter 13. This Handbook and recent ALF program Notices are accessible through HUDCLIPS on HUD's web site. The URL for the HUDCLIPS Database Selection Screen is <http://www.hudclips.org/subscriber/cgi/legis.cgi>. These notices are in the Handbooks and Notices—Housing Notices database. Enter only the number without the letter prefix (*e.g.*, 99-16) in the "Document number" to retrieve the program notice.

For further guidance on service coordinators, please refer to Handbook 4381.5 REV-2, CHANGE-2, Chapter 8, "The Management Agent's Handbook," which is also available through the HUDCLIPS database.

### (C) Eligible Applicants

Only owner/borrower corporations defined in 24 CFR part 278 as it existed before April 1, 1995 (those section 202 projects funded before 1972), and in 24 CFR 891.200 and 891.500 (those section 202 projects funded from 1976 onward) are eligible for funding. To be eligible, owner/borrowers of any Section 202, 202/8 or Section 202/PRAC development must meet the following criteria:

(1) Must be in compliance with your Loan Agreement, Capital Advance Agreement, Regulatory Agreement, Housing Assistance Payment contract, Project Rental Assistance Contract, Rent Supplement or LMSA contract, or any other HUD grant or contract.

(2) Must be in compliance with all fair housing and civil rights laws, statutes, regulations, and executive orders as enumerated in 24 CFR 5.105(a). See Section V(B) of this NOFA for further explanation.

**Note:** If your eligibility status changes during the course of the grant term, making

it ineligible to receive the grant (e.g., prepayment of mortgage, sale/TPA of property, or opting out of a Section 8 Housing Assistance payment (HAP) contract), HUD retains the right to terminate the grant and recover funds made available through this NOFA.

#### (D) Eligible Developments

Section 202, 202/8 and 202/PRAC developments for the elderly that have been in occupancy for no less than five years since the date of the HUD-2485 Form "permission to occupy" permit and have completed Final Closing. Your project must:

(1) Meet HUD's Uniform Physical Conditions Standards at 24 CFR part 5, subpart G. Meeting these standards as described, means that the project, based on the most recent Real Estate Assessment center (REAC) physical inspection report and responses thereto, must have a "satisfactory" rating as evidenced by a score of 60 or better or an approved and on schedule repair plan for developments scoring less than 60. Additionally, the project must have no uncorrected and outstanding Exigent Health and Safety violations. Finally, the project must not have on file a management review with a rating of "minimally satisfactory" or "unsatisfactory" with open and unresolved findings.

(2) Have a residual receipts account separate from the Reserve for Replacement account, or agree to establish this account as a condition for getting the award(s).

#### (E) Ineligible Applicants

(1) Owners of Section 202 developments designed specifically for people with disabilities.

(2) Owners of Section 232 developments and any other project insured by one or more sections of the National Housing Act.

(3) Owners of Section 202/236 developments. These are section 202 projects which were converted to section 236 mortgage insurance during their development phase in the early 1970s.

(4) Property management companies and agents of property management companies.

#### (F) Eligible Conversion Activities

Eligible activities are:

(1) Retrofitting to meet Section 504 accessibility requirements, minimum property standards for accessibility and/or building codes and health and safety standards for ALFs in that jurisdiction. Examples are items such as addition of:

- (a) Sprinkler systems;
- (b) An elevator or upgrades thereto;

(c) Lighting upgrades;

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

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

(f) Upgrades to safety and emergency alert systems;

(g) Addition of hallway railings; and,

(h) Medication storage and work stations;

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

(3) Retrofitting to upgrade a regular unit to an accessible unit for a person/family with disabilities who is being displaced from an accessible unit in the portion of the project that is being converted to the ALF, where such unit is not available.

(4) Temporary relocation; and,

(5) Consultant, architectural and legal fees.

#### (G) Ineligible Activities

You may not use funds available through this NOFA to:

(1) Add additional dwelling units to the existing project;

(2) Pay the costs of any of the necessary direct supportive services needed to operate the ALF;

(3) Purchase or lease additional land;

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

(5) Use the ALCP to reduce the number of accessible units in the project that are not part of the ALF and currently occupied by people with disabilities who need the features of an accessible unit;

(6) Permanently relocate any resident out of the project; and,

(7) Increase the management fee.

#### IV. Program Requirements

Each applicant must comply with the following requirements:

##### (A) Statutory, Regulatory and Other Program Requirements.

You must comply with all section 202 program statutory requirement (see Section 202 of the Housing Act of 1959 as amended) and regulatory

requirements (see 24 CFR part 891) and statutory requirements under Section 232(b)(6). Please note that all ALCP projects must conform to the 500-year flood plain limitation (See Section VIII of this NOFA.) Construction of ALCP units is considered a "critical action" for purposes of the flood plain requirement.

Excess Residual Receipts (over \$500/unit) and Reserve for Replacement (R4R) funds (over \$1000/unit) in Project Accounts that are not approved for another use at the time of application to HUD under this NOFA are considered available funds and must be applied towards the cost of conversion activities. Before making this determination, however, HUD staff will consider the extent of repair/replacement needs indicated in the most recent REAC physical inspection and not yet approved and any ongoing commitments such as non-grant-based service coordinator or other funding, where existing, deduct the estimated costs of such items from the R4R and residual receipts balances to determine the extent of available residual receipts and R4R funds for the ALCP.

If funded, you must also file a HUD Form-2530 for all construction contractors, architects, consultants, and service provider organizations under direct contract with you that will be engaged under this NOFA and comply with all state and local licensing, zoning and building code requirements.

##### (B) Meals and Supportive Services

You must develop and submit a Supportive Services Plan (SSP) for the services and coordination of the supportive services which will be offered in the ALF to the appropriate State or local organization(s) which are expected to provide those supportive services. (See Section VI(B)(8) of this NOFA below, for the information which must be in the SSP.) You must submit one copy of your SSP to each appropriate state or local service funding organizations well in advance of the application deadline, for appropriate review. The state or local funding organization(s) must return the SSP to you with appropriate comments and indication of funding commitment, which you will then include with the application you submit to HUD.

You must ALSO submit the application to the appropriate organization(s) which license ALFs in your jurisdiction. The licensing agency(ies) must approve your plan, and must also certify that the ALF and the proposed supportive services identified in your SSP, is consistent with local statute and regulations and well

designed to serve the needs of the frail elderly and people with disabilities who will reside in the ALF portion of your project.

Finally, you must also submit an agreement to pursue appropriate ALF licensing in a timely manner.

*(C) Minimum Size Limits for an ALF*

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

*(D) Economic Opportunities for Low and Very Low-Income Persons (Section 3).*

You must comply with section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low and Very Low Income Persons), and its implementing regulations at 24 CFR part 135. You must ensure that training, employment and other economic opportunities shall, to the greatest extent feasible, be directed toward low and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low and very low income persons and including people with disabilities.

*(E) Compliance with Fair Housing and Civil Rights Laws*

If you, the applicant (a) have been charged with a systemic violation of the Fair Housing Act by the Secretary alleging ongoing discrimination; (b) are the defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or (c) have received a letter of noncompliance findings under Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, or section 109 of the Housing and Community Development Act of 1974, your application will not be evaluated under this NOFA if, the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of the Department before the application deadline, HUD's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken necessary to address allegations of ongoing discrimination in the policies or practices involved in the charge, lawsuit, or letter of findings.

*(F) Additional Nondiscrimination Requirements*

As you will be converting some of your project to an ALF, you should note that 24 CFR 891.120(b) requires you to meet all accessibility requirements.

Additionally, you must comply with the section 504 regulations at 24 CFR part 8, the Americans with Disabilities Act and the regulations at 24 CFR part 36, as applicable.

**V. Application Selection Process**

*(A) Review for Curable Deficiencies.*

You should ensure that your application is complete before submitting it to HUD.

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

*Exhibits*

- (1) \*(a) Articles of Incorporation, or certification of Articles of Incorporation
- \*(b) By-laws, or certification of by-laws
- (c) Exhibit 3—Evidence of occupancy for at least five years

(d) Exhibit 5(c)—Original project plans

(e) Exhibit 5(h)—Relocation

(f) Exhibit 7 —Evidence of Permissive Zoning

(g) Exhibit 8(h)—Support Letters from Governmental Agencies that License ALFs

(10) *Certifications and Forms*

(a) Standard Form 424, Application for Federal Assistance

(b) Standard Form 424D, Assurances Construction Programs

(c) Form HUD 424M, Federal Assistance Funding Matrix

(d) Form HUD-50070, Drug-free Workplace

(e) Form HUD-50071, Payments to Influence Federal Transactions and Standard Form-LLL, Disclosure of Lobbying Activities

(f) Form HUD 2880, Applicant/Recipient Disclosure/Update Report, including Social Security and Employment Identification numbers

(g) Form HUD-2992, Certification Regarding Debarment and Suspension,

(h) Form HUD-2991, Certification of Consistency with the Consolidated Plan (Plan), for the Jurisdiction in Which the Proposed ALF will be located.

(i) Executive Order 12372 Certification, a certification that you have submitted a copy of your application, if required, to the State agency (single point of contact) for State review in accordance with Executive Order 12372.

(j) Certification of Residual Receipts Account

(k) Conflict of Interest Certification

(l) Certification for ALF

(m) Combined Certification

The HUD Office will notify you in writing if your application is missing any of the exhibits listed above and you will be given 14 days from the date of receipt of the HUD notification to submit the information required to cure the noted deficiencies. The exhibits listed in items 1(a)+(b), above, must be dated on or before the application deadline date. If not so dated the application will be rejected.

After the completeness review, HUD Field Office staff will review your application to determine whether the application meets the Field Office threshold requirements listed below. Only if your application meets all the threshold requirements is it eligible to be rated and ranked.

**(B) Field Office Threshold Review**

In order to pass threshold, you must:

- (1) Be in compliance with all fair housing and civil rights laws, statutes, regulations, and executive orders as enumerated in 24 CFR 5.105(a), and as

noted earlier in this NOFA under Sections III(B)(2) and IV(E).

(2) Additionally, HUD will also reject your application if the SSP and/or commitment and support letter(s) from the appropriate funding organizations and the appropriate licensing agency(ies): (i) are not submitted with your application; (ii) indicate that the ALF units, facilities, meals and supportive services to be provided are not designed to meet the special needs of the residents who will reside in the ALF as defined in this NOFA, (iii) do not show commitment for funding the meals and supportive services proposed; or (iv) indicate that the project as proposed will not meet the licensing requirements of the appropriate State/local agency(ies).

#### *(C) Rating Panels*

The Office of Housing's Multifamily Hubs will establish review panels to rate all eligible applications that have passed threshold, using Rating Factors 1–5. The panels may include knowledgeable persons not currently employed by HUD.

#### *(D) Rating of Applications*

HUD staff teams will review and rate ALCP applications in accordance with the Ranking and Selection procedures (see Section V(E) of this NOFA below). All applications will be either rated or technically rejected at the end of technical review. If your application meets all program eligibility requirements after completion of technical review, it will be rated according to the rating selection factors in Section V(F) of this NOFA. HUD reserves the right to reduce the cost of the application if any proposed components are ineligible or if the cost of items is not deemed reasonable.

HUD will *NOT* reject an ALCP application based on technical review without notifying you of that rejection with all the reasons for the rejection, and providing you an opportunity to appeal. As discussed above, you will have 14 calendar days from the date of HUD's written notice to appeal a technical rejection to the Multifamily Hub where the applications were sent originally. HUD staff make a determination on an appeal before finalizing selection recommendations.

#### *(E) Ranking and Selection Procedures*

Applications submitted in response to this NOFA that are eligible, pass threshold and have a total score of 60 points (or more) are eligible for ranking and selection.

(1) Hub staff teams will be established for ALCP review in each geographic area

to do the application ratings (see Section V(D) above). See list of lead Hubs in Section II of this NOFA.

After the team's application ratings are finalized, the teams will place all rated applications from within that geographic area in rank order.

(2) From within this rank order, Hub staff teams in each of the four geographic areas will select the highest ranking applications from within that geographic area in order, without regard to which Hub the application was submitted (see Section II of this NOFA) that can be funded from within the dollars available.

(3) After making the initial selections, however, HUD may use any residual funds in each geographic area to select the next rank-ordered application by reducing the dollars requested by no more than 10 percent (10%) and reducing the number of units proposed, but in no case reducing the number of units below the financial threshold feasibility of five ALF units.

(4) Funds remaining after these processes are completed will be returned to HUD Headquarters. HUD will use these funds to restore units to any project reduced as a result of using the residual grant funds in a geographic area. Secondly, HUD will use these funds for selecting one or more additional applications based on field office rating and rankings, beginning with the highest rated application nationwide. Only one application will be selected per geographic area from the national residual amount. If there are no approvable applications in other geographic areas, the process will begin again with the selection of the next highest rated application nationwide. This process will continue until all approvable applications are selected using the available remaining funds. If there is a tie score between two or more applications, and there are insufficient residual funds to cover all tied applications, HUD Headquarters staff will choose the winning application(s) by lottery and/or reduction of grant requests consistent with Section VI(E) (3) or (4) of this NOFA, above.

#### *(F) Factors For Award Used To Evaluate and Rate Applications*

HUD will rate ALCP applications that successfully complete technical processing using the Rating Factors set forth below and in accordance with the application submission requirements identified in Section VI(B) of this NOFA, below. The maximum number of points an application may receive under this program is 100.

#### **Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (15 Points)**

This factor addresses your capacity to carry out the conversion in a timely, cost-conscious and effective manner. It also reviews your experience with the supportive services which the ALF intends to provide to elderly residents, especially in such areas as meals, 24-hour staffing and on-site health care. Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(4)(c), (5)(a), (8)(i), and (2)(d) of this NOFA.

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

(1) (7 points) The practicality of your plan and timetable to carry out the physical conversion of the development to the ALF.

(2) (8 points) Your past experience in providing or arranging for supportive services either on or off site for those who are frail. Examples are: Meals delivered to apartment of resident or in a congregate setting (1 point), arranging for or providing personal care (2 points), providing 24-hour staffing (1 point), providing or making available on-site preventive health care (2 points) and other support services (1 point).

#### **Rating Factor 2: Need/Extent of the Problem (25 Points)**

This factor addresses the extent to which the conversion is needed by the categories of elderly persons and persons with disabilities that the ALF is intended to serve (very low income elderly persons and people with disabilities who have limitations in three or more activities of daily living). The application must provide evidence of current needs among project residents and needs of potential residents in the housing market area for such persons including economic and demographic information on very-low income frail elderly and people with disabilities and information on current assisted living resources in the market area.

The factor also addresses your inability to fund the repairs or conversion activities from existing financial resources. In making this determination, HUD will consider project financial information. The Department will also review more favorably those applications which establish a connection between the proposed ALF and the community's

Analysis of Impediments to Fair Housing Choice (AI) or other planning document that analyzes fair housing issues and is prepared by a local planning or similar organization. Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(1)(a) through (b), (2)(a) and (9)(a) through (c) of the NOFA. In evaluating this factor, HUD will consider:

(1) (10 points) The need for assisted living among the elderly and disabled residents of the project taking into consideration those currently in need and the depth of future needs given aging in place.

(2) (5 points) The need for assisted living among very-low income elderly persons and people with disabilities in the housing market area.

(3) (10 points) Insufficient funding for any needed conversion work, as evidenced by the project's financial statements and specifically the lack of excess reserve for replacement dollars (R4R) and residual receipts. If the available R4R and residual receipts are less than 10% of the total funds needed—10 points; if the available R4R and residual receipts are 10–50% of need = 5 points; and, if the available R4R and residual receipts are 51% or more of the total funds of needed = 0 points).

**Rating Factor 3: Soundness of Approach** (25 Points). This factor is rated by HUD Headquarters

This factor addresses the quality and effectiveness of your proposal in addressing the proposed conversion, effectiveness of service coordination and management planning and the meals and supportive services which the ALF intends to provide. There must be a relationship between the proposed activities, the project's and the community's needs and purposes of the program funding for your application to receive points for this factor. Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(5)(b) and (c), and (7) and (B)(8)(a) through (e) and (g) and (h) of this NOFA.

In evaluating this factor, HUD will consider the following:

(1) (7 points) The extent to which the proposed ALF design will meet the special physical needs of frail elderly or disabled persons expected to be served at reasonable cost (consider that ALF design = meets needs = 7 points; ALF design partially meets needs = 3 points; and ALF design does not meet needs = 0 points).

(2) (7 points) The extent to which the ALF's proposed management and operational plan ensures that the provision of both meals and supportive services planned will be accomplished over time. (Consider ALF design/management plan = meets needs of management operations, for 7 points; ALF design/management plan partially meets needs of management operations, for 3 points; and ALF design/management plan does not meet needs of management operations, for 0 points.)

(3) (5 points) The extent to which the proposed supportive services meet the identified needs of the anticipated frail elderly and disabled residents (consider Yes = 5 points; partially meets needs = 3 points; and, does not meet needs = 0 points); and

(4) (5 points) The extent to which the service coordination function is addressed and explained as onsite and sufficient, onsite and augmented or new, and addresses the ongoing procurement of needed services for the residents of the ALF (does meet = 5 points, partially meets = 3 points, does not meet = 0 points).

(5) (1 point) The extent to which there is an operating philosophy which promotes the autonomy and independence of the frail elderly persons it is intended to serve (is fully addressed = 1 point, no or not addressed = 0 points).

**Rating Factor 4: Leveraging Resources** (30 Points).

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

Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(5)(g), (B)(6) and (B)(8)(f) of this NOFA.

(1) (25 points) The extent to which there are commitments for the funding needed for the meals and the supportive services planned for the ALF and that the total cost of the estimated budget of the ALF is covered. Consider 90% or more commitment for the total budget with no more than 10% general support = 25 points; 80–89.9% or more commitment for the total budget with no more than 20% general support = 17 points; 65–79.9% firm commitment

with no more than 35% general support = 12 points; 40–64.9% firm commitment for the total budget with no more than 60% general commitment = 7 points; less than 40% firm commitment for the total budget with no more than 60% general support = 0 points.

(2) (3 points) The extent of local organizations' support which is firmly committed to providing at least 50 percent of the total cost of ALF conversion (consider 50% or more = 3 points, 20–49.9% = 2 points, and under 20% = 0 points).

(3) (2 points) The extent of local organizational support which is firmly committed to providing funds for additional repair or retrofit necessary for the project NOT specifically directed to activities eligible under this NOFA (consider yes = 1 point, no = 0 points).

**Rating Factor 5: Comprehensiveness and Coordination** (5 Points).

This factor addresses the extent to which you have evidenced general support for conversion by participating in your community's Consolidated Planning Process, involving the residents in the planning and are working toward addressing the need in a holistic and comprehensive manner through linkages with other activities in the community. Submit information responding to this factor in accordance with Application Submission Requirements in Section VI(B)(2)(b) through (d) of this NOFA.

(1) (3 points) The involvement of project residents or their representatives, in the development of the ALCP application, and your intent to involve residents, in the development and operation of the project and in relocation planning (Minus one (–1) point if not addressed);

(2) (1 point) The extent to which you demonstrated that you have been actively involved (or if not currently active, the steps you will take to become actively involved) in your community's Consolidated Planning/AI processes to identify and address a need/problem that is related in whole or part, directly or indirectly to the proposed project;

(3) (1 point) The extent to which you developed linkages with other activities, programs or projects related to the proposed project to coordinate your activities so solutions are holistic and comprehensive.

## **VI. Application Submission Requirements**

### *(A) Application—General*

Your application must include all of the information, materials, forms, and exhibits listed in Section VI(B). In cases



where your (i) articles of incorporation and (ii) by-laws have NOT changed since the project was originally approved by HUD, self-certification to that effect—that the documents on file with HUD are current—is sufficient. Items in Section VI(B) for which self-certification of currency is possible are denoted by a “\*\*\*”.

In addition to this relief of paperwork burden in preparing applications, you will not have to submit certain new/recent information and exhibits you have previously prepared. See individual item descriptions, below to identify such items. An example of such an item may be the FY 1999 Annual Financial Statement.

#### (B) General Application Requirements

(1) Evidence that you are a private nonprofit organization or nonprofit consumer cooperative and have the legal ability to operate an AFL program, per the following:

(a) Articles of Incorporation, constitution, or other organizational documents, or self-certification of these documents, if there has been no change in the Articles since they were originally filed by HUD;\*\*

(b) By-laws, or self-certification of by-laws, if there has been no change in the by-laws since they were originally filed with HUD;\*\*

(2) A description of your community ties and established linkages.

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

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

(i) The development of the application,

(ii) The development of the ALF operating philosophy,

(iii) Review of the application; and

(iv) Your intent to involve elderly persons in the operation of the project or not.

Also, demonstrate that you made the application available to the residents of the project (in their language(s)) AND requested and considered comments from them (in their language(s)).

(c) A description of your involvement in your community's *Consolidated Planning and Analysis of Impediments to Fair Housing (AI)* processes including:

(i) An identification of the lead/facilitating agency(ies) that organizes/administers the processes;

(ii) A listing of the Consolidated Plan/AI issue areas in which you participate;

(iii) The level of your participation in the processes, including active

involvement with any neighborhood-based organizations, associations, or any committees that support programs and activities that enhance projects or the lives of residents of the projects, such as the one proposed in your application.

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

(d) A description of the linkages that you have developed with other related activities, programs or projects in order that the development of the project provides a comprehensive and holistic solution to the needs of the target population.

(3) Evidence of your project being in occupancy for at least five years as of the date of application to HUD. This evidence must be submitted by all applicants whose section 202 identifying number has an “EE” as digits 4 & 5, *i.e.*, xxx-EExxx, OR any “EH” project, *i.e.*, xxx-EHxxx, that was converted to PRAC.

(4) A market analysis of the need for the proposed ALF units, including information from both the project and the housing market, containing:

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

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

(ii) A description of the services which are currently available to the residents and/or provided on or off-site and what services are lacking;

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

(c) A description of the extent, types and availability and cost of alternate care and services locally, such as: Home

health care, adult day care, housekeeping services, meals programs, visiting nurses, on-call transportation services, health care and providers of supportive services who address the needs of the local low income population.

(d) A description of how information in the community's Analysis of Impediments to Fair Housing Choice was used in documenting the need for the ALF (covering items in Section VI(B)(4)(a) and (b) of this NOFA).

(5) A description of the physical ALF conversion, including the following:

(a) How you propose to carry out the physical conversion (including a timetable and relocation planning).

(b) A short narrative stating the number of units, special design features, community and office space/storage, dining and kitchen facility and staff space and the physical relationship to the rest of the 202 project. Also, you must describe how this design will facilitate the delivery of services in an economical fashion and accommodate the changing needs of the residents over at least the next 10 years.

(c) A copy of the original plans for all units and other areas of the development which will be included in the conversion.

(d) A description of the conversion must clearly address the following accessibility issues: All door openings must have a minimum clear opening of 32”; and, All bathrooms and kitchens must be accessible to and functional for persons in wheelchairs, according to the “Uniform Federal Accessibility Standards.”

(e) Architectural sketches of the conversion to a scale of 1/4 inch to one foot that indicate the following:

(i) All doors being widened;

(ii) Typical kitchen and bathroom reconfiguration: show all wheelchair clearances, wall reinforcing, grab bars and elevations of counters and work surfaces;

(iii) Bedroom/living/dining area modification, if needed;

(iv) Any reconfigured common space;

(v) Added/reconfigured office and storage space;

(vi) Monitoring stations, and

(vii) The kitchen and dining facility.

All architectural modifications must meet section 504 and ADA requirements as appropriate.

(f) A budget showing at least estimated costs for materials, supplies, fixtures and labor for each of the items listed in Section VI(B)(5)(e), items i through vii, above.

(g) Include firm commitment letters with specific dollar amounts from appropriate organization(s) for



conversion needs (within the scope of the ALF conversion NOFA) which will be supported by non-HUD funding.

(h) A description of any relocation of current tenants including a statement that:

(i) Indicates the estimated cost of temporary relocation payments and other related services.

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

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

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

(6) A description of any retrofit or renovation which will be done at the project (with third party funds) that is separate and distinct from the ALF conversion. With such description, attach firm commitment letters from third party organizations in specific dollar amounts which will cover the cost of any work outside the scope of this NOFA.

(7) Evidence of permissive zoning, showing that the modifications to include the ALF into the project as proposed are permissible under applicable zoning ordinances or regulations, or a statement of the proposed action required to make the proposed project permissible and the basis for your belief that the proposed action will be completed successfully within six months of the date of grant award by HUD. *e.g.*, a summary of the results of any requests for rezoning and/or the procedures for obtaining special or conditional use permits on land in similar zoning classifications and the time required for such rezoning, or preliminary indications of acceptability from zoning bodies, *etc.*);

(8) A supportive services plan (SSP), a copy of which must be submitted to the appropriate state and/or local agency as instructed in Section IV(C) of this NOFA. For those applicants needing to contact state Medicaid offices, a list of them may be accessed on the Internet at "[www.hcfa.gov/medicaid/scon1.htm](http://www.hcfa.gov/medicaid/scon1.htm)". The fifth character from the end is the numeral "1", not the letter "l" that includes:

(a) A description of the supportive services needed for the frail elderly the ALF is expected to serve. This must

include at least (i) meals and such other supportive services required locally or by the State, and (ii) such optional services or care to be offered on an "as needed" basis.

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

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

(c) A description of how the operation of your ALF will work. Address (i) general operating procedures, (ii) ALF philosophy and how it will promote the autonomy and independence of the frail elderly and persons with disabilities, (iii) what will the service coordination function will do and the extent to which it is existing, augmented or new, (iv) ALF staff training plans, and (v) the degree to which and *how* the ALF will relate to the day-to-day operations of the rest of the Section 202 project.

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

(e) List who will pay for the board and supportive services, *e.g.*, \$\_\_ for meals by sponsor, \$\_\_ for housekeeping services by city government; \$\_\_ for personal care by State Department of Health; \$\_\_ for \_\_ by state \_\_ program; \$\_\_ in fees by tenants; and, \$\_\_ by \_\_.

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

(f) A support/commitment letter from *EACH* listed proposed funding source

per paragraph (e), above, for the planned meals and supportive services listed in the application. The letter must cover the total planned annual commitment (and multiyear amount total, if different), length of time for the commitment, and the amounts payable for each service covered by the provider/paying organization. There must be a letter from *EACH* participating organization listed in Section VI(B)(8)(e) of this NOFA, above.

(g) A support letter from *EACH* governmental agency(ies) which provides licensing for ALFs in that jurisdiction.

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

**Note:** If a funds request for service coordination for the ALF and/or the whole project is included as part of this application, the Form HUD-424M, indicating the dollars requested must be attached as Exhibit 10(c). Do NOT attach the whole service coordinator application.

(9) A description of your project's resources:

(a) A copy of the most recent project Repair and Replacement (R4R) account statement, and an R4R analysis showing plans for its use over the next five years, and any approvals received from the HUD field office to date.

(b) A copy of the most recent Residual Receipts Account statement. Indicate any approvals for the use of such receipts from the field office for over \$500/unit.

(c) Annual Financial Statement (AFS). If your FY 2000 AFS was due to REAC more than 120 days BEFORE the due date for this application, in the interest of reducing work burden, only include the date that it was sent to REAC. If the AFS was due to REAC 120 days or less from the due date of this application, you MUST include a paper copy.

(10) *Forms, Certifications and Resolutions.* The following exhibits, forms, certifications and assurances are required:

(a) *Standard Form 424, Application for Federal Assistance* and indication of

whether you are delinquent on any federal debt.

(b) *Standard Form 424D, Assurances, Construction Programs*

(c) *Form HUD 424M, Federal Assistance Funding Matrix.*

(d) *Form HUD-50070, Drug-free Workplace.* Certification to provide a drug-free workplace.

(e) *Form HUD-50071, Payments to Influence Federal Transactions and Standard Form-LLL, Disclosure of Lobbying Activities.* Certification of whether any of the funds received will be used to influence any federal transactions and disclosure of these activities, if applicable.

(f) *Form HUD 2880, Applicant/Recipient Disclosure/Update Report, including Social Security and Employment Identification numbers.* A disclosure of assistance from other government sources received in connection with the project.

(g) *Certification Regarding Debarment and Suspension (HUD-2992) (24 CFR 24.510).*

(h) *Form HUD-2991, Certification of Consistency with the Consolidated Plan (Plan),* for the jurisdiction in which the proposed ALF will be located. The certification must be made by the unit of general local government if it is required to have, or has, a complete Plan. Otherwise, the certification may be made by the State, or by the unit of general local government if the project will be located within the jurisdiction of the unit of general local government authorized to use an abbreviated strategy, and if it is willing to prepare such a Plan.

All certifications must be made by the public official responsible for submitting the plan to HUD. The certifications must be submitted as part of the application by the application submission deadline date set forth herein.

The Plan regulations are published in 24 CFR part 91.

(i) *Executive Order 12372 Certification.* A certification that you have submitted a copy of your application, if required, to the State agency (single point of contact) for State review in accordance with Executive order 12372.

(j) *Certification of Residual Receipts Account.* If you do not have an existing residual receipts account you must agree to set up one as soon as there is surplus cash available, as a condition of getting this grant award.

(k) *A certified Board Resolution that no officer or director of the Owner/borrower or Sponsor has or will have any financial interest in any contract with the Owner or in any firm or*

corporation that has or will have a contract with the Owner, including a current listing of all duly qualified and sitting officers and directors by title, and the beginning and ending dates of each person's term.

(l) *Certification for ALF.* Certification that you agree to apply for an ALF license with due diligence and in a timely fashion (and that the conversion will NOT be a nursing home or an Intermediate Care facility).

(m) *Owner/borrower's Combined Certifications.*

(i) A certification of compliance with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act, the Age Discrimination Act of 1975, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 CFR part 135, the affirmative fair housing marketing requirements of 24 CFR part 200, subpart M and the implementing regulations at 24 CFR part 108, and other applicable Federal, State and local laws prohibiting discrimination and promoting equal opportunity including affirmatively furthering fair housing, and other certifications listed in the application.

(ii) Certification of Compliance with section 232 of the National Housing Act, as applicable, the Uniform Federal Accessibility Standards (24 CFR 40.7), section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, and the design and construction requirements of the Fair Housing Act and HUD's implementing regulations at 24 CFR part 100, and the Americans with Disabilities Act of 1990 for all portions of the development physically affected by this proposal;

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

portion of the project is 12 units or more.

## VII. Environmental Requirements

Your ALCP application is subject to the National Environmental Policy Act of 1969 and applicable related Federal environmental authorities. (See 24 CFR part 50, as applicable.) An environmental review will be completed before the award of any grant under this program. Pursuant to 24 CFR Part 55, ALCP projects are critical actions for purposes of floodplain management review.

## VIII. Findings and Certifications

### (A) Paperwork Reduction Act

The information collection requirements contained in this notice have been submitted to the Office of Management and Budget (OMB) for approval in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). The OMB approval number, once approved, will be published in the **Federal Register**. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

### (B) Catalog of Federal Domestic Assistance Numbers

The Catalog of Federal Domestic Assistance number for this program is 14.157.

### (C) Executive Order 13132, Federalism

This notice does not have federalism implications and does not impose substantial direct compliance costs on State and local governments or preempt State law within the meaning of Executive Order 13132 (entitled "Federalism"). This notice invites only applications from 202 developments for assisted living conversion grants.

### (D) Prohibition Against Lobbying Activities

You, the applicant, are subject to the provisions of section 319 of the Department of Interior and Related Agencies Appropriation Act for Fiscal Year 1991, 31 U.S.C. 1352 (the Byrd Amendment), which prohibits recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan. You are required to certify, using the certification found at Appendix A to 24 CFR part 87, that you will not, and have not, used appropriated funds for any prohibited lobbying activities.

In addition, you must disclose, using Standard Form LLL, "Disclosure of Lobbying Activities," any funds, other than Federally appropriated funds, that will be or have been used to influence Federal employees, members of Congress, and congressional staff regarding specific grants or contracts. Tribes and tribally designated housing entities (TDHEs) established by an Indian tribe as a result of the exercise of the tribe's sovereign power are excluded from coverage of the Byrd Amendment, but tribes and TDHEs established under State law are not excluded from the statute's coverage.

*(E) Section 102 of the HUD Reform Act; Documentation and Public Access Requirements*

Section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545) (HUD Reform Act) and the regulations codified in 24 CFR part 4, subpart A, contain a number of provisions that are designed to ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. On January 14, 1992 (57 FR 1942), HUD published a notice that also provides information on the implementation of section 102. The documentation, public access, and disclosure requirements of section 102 apply to assistance awarded under this NOFA as follows:

(1) *Documentation and public access requirements.* HUD will ensure that documentation and other information regarding each application submitted pursuant to this NOFA are sufficient to indicate the basis upon which assistance was provided or denied. This material, including any letters of support, will be made available for public inspection for a 5-year period beginning not less than 30 days after the award of the assistance. Material will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations in 24 CFR part 15.

(2) *Disclosures.* HUD will make available to the public for 5 years all applicant disclosure reports (HUD Form 2880) submitted in connection with this NOFA. Update reports (also Form 2880) will be made available along with the

applicant disclosure reports, but in no case for a period less than 3 years. All reports—both applicant disclosures and updates—will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 5.

(3) *Publication of Recipients of HUD Funding.* HUD's regulations at 24 CFR 4.7 provide that HUD will publish a notice in the **Federal Register** on at least a quarterly basis to notify the public of all decisions made by the Department to provide:

- (i) Assistance subject to section 102(a) of the HUD Reform Act; or
- (ii) Assistance that is provided through grants or cooperative agreements on a discretionary (non-formula, non-demand) basis, but that is not provided on the basis of a competition.

*(F) Section 103 of the HUD Reform Act*

HUD's regulations implementing section 103 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3537a), codified in 24 CFR part 4, apply to this funding competition. The regulations continue to apply until the announcement of the selection of successful applicants. HUD employees involved in the review of applications and in the making of funding decisions are limited by the regulations from providing advance information to any person (other than an authorized employee of HUD) concerning funding decisions, or from otherwise giving any applicant an unfair competitive advantage. Persons who apply for assistance in this competition must confine their inquiries to the subject areas permitted under 24 CFR part 4.

Applicants or employees who have ethics related questions should contact the HUD Ethics Law Division at (202) 708-3815. (This is not a toll-free number.) For HUD employees who have specific program questions, the employee should contact the appropriate field office counsel, or Headquarters counsel for the program to which the question pertains.

*(G) Environmental Impact*

A Finding of No Significant Impact with respect to the environment has

been made in accordance with HUD regulations at 24 CFR part 50, implementing section 102(2)(C) of the national Environmental Policy Act of 1969 (42 U.S.C. 4332). The Finding of No Significant Impact is available for public inspection during business hours in the Office of the Rules Docket Clerk, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410.

**IX. Authority**

The Section 202 Supportive Housing for the Elderly Program is authorized by section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended. The Assisted Living Conversion Program is authorized by Title V, section 522 of the FY 2000 Departments of Veteran's Affairs, HUD and Independent Agencies Appropriations Act, 2000 (12 U.S.C. 1701q-2).

Dated: March 13, 2000.

**William C. Apgar,**

*Assistant Secretary for Housing—Federal Housing Commission.*

**Appendix A—Instructions for Application Submission to the Proper Hub**

(a) Applicants required to submit applications to the Buffalo Hub are normally serviced by the Boston, Hartford, Manchester, Providence, New York, Buffalo, Philadelphia, Charleston, Newark, Philadelphia, Pittsburgh, Baltimore, Washington, DC, and Richmond Field Offices.

(b) Applicants required to submit applications to the Greensboro Hub are normally serviced by the Greensboro, Columbia, Atlanta, Caribbean, Knoxville, Louisville, Nashville, Jacksonville, Miami, Jackson, Ft. Worth, Albuquerque, Dallas, Houston, Little Rock, New Orleans, San Antonio, and Shreveport Field Offices.

(c) Applicants required to submit applications to the Kansas City Hub are normally serviced by the Cincinnati, Cleveland, Columbus, Chicago, Indianapolis, Detroit, Grand Rapids, Des Moines, Kansas City, Oklahoma City, Omaha, St. Louis, Tulsa, Milwaukee and Minneapolis Field Offices.

(d) Applicants required to submit applications to the San Francisco Hub are normally serviced by Denver, Los Angeles, San Diego, San Francisco, Honolulu, Las Vegas, Phoenix, Sacramento, Anchorage, Portland, Seattle and Spokane Field Offices.

**Appendix B—HUD Field Office List for Mailing ALCP Applications**

**Note:** The first line of the mailing address for all offices is Department of Housing and Urban Development. Telephone numbers listed are not toll-free.

**HUD—Buffalo Hub**

*Buffalo Office,*

Fifth Floor, Lafayette Court, 465 Main Street, Buffalo, NY 14203-1780, (716) 551-5755, TTY Number: (716) 551-5787.

**HUD—Greensboro Hub**

*Greensboro Office*

Koger Building, 2306 West Meadowview Road, Greensboro, NC 27407-3707, (336) 547-4000, TTY Number: (336) 547-4055.

**HUD—Great Plains**

*Kansas City Office*

Room 200, Gateway Tower II, 400 State Avenue, Kansas City, KS 66101-2406, OFC Phone: (913) 551-5462, FAX: (913) 551-6972.

**HUD—San Francisco Hub**

*San Francisco Office*

Phillip Burton Federal Building and U.S. Courthouse, 450 Golden Gate Avenue, P.O. Box 36003, San Francisco, CA 94102-3448, (415) 436-6550, TTY Number: (415) 436-6594.

[FR Doc. 00-6572 Filed 3-14-00; 8:45 am]

**BILLING CODE 4210-27-P**