



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

Special Attention of:

All HOPWA Renewal Grantees

All CPD Field Office Directors and Deputy Directors

Notice: CPD-21-04
Issued: April 14, 2021

This Notice remains effective until amended, superseded, or rescinded.

Cross References: 24 CFR Part 574 – Housing Opportunities for Persons With AIDS (HOPWA)

Subject: Procedural Guidance for Fiscal Year 2021 HOPWA Permanent Supportive Housing Renewal and Replacement Grant Applications

I. Purpose and Contact Information..... 2
II. Application Deadlines 2
III. Eligible Applicants 2
IV. Ineligible Applicants 3
V. Notification of Intent to Renew/ Replace..... 4
VI. Project Confirmation Worksheet 4
VII. Award Information..... 5
VIII. Renewal and Replacement Threshold Requirements 6
IX. Eligible Activities..... 9
X. Renewal and Replacement Grant Funding Restrictions 13
XI. Renewal and Replacement Application Forms and Certifications..... 14
XII. Renewal Grant Application Submission and Review Process..... 15
XIII. Replacement Grant Application Submission and Review Process..... 21
XIV. Program Implementation Expectations..... 30
XV. Information Collection 40

I. Purpose and Contact Information

This Housing Opportunities for Persons With AIDS (HOPWA) [CDFA # 14.241] Notice announces Renewal Grant Application and Replacement Grant Application requirements for eligible expiring HOPWA Permanent Supportive Housing (PSH) grants. Pursuant to the renewal authority provided by the Consolidated Appropriations Act, 2019 (Pub. L. 116-6), and the renewal or replacement authority provided by the Consolidated Appropriations Act, 2021 (Pub. L. 116-260), the Department will renew or replace all eligible expiring HOPWA Permanent Supportive Housing (PSH) grants that meet all program requirements and were initially funded under a HUD competition for Fiscal Year (FY) 2010 or earlier FY funds.

The new option to replace an eligible expiring HOPWA PSH grant is made possible through new authority provided for the FY21 funding for HOPWA under the Consolidated Appropriations Act, 2021. For the purposes of this Notice, the application to renew an existing HOPWA PSH renewal grant will be referred to as the “Renewal Grant Application.” The application to replace the existing HOPWA PSH renewal activities with new grant activities will be referred to as the “Replacement Grant Application.” All eligible FY21 renewal applicants are eligible to submit a Replacement Grant Application. See Section XIII of this Notice for more information on the Replacement Grant Application process. However, to assure HUD will be in a position to renew the expiring grant if the application to replace it does not meet the scoring threshold for funding, each applicant interested in applying to replace their current PSH grant must submit both a Renewal Grant Application and a Replacement Grant Application. No Replacement Grant Applications will be reviewed without an accompanying Renewal Grant Application.

The Department will provide information about a webinar for applicants covering the information contained in this Notice. More information on the webinar will be communicated directly to eligible applicants with a submitted letter of intent to renew or replace (See Section V for more information on the letter of intent to renew or replace). If you have questions about the FY 2021 HOPWA Renewal Grant Application process or Replacement Grant Application process please email the HOPWA general inbox at HOPWA@hud.gov. Please note that HUD staff cannot assist applicants in preparing their applications.

II. Application Deadlines

Applications for FY2021 renewal and replacement grant funding must be received no later than 11:59:59PM ET on **May 28, 2021**. A list of grants potentially eligible for renewal or replacement is located in Table 1 of Section III of this Notice. See Section XIII of this Notice for more information on submitting a Replacement Grant Application. A Replacement Grant Application will not be considered complete without an accompanying Renewal Grant Application.

III. Eligible Applicants

Eligible applicants for FY2021 HOPWA Permanent Supportive Housing (PSH) renewal or replacement grant funding are HOPWA grantees with PSH grants expiring between June 1, 2021 and May 31, 2022. A list of grants potentially eligible for renewal or replacement in FY2021 is

located in Table 1. Grantees with expiring grants must demonstrate that the remaining balance on the current HOPWA PSH grant would be insufficient to fund activities beyond May 31, 2022.

Table 1. Potentially Eligible Renewal or Replacement Applicants

	<u>Grantee Name</u>	<u>Grant No.</u>
1	AIDS Foundation of Chicago	IL-H180014
2	AIDS Resource Center of Wisconsin	WI-H180008
3	Bailey House, Inc.	NY-H180013
4	Bailey House, Inc.	NY-H170026
5	Burlington Housing Authority	VT-H180016
6	Public Health Management Corporation	PA-H180006
7	Cass Community Social Services, Inc.	MI-H180001
8	Chicago House & Social Service Agency, Inc.	IL-H180015
9	City of Chicago Public Health Dept.	IL-H180010
10	Community Healthlink, Inc.	MA-H180005
11	Fenway Community Health Center, Inc.	MA-H180021
12	Frannie Peabody Center	ME-H180004
13	Frannie Peabody Center	ME-H180022
14	Gregory House Programs	HI-H180007
15	Interfaith Residence DbA Doorways (IL)	IL-H180018
16	Interfaith Residence DbA Doorways (MO)	MO-H180011
17	Lutheran Social Services of Northern California	CA-H180012
18	Ministry of Caring, Inc.	DE-H180020
19	New Jersey Department of Health	NJ-H160024
20	Salvation Army Alegria	CA-H180017
21	State of Alaska - Alaska Housing Finance Corporation	AK-H180009
22	State of Montana - MT Department of Public Health & Human Services	MT-H180003
23	State of New Hampshire	NH-H180019
24	State of New Hampshire	NH-H170020
25	State of Washington	WA-H170032
26	Wyoming Department of Health	WY-H180002

IV. Ineligible Applicants

If a HOPWA PSH grant expires prior to June 1, 2021, the grant is not eligible for renewal or replacement under this Notice. If a PSH grant expires after May 31, 2022, renewal funding for that PSH grant, if available, will be addressed in a future HOPWA renewal Notice. If, during the renewal period, HUD determines that an applicant's expiring grant holds a balance large enough to fund activities beyond May 31, 2022, the grant may be deemed ineligible for a renewal or replacement award under this Notice. These grantees may request a grant extension on their current grant in lieu of applying for a renewal or replacement grant and should plan to apply for a renewal grant under a future renewal Notice. Grant extensions are subject to HUD approval.

HOPWA competitive demonstrations and transitional projects are not eligible for renewal or replacement under this Notice. These projects include HOPWA grants that were funded as one-time nonrenewable awards and/or do not have a primary focus on permanent supportive housing-funded activities. To access current HOPWA grant opportunities outside of the FY2021 HOPWA PSH renewal or replacement grants, visit [grants.gov](https://www.hud.gov/programs/hopwa/grants).

V. Notification of Intent to Renew/ Replace

Eligible applicants interested in applying for an FY2021 HOPWA PSH renewal grant or replacement grant must notify the HUD Office of HIV/AIDS Housing with a letter of intent to apply for available funding under this notice. The letter of intent should:

- Identify the intent to submit both a Renewal Grant Application and Replacement Grant Application, or only a Renewal Grant Application.
- Include a projected expenditure of remaining funding on the expiring grant. The projection of expenditure should provide a monthly breakdown of projected expenditures by budget line item for the remaining period of the expiring grant. This monthly breakdown of projected funds should show that all remaining funds will be expended by the active grant's expiration, which must be on or before May 31, 2022, to be eligible for an FY 2021 HOPWA PSH renewal or replacement grant.

If the projected expenditures show the rate of spending needed to fully expend the grant is dramatically different from the grantee's current spending rate, a description of the measures taken to implement increased spending should accompany the expenditure projection. If the projected expenditures show that a grant extension is needed, applicants should work with their local field office to coordinate a grant extension. Grants requiring an extension past May 31, 2022 are not eligible to apply for a renewal grant or replacement grant under this Notice and will be expected to renew or replace their HOPWA PSH grant in a future renewal cycle, contingent on appropriations for funding future renewal or replacement awards.

The submitted projection of expenditure will be reviewed and confirmed by HUD staff with current financial information available. Grantees should ensure that the balances listed in HUD's Integrated Disbursement and Information System (IDIS) are current and reflect timely expenditures for costs incurred.

The letter of intent must be submitted no later than 11:59:59 PM Eastern Time on **April 23, 2021**. The letter of intent must be signed by an authorized representative (executive director or equivalent) and submitted via email both to the Office of HIV/AIDS Housing at HUD Headquarters (HOPWA@hud.gov) **and** to the applicant's local HUD Field Office.

VI. Project Confirmation Worksheet

Applicants who submit a letter of intent will receive a Project Confirmation Worksheet (PCW) with a breakdown of Budget Line Item (BLI) amounts eligible for the renewal grant. The specific BLI amounts listed in the PCW only apply to the renewal grant. If an applicant intends to also submit a Replacement Grant Application, the total grant amount communicated in the PCW is the total grant amount for which the applicant is eligible to apply in their Replacement Grant

Application. All applicants must complete the PCW process, even if the applicant intends to submit a Replacement Grant Application as well as a Renewal Grant Application. The amounts in the PCW will include any reductions taken as described in Section VII of this Notice. For the renewal grant, the overall reduction will be reflected equally among the BLI amounts eligible for renewal with slight adjustments for rounding as needed to maintain statutory limits for administrative costs.

The Project Confirmation Worksheet (PCW) will provide the following: the project's current approved BLI amounts, the eligible BLI amounts for the FY 2021 renewal grant (these amounts may be at reduced levels as outlined in Section VII of this Notice), current approved outputs by BLI as listed in the currently approved HUD-40110-B, and achieved outputs by BLI as reported in the APR. If an amendment was made to the active grant's budget and it is not reflected in the amounts listed in the PCW, the applicant should notify the HOPWA contact who sent the PCW and a correction will be made. Applicants should complete the PCW by setting output goals by BLI for the renewal grant. The amounts listed will be the approved amounts for the renewal grant.

Applicants who complete the Project Confirmation Worksheet (PCW) process will receive a HUD-40110-B with the eligible renewal BLI funding amounts discussed during the PCW process included on the "Application Budget Summary" page. The HUD-40110-B provided by HUD after the PCW process is the HUD-40110-B that should be submitted in the Renewal Grant Application.

VII. Award Information

Applicants with unexpended amounts on their last three expired awards will receive a reduced amount of funding on their new award based on those unexpended amounts if those unexpended amounts have not previously been used to calculate reductions. Reductions will not be calculated if the applicant has less than three past expired awards that meet these criteria. These reductions are meant to more accurately reflect the funding amounts each grantee needs to administer grant activities based on past spending. Only grants that were directly administered by the current grantee will be taken into account for the reduction calculation, as the amounts current grantees previously expended are considered the amounts the current grantee needs to administer the grant activities.

The following two paragraphs are an example of how reductions will be calculated: if the eligible applicant is currently administering a FY 2018 grant, the applicant's last three expired PSH renewal grants (in this example, from FY 2009, FY 2012, and FY 2015) will be used in the reduction calculation. The percentage of total unexpended funds from the total grant amount for the three expired awards will be used to reduce the potentially eligible award amount under the FY 2021 HOPWA PSH renewal and replacement cycle. All percentages will be listed to the hundredths decimal place. Table 2 shows an example of the last three expired grants with award amounts, and the funds unexpended in dollars for each awarded grant and as a percentage of the total for all three expired grants.

Table 2. Example Grant Reduction Chart

Expired grant	Awarded Grant Amount	Grant Funds Unexpended	% of Funds Unexpended
FY2009	\$1,000,000	\$60,000	
FY2012	\$1,000,000	\$3,000	
FY2015	\$1,000,000	\$15,000	
Sum	\$3,000,000	\$78,000	2.60%

The reduction calculation for the example above represents the percentage of the sum of the funds unexpended under the three expired PSH renewal grants compared to the total awarded on the three expired PSH renewal grants for a total reduction on the FY 2021 PSH grant of 2.60% ($\$78,000 / \$3,000,000 = 2.60\%$). Therefore, if the potentially eligible FY 2021 PSH grant award amount is \$1,000,000, that amount would be reduced by 2.60% or \$26,000 ($\$1,000,000 * .0260 = \$26,000$). With the reduction, this example applicant would be potentially eligible for a grant of \$974,000 ($\$1,000,000 - \$26,000 = \$974,000$) for the FY2021 HOPWA PSH grant process. The potentially eligible grant amount, including the calculated reduction for each individual applicant, will be communicated through the PCW after the applicant has submitted its letter of intent. This potentially eligible grant amount applies to both the renewal grant and the replacement grant.

In order to coordinate actions for expiring grants based on need, the Department will renew expiring PSH grants that meet the requirements of this Notice and provide funding in the order of grant expiration dates based on funding availability. Further, HUD may announce PSH renewal and replacement awards on a rolling basis, if needed, to help ensure continued operations of expiring grants. Applicants selected for renewal or replacement are expected to expend the remaining balance of current funds on their approved schedule within their currently approved grant period.

HUD may redistribute incorrectly allocated costs to the correct line item. HUD reserves the right to decrease BLIs if it is determined that the number of persons/units actually assisted (housing outputs) is substantially less than the amount agreed upon in the current executed grant agreement.

VIII. Renewal and Replacement Threshold Requirements

Only applications that comply with the requirements in this Notice will be eligible for renewal or replacement funding. Below are the threshold requirements all applicants must meet to submit an eligible application for an FY 2021 renewal or replacement award.

A. System for Award Management (SAM)

- Applicants must be registered with <https://www.sam.gov/SAM> before submitting their application.
- Applicants must maintain current information in SAM on immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a Federal contract or grant within the last three years, if applicable. Information in SAM must be current for all times during which the applicant has an active Federal award or an application under consideration by HUD.

- Each applicant must provide its unique identifier in each application it submits to HUD.

B. Permanent Supportive Housing Activities

Applicants must provide permanent supportive housing (PSH) as the primary grant activity under an expiring HOPWA grant and propose to continue providing PSH as the primary grant activity under an FY 2021 renewal or replacement award. HOPWA eligible activities are further defined in Section IX of this Notice. HUD will consider the primary grant activity to be PSH when at least **51 percent** of grant funds provide PSH activities to eligible beneficiaries. PSH refers to activities that provide eligible beneficiaries with permanent housing and ongoing access to appropriate supportive services through qualified providers. For the purposes of this Notice, “permanent housing” means housing in which the eligible person has a continuous legal right to remain in the unit established by a lease or legally binding occupancy agreement. The lease must be renewable after the first year of occupancy. Additionally, the clients receiving permanent supportive housing assistance must also have ongoing access to appropriate supportive services provided through qualified service providers in the area. Applicants are reminded that participation in supportive services is not a prerequisite for clients to receive housing assistance nor an ongoing requirement for clients after housing assistance is established.

Tenant-based Rental Assistance (TBRA), Operating Costs, and Leasing for PSH units are primary permanent housing activities. Depending on the structure of the program and usage of leveraged funds, Short-Term Rent, Mortgage, and Utilities (STRMU) and Permanent Housing Placement (PHP) may contribute towards the percentage of grant funds providing PSH to eligible beneficiaries. HUD reserves the right to request additional justification from applicants requesting funding where BLI amounts do not clearly indicate PSH is the primary activity. If an applicant is proposing to continue some level of emergency shelter or transitional housing assistance, then the applicant must ensure that these activities will be carried out in connection with the provision of PSH and show that the PSH activity will be the primary activity carried out under a renewal or replacement grant.

C. Compliance with All Program Requirements

The grantee and project under the expiring HOPWA PSH grant must be in compliance with the program requirements in 24 CFR part 574 and the grant agreement. The applicant must have a record of compliance with program requirements and satisfactory performance under the expiring HOPWA PSH grant, including:

- History of submitting timely, accurate, and complete Annual Progress Reports (APRs) that demonstrate measurable progress in the implementation of the current grant award. Measurable progress is defined as meeting applicable program benchmarks including: Required HOPWA outputs for the actual number of households assisted, including the number who were homeless at program entry (if targeted to homeless and/or chronically homeless persons and their families), and persons at risk of homelessness and their families assisted, in comparison to the planned and approved number of households;
- Required HOPWA outcomes, such as increasing the number of persons who maintain access to care and stable housing; and

- Compliance with the terms and conditions of all existing HOPWA grant awards, including expending prior funding in a timely manner as outlined in the grant agreements with HUD, with no outstanding audit or unresolved monitoring findings that HUD considers significant.

An application for a renewal grant or replacement grant under this Notice will be denied if HUD determines the applicant does not meet all program requirements. Examples of poor performance or failure to meet program requirements that may disqualify a grant for renewal include:

- Unresolved monitoring findings not addressed by the date of application that HUD considers to be significant;
- Failure to resolve program noncompliance issues identified in a HUD notice of default on a current grant in a timely manner;
- Documented misuse of HOPWA funding such as expending funds on ineligible activities and/or ineligible beneficiaries;
- Delays in program implementation;
- Failure to provide the level of housing and services committed to under the expiring grant agreement;
- History of other major capacity issues that have significantly impacted the operation of the project and its performance;
- Untimely filing, and inaccurate and/or incomplete submission of APRs that do not appropriately show client outcomes;
- Significant citizen complaints about the grantee's poor performance that have not been addressed with justified reasons and remain unresolved;
- Outstanding obligation to HUD due to noncompliance that is in arrears, or for which a payment schedule has not been agreed upon;
- Audit findings for which a response is overdue or unsatisfactory;
- History of inadequate financial management accounting practices;
- Other indicators of poor management, including an unwillingness to accept technical assistance or to implement identified program changes as a result of technical assistance;
- Loss of project site; and
- Other HUD-identified noncompliance with HOPWA's authorizing statute and regulations.

In addition to the items above, both the Renewal Grant Application and the Replacement Grant Application must be complete upon submittal in order to be considered for review and awarding. Incomplete applications will not be considered for review.

HUD may also identify capacity concerns arising from application content submitted under this Notice that may impact eligibility or prevent the awarding of a renewal or replacement grant. Applicants will be notified of identified concerns that may disqualify a grant from being renewed or replaced and will be given an opportunity to respond to any identified concerns prior to any determination of disqualification.

Applicants determined not to be eligible for renewal due to noncompliance should ensure maintained housing stability for program beneficiaries through leveraged or other resources.

IX. Eligible Activities

The standards for eligible activities are set forth in the HOPWA regulations at 24 CFR 574.300-574.340. HOPWA program regulations can be accessed at: <http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=24:3.1.1.3.7>

The HOPWA Eligible Budget Line Items under this Notice for both the Renewal Grant Application and the Replacement Grant Application are listed and defined below. Renewal Grant Application awards will only be funded to continue the currently approved activities under the expiring grant. Replacement Grant Applications may request funding for eligible activities not previously funded in prior years' renewal grants.

The use of both renewal and replacement grant funds will be subject to the central HOPWA PSH grant condition that at least 51 percent of the funds under the grant must be used to provide PSH activities to eligible beneficiaries, as described in section VIII.B.

A. Operating Costs

Funding may be used for the grantee's or project sponsor's cost of operating a housing facility owned or leased by the grantee or project sponsor, to the extent the costs are necessary to house eligible persons. Eligible Operating Costs include utilities, property insurance, minor repairs and upkeep of the facility, maintenance both inside and outside the facility, procurement and contracting of services for facility operation or maintenance, furniture and appliances that will remain with the facility, food purchases and kitchen operation for HOPWA clients at the facility, and staff time for directing the operation of all activities at the facility for HOPWA clients.

B. Leasing

Funding may be used to lease all or a portion of a building as needed to provide housing to eligible persons. For eligible persons unable to hold leases in their names, funding may be used to master lease units, where the eligible persons choose the units, the grantee or project sponsor leases the units and pays the full rent to the landlord, and the eligible persons pay the grantee or project sponsor the amount required by 24 CFR 574.310(d). This type of master leasing can be administered as "turn-key" housing assistance, to be replaced with TBRA if the landlord agrees to transfer the lease to the eligible person. Funding may also be used to master lease units to be operated as transitional housing for eligible persons. For example, post-incarceration programs often lease a unit to temporarily house an eligible person returning to the community until other more permanent housing arrangements can be made. The lease is always in the organization's name. The furniture, housing equipment, and supplies belong to the organization and remain in the unit for the next household's use. Eligible leasing costs include the cost to lease a housing facility or scattered site units, staff time to negotiate lease terms with lessor or landlord, and annual housing inspections to ensure HOPWA habitability standards are met for scattered-site units assisted with Leasing.

C. Tenant-Based Rental Assistance (TBRA)

TBRA may be used to provide eligible persons with a rental subsidy through the duration of the grant period and should give them the opportunity to transition in place to self-sufficiency or another subsidy. Eligible TBRA costs include client income verification for TBRA assistance, calculation of resident rent payment, monthly rental payments, processing a TBRA rental payment on behalf of the program beneficiary, annual housing inspections to ensure HOPWA habitability standards are met for units being assisted with TBRA, reasonable travel costs to units for housing inspections, review of a program beneficiary's selected unit for rent reasonableness and rent standard, annual recertifications for program beneficiaries receiving on-going TBRA, and staff time for resolving landlord issues directly related to providing the TBRA assistance.

D. Short-Term Rent, Mortgage, and Utility (STRMU)

STRMU may be used to prevent homelessness of the tenant or mortgagor of a dwelling. The goal of STRMU assistance under the HOPWA program is to provide short-term, stabilizing interventions to HOPWA eligible households experiencing a financial crisis as a result of their HIV/AIDS health condition or a change in their economic circumstances. The amount of STRMU assistance provided to a program beneficiary should be based on need, and not applied uniformly to all clients. Eligible STRMU costs include up to 21 weeks of the eligible person's rent, mortgage, and/or utility costs, and the costs of staff time to review and determine client's need for STRMU assistance and make the STRMU payments. For the purposes of STRMU assistance, to the extent that taxes, insurance, condominium fees, or other building operation costs are included in the monthly mortgage payment either by federal regulation or the terms of the mortgage, these expenses are eligible to be included in STRMU mortgage assistance payments. STRMU mortgage assistance for taxes, insurance, or condo fees that are not included on the monthly mortgage statement are not eligible.

E. Housing Information Services

Housing Information Services may be used to provide counseling, information, or referral services to assist an eligible person to locate, acquire, finance, and maintain housing. Some eligible costs under Housing Information Services include staff time to assist clients in searching for or locating appropriate housing whether HOPWA-subsidized or not; staff time to provide fair housing guidance for eligible persons who may encounter discrimination on the basis of race, color, religion, sex, age, national origin, familial status, or disability; staff time to provide housing counseling to acquire and finance housing; and development and use of Homeless Management Information System (HMIS) elements to coordinate housing and services for eligible persons. HMIS costs billed to housing information services must be prorated and not include HMIS reporting. Use of HMIS for reporting purposes is considered an administration activity and must be billed to administrative costs.

F. Permanent Housing Placement Assistance (PHP)

Permanent housing placement assistance authorized at 24 CFR 574.300(b)(7) may be used in connection with the provision of housing support provided under these awards. Although

PHP is included as a supportive service under 24 CFR 574.300(b)(7), HUD has established a dedicated BLI for PHP to distinguish it from other supportive services.. Some eligible costs under PHP include security deposits not to exceed two months of rent, rental application fees, credit checks, one-time utility hook-up fees paid directly to the utility company, utility arrears only if the cost is creating a barrier to establishing permanent housing in a new unit, rent arrears only if past due rent debt at a prior unit is a barrier to accessing a new unit, initial housing inspections, reasonable travel costs to units for initial housing inspections, staff time to review and identify causes for eviction and responsibilities of the tenant within the lease, staff time for assisting clients with executing the lease, and staff time for resolving landlord issues directly related to the PHP assistance being provided. PHP can be used in conjunction with TBRA where PHP pays the security deposit and TBRA covers ongoing monthly rent payments starting with the first month. PHP must only be used to assist the client in entering permanent housing. PHP must never be used for monthly rent or on-going utility costs where a client is already in permanent housing.

G. Other HUD-Approved Activities

Other housing activities not already authorized at 24 CFR 574.300(b) may be proposed under a Replacement Grant Application but are subject to HUD's approval. The proposal must address the expected beneficial impact of this alternative activity in addressing housing needs of eligible persons by describing the project impact and the identified performance output and client outcome measures for this activity. Examples of past approved Other HUD-approved Activities include rental assistance allowing clients to pay more or less than the required resident rent payment at 24 CFR 574.310(d), moving costs, and non-amortizing second mortgages to assist with homeownership. Funding restrictions for acquisition, new construction, or rehabilitation of housing facilities, and assistance through emergency shelters still apply. HUD will not approve Other Activities outside of the application submission process.

H. Supportive Services

Supportive Services funding may be used to provide access to mainstream resources and public benefits, improve access to healthcare, and provide other needed support to maintain stable housing and support positive health outcomes, subject to the supportive services requirements in 24 CFR part 574. Eligible supportive services costs include staff time to develop and process individual housing and service plans for clients; staff time to connect clients to appropriate services and treatment in accordance with their housing and service plans; staff time to review progress on the client's housing and service plan, management-level consultation on client case issues; health and mental health assessment services; direct outpatient treatment by licensed professionals of mental health conditions; substance abuse treatment services designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors provided by licensed or certified professionals; individual, family, or group therapy to address co-occurring disorders; nutritional services including food banks, nutritional supplements, and counseling on proper nutrition by certified nutrition specialists; life skills trainings such as budgeting resources, managing money, managing a household,

resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, parenting, and cleaning and unit maintenance; credit counseling; education services including instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED); job training or job coaching including resume development; client transportation to and from medical care, employment, child care, or other eligible essential services facilities; and HOPWA provider transportation to meet with clients for supportive service needs.

I. Administrative Costs

HOPWA regulations (24 CFR 574.300(b)(10)) limit administrative costs to 3 percent of the award for grantees and, for project sponsors, 7 percent of the amounts received. HOPWA funds may be used for administrative costs as provided under 24 CFR 574, including costs of compiling data for and preparing the form HUD-40110-C Annual Performance Report (APR) at the end of each operating year.

As provided in 24 CFR 574.3, administrative costs do not include costs directly related to carrying out eligible activities, since those costs are eligible as part of the activity delivery costs of such activities. Accordingly, staff costs directly related to the delivery of housing assistance or supportive services activities are billable to the associated housing or supportive service budget line item. Staff costs should not be billed completely under administration or entirely to supportive services. If the staff is providing services directly related to another budget line item, then that staffing expense should be billed to that line item.

Applicants seeking PSH renewal grant award funding or replacement grant award funding must provide continuous forms of housing support over the grant operating period that establish or maintain stable permanent housing and reduce the risks of homelessness.

Research from The National Alliance to End Homelessness found that people of color experience homelessness at disproportionately high rates due to historic and ongoing systemic racism. Specifically, Black and Native American persons experience homelessness at disproportionately higher rates. Efforts to prevent and end homelessness must consider and address racial inequities to achieve positive outcomes for all persons experiencing homelessness (e.g., receiving necessary services and housing to exit homelessness). Applicants should consider the steps they will take to ensure that traditionally marginalized populations (such as racial and ethnic minorities and persons with disabilities and LGBTQ+ persons) have equitable access to housing programs and services.

In all cases, the program must maintain or enhance access to other needed services and benefits that are available through mainstream resources, including healthcare assistance, AIDS drug assistance under the Ryan White HIV/AIDS Treatment Extension Act of 2009, the Affordable Care Act, and/or other federal, state, local, and private resources. HOPWA grantees should coordinate with their local Continuum of Care coordinated entry process to ensure all housing options are available to potential clients in a homelessness status. HOPWA grantees must also ensure that the qualifying beneficiaries of HOPWA maintain access to available healthcare benefits and are able to fully participate in their healthcare plan. HOPWA grantees must promote

adherence to prescribed HIV/AIDS medications in an effort to address the HIV Care Continuum outcomes of improved CD4 counts and optimally suppressed viral loads. More information on the HIV Care Continuum can be accessed at: <https://www.hiv.gov/federal-response/policies-issues/hiv-aids-care-continuum>.

X. Renewal and Replacement Grant Funding Restrictions

- A.** The following activities are not eligible to be funded with amounts awarded under this FY 2021 HOPWA PSH Renewal and Replacement Notice. These activities are *not* eligible for *either* the Renewal Grant Application or the Replacement Grant Application.
- a. Capital Development.** Acquisition, new construction, rehabilitation. If an applicant is interested in undertaking additional capital development activities, the applicant should consider competing for funding under a HUD NOFA competition, or utilizing leveraged resources to conduct these additional activities.
 - b. Resource Identification.** Resource identification for the purposes of planning, coordinating, and integrating housing and services for program beneficiaries with other resources in the service area.
 - c. Health Services.** Health services are not eligible to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service under any state compensation program, under an insurance policy, or under any Federal or state health benefits program or by an entity that provides health services on a prepaid basis.
 - d. Incidental Moving Costs.** Unless already approved by HUD in the initial grant application as an “other” activity budget line item, incidental moving costs, including van rentals, supplies, and moving equipment, are not eligible in a renewal award. Incidental moving costs are not eligible under a replacement grant.
 - e. Real Property Taxes and Fees.** Unless included in the mortgage payment, property taxes and condominium fees are not eligible.
 - f. Personal Items.** Personal items including clothing; furniture and other household items (unless provided for as part of facility operations), including cookware and dishes; grooming; personal vehicle maintenance and repairs; cash assistance and consumer credit payments; entertainment or social activities; pets; and other non-housing-related costs or related services.
- B.** The following two restrictions only apply to Replacement Grant Application funding.
- a.** The total grant award for a replacement grant may not exceed the approvable amount for a grantee’s renewal award. The total eligible grant amount for the replacement grant will be communicated by the HUD Office of HIV/AIDS Housing to the applicant through the Project Confirmation Worksheet Process as described in Section VI of this Notice.
 - b.** The Supportive Services line item for a Replacement Grant Application award is restricted to no more than 35% of the grant award.

XI. Renewal and Replacement Application Forms and Certifications

Both the Renewal Grant Application and the Replacement Grant Application must include the following required forms and certifications to be considered complete.

1. Application for Federal Assistance (SF424)

This is a required form for all Renewal Grant Applications and Replacement Grant Applications. The information below should be used as guidance when filling out the SF424s.

- a. Box 1 – The type of submission is an application.
- b. Box 2 – The type of application is new, for both renewal and replacement.
- c. Box 3 – The date received is the date the application is submitted to HUD.
- d. Box 8d – Enter the county or parish in which the organization’s address is located, where applicable. This box is not starred as a requirement, but HOPWA applicants should complete this box. The applicant should also submit the full 5 digits plus 4-digit zip/ postal code.
- e. Box 8f – The person identified here should be the program contact who is working closely with the application. This person should not be the same as the authorized representative.
- f. Box 11 – The Catalog of Federal Domestic Assistance Number is 14.241. The CFDA Title is “Housing Opportunities for Persons With AIDS”.
- g. Box 12 – The funding opportunity number is the number of this Notice. The title is the subject title of this Notice, “Procedural Guidance for Fiscal Year 2021 HOPWA Permanent Supportive Housing Renewal and Replacement Grant Applications”.
- h. Box 14 – Enter the cities and counties (or county-equivalents) covered in the renewal or replacement project’s service area. This box can only be completed as an attachment to the SF424 form.
- i. Box 16a – The congressional district in which the applicant is located.
- j. Box 16b – The congressional district(s) in which the applicant’s PSH program will operate.
- k. Box 17 – The start date is a proposed start date and should be the day after the applicant’s current renewal grant expires. The end date is three years after the start date.
- l. Box 18 – Enter the renewal or replacement grant amount in line a, “Federal.” Line g, “Total,” should be the same amount as line a. No other lines should be completed in this box.
- m. Box 19 – The program is not covered by E.O. 12372 (Box C).
- n. Authorized Representative – This is the person that can accept grant funding on behalf of the organization applying for renewal funding.

2. Assurances for Non-Construction Programs (SF-424B)

This is a required form for all Renewal Grant Applications and Replacement Grant Applications. The authorized representative must sign and date this form and include the organization name.

3. Certification Regarding Lobbying (Appendix A of 24 CFR Part 87)

This certification is required for all Renewal Grant Applications and Replacement Grant Applications. Applicants are subject to Section 319 of Public Law 101-121, 31 U.S.C. 1352 (The Byrd Amendment) and implementing regulations at [24 CFR Part 87](#), which prohibit recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government for a specific contract, grant, or loan. Applicants must submit a certification by copying and pasting the language for *Certification for Contracts, Grants, Loans, and Cooperative Agreements* in Appendix A of 24 CFR Part 87 (available at: http://www.ecfr.gov/cgi-bin/text-idx?SID=4d8fd7235ff29815ce36c2b146e72d19&mc=true&node=pt24.1.87&rgn=div5#ap24.1.87_1605.a) into a document and having the authorized representative sign and date the certification.

In addition, applicants participating in lobbying activities must disclose, using Standard Form LLL (SFLLL), “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, or congressional staff regarding specific grants or contracts.

4. HOPWA Budget (HUD-40110-B)

This is a required form for both Renewal Grant Applications and Replacement Grant Applications. Eligible applicants submitting both a Renewal Grant Application and a Replacement Grant Application must submit a unique HUD-40110-B for each application. Applicants who submit a letter of intent will receive notification of the eligible total award amount for a renewal or replacement award and the specific BLI amounts eligible for the renewal award. The processes for submittal of form HUD-40110-B for a Renewal Grant Application and a Replacement Grant Application are different and are further detailed in Section XII and Section XIII, respectively.

XII. Renewal Grant Application Submission and Review Process

HOPWA PSH renewal grants are not automatically renewed; HUD must evaluate whether each renewal applicant meets the Appropriations Act conditions to determine if the expiring HOPWA grant can be renewed. HUD expects grantees to fully expend all funds awarded under HOPWA renewal grants within the three-year period of performance. If a grantee is continually unable to fully expend its grant in the three-year period of performance, HUD will consider whether the grantee is meeting threshold requirements (Section VIII) to implement a renewal grant.

A. Renewal Grant Application Submission Format

All FY2021 HOPWA PSH renewal grant applicants must submit their application by email to HOPWA@hud.gov. Applicants must send their full application as one document with a table of contents in the order below. Forms and certification requirements are further detailed in Section XI of this Notice. The starred forms are only required for certain grantees.

1. Application for Federal Assistance (SF424)
2. Assurances for Non-Construction Programs (SF-424B)
3. Certification Regarding Lobbying (Appendix A of 24 CFR Part 87)
4. Disclosure of Lobbying Activities (SFLLL)*

5. HOPWA Budget (HUD-40110-B)
6. Technical Assistance Narrative
7. Organizational Capacity Narrative*

B. Renewal Grant Application Narratives

All Renewal Grant Applications are required to have a Technical Assistance Narrative. An Organizational Capacity Narrative is only required for applicants with changes to project sponsors under their regular renewal grant. Applicants should review the information provided for all narratives to ensure they are submitting the narratives required for a complete application.

1. Technical Assistance Narrative

This is a required narrative for all renewal applicants. Responses for the Technical Assistance Narrative are limited to two pages. Technical assistance refers to the transfer of skills and knowledge to entities that may need, but do not possess, such skills and knowledge. The assistance may include, but is not limited to, written information such as papers, manuals, guides, and brochures; person-to-person exchanges; web-based curriculums, training and webinars.

On January 20, 2021, President Biden issued an Executive Order titled “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.” The Executive Order outlined the Administration’s policy that the Federal Government should pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality.

The term “equity” means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality. Because advancing equity requires a systematic approach to embedding fairness in decision-making processes, HUD and HUD-funded organizations need to redress inequities in their policies and programs that serve as barriers to equal opportunity.

Applicants are strongly encouraged to begin the ongoing work of assessing whether, and to what extent, its programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups. Such assessments will better equip agencies to develop policies and programs that deliver resources and benefits equitably to all. Applicants may have TA needs related to achieving/advancing racial equity in funded programs.

In the Technical Assistance Narrative, applicants should include a description of the technical assistance that HUD could provide that would contribute to the implementation of a more successful HOPWA program. Applicants may also want to include a

description of any work/progress the organization has made to ensure racial equity in the services provided, and indicate TA needs related to achieving/advancing racial equity in funded programs.

2. Organizational Capacity Narrative

Applicants should continue using currently approved project sponsors to implement renewal activities under their renewal award. However, if a project sponsor is added, a project sponsor is dropped from the renewal program design, or if a project sponsor's legal status has changed, the applicant must provide an Organizational Capacity Narrative with the Renewal Grant Application.

For any change in project sponsors, applicants must provide justification of the change on no more than two pages with the following information:

- Reason for the project sponsor change or adjustment to carry out renewal activities.
- Evidence of the project sponsor's organizational capacity to continue successfully implementing all renewal activities.

HUD will review the information provided in the Organizational Capacity Narrative to determine whether to accept changes in project sponsor arrangements. Potentially sufficient reasons for realigning or changing a project sponsor may include:

- Alignment of project service delivery with sufficient levels of grants management skills or financial management and efficiency;
- A desire to increase capacity or ensure continuing sustainability of project operations and adequate program service delivery;
- Dissolution or change in business plan of the prior project sponsor, resulting in the loss of HOPWA service delivery component;
- A need for significant improvement in project staffing competency;
- A project default such as related unresolved monitoring or audit findings;
- Merger of the project sponsor or transfer of project components to another entity; or
- A loss of non-profit status.

HUD reserves the right to reject a project involving a change in project sponsors where inadequate justification is provided, the new project sponsor capacity is limited, or there are serious concerns on the merits of this change.

For applicants with a new project sponsor added to the renewal request or an existing project sponsor who has experienced significant organizational change, additional information is required in the Organizational Capacity Narrative along with the submission of the organization's nonprofit status (if applicable) and documentation that, among the organization's purposes, are significant activities related to providing services or housing to persons with HIV/AIDS. New project sponsors are subject to review and scoring to ensure they would pass threshold requirements based on the original competition. HUD will award up to 20 points when scoring new project sponsors based on the project sponsor's capacity to implement the existing project's program activities.

This additional information in the Organizational Capacity Narrative is limited to five pages per project sponsor. A minimum of 14 out of 20 points are required for a new project sponsor to qualify for funding under this renewal Notice. Project sponsors will be scored based on the criteria below:

- a. Describe team member experience and knowledge in serving persons living with HIV/AIDS. Team members include the proposed project manager and key staff relevant to carrying out the proposed activities.
5 points – Full points will be awarded if the narrative presents direct, extensive, and clear evidence of team member experience relevant to the proposed activities in serving persons living with HIV/AIDS and their families.
- b. Describe team member experience with managing and implementing programs similar to those proposed in your application, including HOPWA grants and other housing and service programs for special needs populations.
5 points – Full points will be awarded if the narrative presents direct, extensive, and clear evidence of team member experience and knowledge in providing activities similar to the range of housing and service activities proposed in the application.
- c. Describe team member experience in achieving measurable results and meeting previous applicable performance benchmarks in the operation of existing or previous HOPWA grants or other similar housing and supportive service grants. This includes meeting project goals and objectives, such as number of persons assisted in comparison to the number that was planned at the time of the application; submitting timely performance reports; and expending funds as outlined in grant agreements/contract, with no outstanding audit or monitoring issues.
5 points – Full points will be awarded if the narrative presents clear evidence of team member experience in achieving results and meeting benchmarks under existing or previous HOPWA grants or other similar grant programs.
- d. Describe team member experience and knowledge in: (1) monitoring and evaluating the performance of housing and service programs; **and** (2) reporting on project outcomes similar to the HOPWA client outcomes of housing stability, reduced risks of homelessness, and access to care.
5 points – Full points will be awarded if the narrative fully describes team member experience in monitoring and evaluating program performance **and** reporting on project outcome information similar to HOPWA outcomes.

HUD reserves the right to reject an application if there is a change in project sponsor and the new project sponsor does not provide evidence of sufficient capacity to manage the activities under this project. New project sponsors must score a minimum of 14 points out of 20 to be eligible for funding under this renewal Notice. The capacity review of a requested project sponsor change that occurs during a grant's period of performance, and not during the renewal application process, will be assessed and scored by the field office using the criteria in this Notice.

C. Renewal Grant Application HUD-40110-B

As described in Section VI of this Notice, applicants who complete the Project Confirmation Worksheet (PCW) process will receive a HUD-40110-B with the eligible renewal BLI funding amounts discussed during the PCW process included on the "Application Budget Summary"

page. The HUD-40110-B provided by HUD after the PCW process is the HUD-40110-B that should be submitted in the Renewal Grant Application.

There will be one “Detailed Project Budget & Housing Outputs” page for each organization (grantee and project sponsor(s)). Applicants should use the provided eligible BLI funding amounts and the output goals discussed during the PCW process to complete columns “Yr. 1,” “Yr. 2,” “Yr. 3,” and “Totals” columns on each “Detailed Project Budget & Housing Outputs” page, as well as the projected household or unit outputs for each BLI by organization. The total household outputs identified in the detailed budget pages should account for attrition and be presented as an unduplicated number. Reviewers will be looking closely at variations in projected outputs and achieved outputs, and will ask applicants for clarification, as needed, in the negotiation process. Applicants should also include in their HUD-40110-B the leveraged funds committed for each individual BLI at the time of application submission.

Lastly, applicants should check that budget amounts add to the correct totals and match across the “Application Budget Summary” and “Detailed Project Budget & Housing Outputs” pages. It is important that all information is accurate on this budget as it will be incorporated into the grant agreement between HUD and the grantee, if the renewal award is made. **All funding amounts in the budget should be presented in whole numbers.**

D. Renewal Grant Application Review and Selection Process

The following process will be followed for the review and selection of FY 2021 HOPWA PSH renewal grantees. This process only applies to the review of the Renewal Grant Applications and selection of the renewal grants. The separate review and selection process for Replacement Grant Applications can be found in Section XIII. As a reminder, all applicants interested in applying for a replacement grant **must** submit a Renewal Grant Application as well as a Replacement Grant Application:

- 1. Threshold Review.** HUD Headquarters staff will conduct a threshold review of applications to confirm that applicants are eligible for renewal under this Notice. A list of potentially eligible renewal applicants under this Notice is provided in Table 1 in Section III. The application reviewers will assess if the applicant submitted a complete application with all required forms and narratives, review HUD Field Office Review Forms and APRs for past performance issues, and review submitted information for eligible activities and BLI funding requests. Applicants will be provided an opportunity to clarify deficiencies identified in the threshold review through the clarification phase of review.

HUD Headquarters staff will work with HUD Field Offices to review each applicant’s performance, and to confirm existing operations are conducted with no unresolved monitoring or audit findings. A monitoring or audit finding is considered unresolved if it is not addressed through a corrective action plan approved by the local HUD Field Office, or auditor. Applicants with grants that have unresolved monitoring findings, and audit findings may be denied renewal funding. Grantees with programs that are denied renewal funding should transfer existing clients to

other suitable housing assistance. If a grantee denied renewal funding operates a facility-based housing program, the grantee is required to: 1) abide by the minimum use requirements at 24 CFR 574.310(c); and 2) follow the disposition requirements in 2 CFR 200.311. HUD Headquarters staff will review annual performance data submitted in the applicant's most recent APR. The focus will be performance threshold eligibility. The renewal applicant must demonstrate measurable progress in the implementation of the current grant award as reported in the most recent APR. HUD reserves the right to deny an applicant for renewal if its APR is determined to be substantially incomplete or an applicant has failed to fulfill its reporting requirements.

- 2. Organizational Capacity Narrative Review.** If a project sponsor is being added to an existing renewal project, or a project sponsor's legal status has changed due to a merger or other action, HUD staff will conduct a substantive review of the Organizational Capacity Narrative. A minimum of 14 points out of 20 are required for a new project sponsor to qualify for funding under this Notice. If the application fails to demonstrate that a proposed project sponsor meets the threshold requirements to be added to the grant or fails to demonstrate that the proposed project sponsor has sufficient capacity to perform under the renewal grant, the project sponsor will be ineligible to receive program funds. HUD will rate the proposed new project sponsor based on the criteria for organizational capacity defined in this Section.
- 3. Program and Application Deficiencies.** If during the review process, HUD identifies program or application deficiencies in a Renewal Grant Application, HUD will request clarification from the applicant. After the threshold review, HUD will email the contacts included on the SF424 to set up a phone call to discuss identified deficiencies. Comments and discussions on identified deficiencies and application clarification needs will be limited to ensuring application content is correct and the applicant's current program will be renewed in compliance with HOPWA requirements. Calls will not be used to make changes to current program design, propose grant amendments, or discuss increased funding. Any discussion of program changes will be limited to the replacement application review process, if applicable. **Applicants will be provided with no more than two calls** to review the identified application deficiencies and clarification needs. The designated primary contact must participate in the call. It is also suggested that any staff who participated in application development or the most recent APR submission participate in the call.

After each call, applicants may be given up to and no more than 4 business days to address identified deficiencies and clarification needs in their application. Reviewers will review the resubmitted application for cured deficiencies and clarified information. If the re-submitted application still contains significant deficiencies after two calls, the organization's grant administration capacity will be evaluated, and the applicant may be denied access to renewal funding.

Applicants will only be allowed two calls and two application re-submissions in the review process to cure identified deficiencies and address clarification needs. After

the final call, HUD will make minor adjustments to the budget forms as needed for approval and incorporate the final budget forms into the issued grant agreement. If awarded a renewal grant, the applicant should thoroughly review the approved budget forms incorporated into the grant agreement to ensure grant compliance.

- 4. Award Announcements.** Following the review process, HUD will notify applicants of their selection of award for renewal funding by email. The applicant's local field office will coordinate the grant agreement. Once the grant agreement is executed, grantees must setup their grant in IDIS to obtain access to the funding. Grantees selected for renewal awards will be provided guidance on how to conduct IDIS setup by HUD Headquarters and their local field office after the renewal grant has been executed.

XIII. Replacement Grant Application Submission and Review Process

This Section outlines the requirements for submitting an FY21 Replacement Grant Application. For the purposes of this Notice, a replacement is defined as the replacement of the previous renewal grant's activities with different eligible grant activities. The replacement grant option provides current renewal grantees the opportunity to update their renewal grant programs to better reflect the current needs in their communities. Replacement grants will be made using funding made available for HOPWA under the Consolidated Appropriations Act, 2021. HUD is seeking Replacement Grant Applications that will improve upon the foundation set by the current renewal grant. Housing assistance and service delivery to existing clients should not be disrupted in the transition from the renewal grant to the replacement grant, if accepted. In the event a Replacement Grant Application does not meet the scoring threshold for funding, the applicant will still be eligible to receive a renewal of the existing grant under the Renewal Grant Application process as long as the applicant meets all renewal grant threshold and programmatic requirements as outlined in Section VIII and XII of this Notice. Applicants interested in submitting a Replacement Grant Application must also submit a complete Renewal Grant Application. Replacement Grant Applications will not be reviewed if submitted without an accompanying Renewal Grant Application. Eligible activities for a Replacement Grant Application are listed in Section IX of this Notice.

A. Eligible Applicants

Applicants that are eligible to submit an FY21 PSH Renewal Grant Application are also eligible to apply for a replacement of the activities conducted under their current PSH grant. A list of potentially eligible applicants for the FY21 renewal and replacement cycle can be found in Table 1 of Section III of this Notice. Applicants interested in replacing their current PSH grant activities must submit both a Renewal Grant Application, as outlined in Section XII of this Notice, as well as a Replacement Grant Application, as outlined in this Section. Submitting a Replacement Grant Application is optional. Applicants that choose not to submit a Replacement Grant Application can proceed with the FY21 Renewal Grant Application process.

B. Funding Restrictions

The funding restrictions for replacement grants are outlined in Sections X and XI of this Notice.

C. Replacement Grant Application Submission Format

Any eligible FY21 renewal applicants who are interested in submitting an application to replace their renewal grant activities must first have expressed interest in applying for a replacement grant in the letter of intent described in Section V of this Notice. This is a reminder that all applicants interested in applying for a replacement PSH grant must also submit a Renewal Grant Application as outlined in Section XII of this Notice.

All FY2021 HOPWA PSH Replacement Grant Applications must be submitted by email to HOPWA@hud.gov. Applicants must send their full application as one document with a table of contents in the order below. Forms and certification requirements are further detailed in Section XI of this Notice. The starred form is only required for applicants that participate in lobbying activities.

1. Application for Federal Assistance (SF424)
2. Assurances for Non-Construction Programs (SF-424B)
3. Certification Regarding Lobbying (Appendix A of 24 CFR Part 87)
4. Disclosure of Lobbying Activities (SFLLL)*
5. HOPWA Budget (HUD-40110-B)
6. Executive Summary
7. Narratives to Address the Rating Factors for Award

The Replacement Grant Application should be submitted in the same email and at the same time as the FY21 Renewal Grant Application submission. The Replacement Grant Application should be submitted as a separate attachment from the Renewal Grant Application. The Replacement Grant Application should include the word “Replacement” in the file name.

D. Replacement Grant Application Narratives

All Replacement Grant Application narratives should be formatted as described below. Page limits for each narrative are provided with its Rating Factor description in the “Rating Factor” subsection below:

- Page Size: 8.5” x 11”
- Margins: one-inch all around
- Font: Arial
- Font (regular text): 11 point
- Font size/style for headings: 16 point, Bold. (subheadings – 11 point, Bold.)
- Spacing: Double-spaced
- Headers: Left-justified – indicate the rating factor or executive summary.
- Footers: Left-justified – name of applicant. Right-justified – page number out of total pages. (ex. Page 1 of 5)

Each narrative must be titled with a corresponding heading. The application must contain the following narratives:

1. Executive Summary

On no more than one page, provide an Executive Summary of the proposed project. The summary must provide an overview of the main components of the planned project including how the proposed activities differ from the current renewal grant activities, how the proposed activities will better align the project with current community need, and the projected annual housing output. In the executive summary, provide the name of the applicant, and any project sponsors, along with contact names, phone numbers, and email addresses.

2. Narratives to Address the Rating Factors for Award

Applicants must provide written responses to each of the five rating factors described in the “Rating Factors” subsection below. The responses to each rating factor must be contained under a separate heading that clearly identifies which rating factor is being addressed. The rating factor narrative is where applicants should provide a clear description of the proposed replacement activities within the guidelines provided. Responses should follow the formatting outlined in this Section and be within the page limit stated under each rating factor.

E. Replacement Grant Application HUD-40110-B

Applicants must use the HOPWA program-specific budget form (HUD-40110-B) to demonstrate how HOPWA funds will be used for eligible activities for the replacement grant. The HUD-40110-B will provide a summary of the total budget for the project, the annual HOPWA amounts to be used in each of the three years of operation, and a detailed budget for each project sponsor and the grantee. Please note that the HUD-40110-B provided by HUD after the PCW process is the HUD-40110-B for the Renewal Grant Application only. A separate HUD-40110-B must also be submitted for the Replacement Grant Application. The budget line item amounts in the two HUD-40110-Bs will not be the same.

F. Replacement Grant Application Review and Selection Process

The following process will be followed for the review and selection of the Replacement Grant Application submissions. This review process will be conducted separately from the Renewal Grant Application review process. HUD will conduct a threshold review as outlined in Section VIII of this Notice first to confirm that applicants are eligible for funding under this Notice. After general threshold eligibility has been determined, HUD will conduct a Replacement Grant Application threshold review to confirm that the applicant submitted a complete replacement application with all required narratives and forms and is eligible for consideration for replacement funding. After establishing threshold has been met, HUD will review the rating factors as described below.

G. Rating Factors

The factors for rating Replacement Grant Applications and the points for each factor are provided below. Partial points may be awarded for a criterion if the applicant does not fully address the information needed for full points. A maximum of 100 points may be awarded under Rating Factors 1 through 5. Applicants must receive a minimum of 70 points to be eligible for a replacement grant.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (20 points)

Rating Factor 2: Need/Extent of the Problem (15 points)

Rating Factor 3: Soundness of Approach (45 points)

Rating Factor 4: Leverage (5 points)

Rating Factor 5: Achieving Results and Program Evaluation (15 points)

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff

Maximum Points: 20

Applicants may receive a maximum of 20 points for this factor. A minimum of 15 points are required in Rating Factor 1 to qualify for funding. Responses are limited to 5 pages plus up to two extra pages for each project sponsor. An applicant that plans to use project sponsors but fails to provide information on their capacity will not receive the minimum score.

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities. It is important that the applicant demonstrates its administrative and organizational capacity to implement new program activities, monitor, and evaluate effective housing and service programs for low-income persons living with HIV/AIDS. Applicants should strategically choose and involve team members with relevant experience. The team members include the proposed project manager and key staff relevant to carrying out the proposed activities. Team members will be evaluated in terms of recent, relevant, and successful experience in undertaking eligible program activities.

1. Describe team's experience with implementing activities similar to those proposed in the application. Include funding amounts, clients served and length of time the organization has administered these programs.

5 points - Full points will be awarded if the application presents direct, extensive, and clear evidence of team's experience relevant to the proposed project activities in serving persons living with HIV/AIDS and their families.

2. Describe the administrative and financial department's capacity to administer a new activity. Include processes and systems established to ensure successful implementation across departments, relevant leadership experience, position titles, and length of service with the organization. Describe experience with similar activities and responsibilities in relation to the new activity such as managing basic organization operations including financial accounting systems.

5 points - Full points will be awarded if the application presents direct, extensive, and clear evidence of team member experience and knowledge in administering activities similar to the activities proposed in the application. Response should include an organizational framework of processes related to new project.

3. Outline applicant's plan to ensure that if approved, the replacement activity will commence within 30 days of award execution. Include details on staffing, program location, referral processes and how potential clients will be made aware of new services.

5 points – Full points awarded if applicant presents descriptive plan to commence activity implementation immediately upon grant execution, including timeframes, key personnel and milestones to implementation.

4. Describe the applicant’s experience in achieving measurable results and meeting applicable performance goals in the operation of programs similar to the replacement activity. Include data on performance goals and outcomes for all activities referenced.

5 points- Full points awarded if applicant provides concise information on relevant experience, details on performance measures and data on outcomes.

Rating Factor 2: Need/Extent of the Problem

Maximum Points: 15

Applicants may receive a maximum of 15 points for this factor. Responses for Rating Factor 2 are limited to 3 pages. This factor must show a clear need for the replacement activity and that it is addressing the needs of low-income persons living with HIV.

1. Provide details on current activity (the one[s] that will be replaced) and why it was chosen for replacement. Include information on the data used in making the decision.

4 points – Full points will be awarded if the applicant provides a descriptive overview of current activity and clear data-driven justification for replacement.

2. Describe the proposed replacement activity and how it will address the needs of low-income persons living with HIV in the service area. Applicants should demonstrate a clear understanding of the need and the clients to be served. Applicants are encouraged to use local data to support the justification of need. Data sources could include census data, health department statistics, CDC data sets, and other locally available data.

4 points – Full points will be awarded if the need in the service area is clearly described and supported with relevant data sources for HIV and eligible client demographics and shared characteristics.

3. Identify the barriers and gaps in services related to obtaining safe, decent housing for low-income people living with HIV/AIDS. Describe how the proposed activities address these challenges.

4 points- Full points will be awarded if the application clearly describes how proposed activities address barriers in obtaining or maintaining safe, decent housing in the defined service area, provides a clear analysis of any gaps in services related to housing stability to persons living with HIV/AIDS, and clearly describes how the proposed activities will address identified gaps.

4. Describe efforts to include input from stakeholders such as local AIDS Service Organizations (ASO), RW planning council, project sponsors (if applicable) and people living with HIV/AIDS (PLWHA) in the decision-making process.

3 points – Full points will be awarded if the applicant clearly describes efforts to obtain input from stakeholders in the decision to replace program activities. Response should include details on the process of engagement and any relevant feedback received.

Rating Factor 3: Soundness of Approach

Maximum Points: 45

Applicants may receive a maximum of 45 points for this factor. Responses for Rating Factor 3 are limited to a total of 10 pages.

This factor evaluates the proposed housing and supportive service activities to be carried out through this funding opportunity to help participants obtain and/or maintain safe, stable housing, the roles and responsibilities of coordinating organizations, and the innovative strategies in cross-agency coordination, resource utilization, and data-driven approaches.

1. Describe experience in effectively utilizing federal funds to implement new programs and activities similar to those proposed in the application, given funding and time limitations.
10 points - Full points will be awarded if a clear description is provided that details experience using federal program guidelines to implement new program activities successfully. Response should include timeframes and funding amounts for these programs.

2. Describe the operations plan for the activity being proposed with the projected number of persons to be served for each year of the activity. The plan should include information on staffing, case load size, referral process, intake and enrollment processes. For housing activities, include projections for number of clients and average length and amount of assistance per household.

20 points – Full points will be awarded if the plan describes projected number of housing units, by type, to be provided through the program, by year, over a 3-year period. The projected yearly number of persons to be served is identified for each type of housing assistance and the number is appropriate and feasible.

3. Describe how eligible persons will access the housing assistance provided through the activity. Include a description of how a client moves through the housing program from outreach, intake, client assessment, and the delivery of housing services. The description should exhibit a culturally competent approach to provide housing for the identified population of persons living with HIV.

5 points – Full points will be awarded if there is a clear, feasible description of how a client moves through the housing program from outreach, intake, client assessment, the delivery of housing services, and when appropriate, the outplacement to more self-sufficient independent housing or permanent rental housing with support of organizations responsible for these actions.

4. Describe how the supportive service needs of eligible persons will be met and offered directly by the program and/or how agreements and project plans will ensure that services will be accessed and coordinated from other mainstream health and human welfare sources. Projects should provide access to a wide range of flexible and optional services that reflect the varying individual needs of persons living with HIV/AIDS. Services offered should incorporate the needs of populations that are disproportionately affected by housing discrimination and HIV/AIDS, as well as support racial equity, and be culturally competent, non-stigmatizing, non-discriminatory, and inclusive. Supportive services must never be required to receive housing assistance, but the plan should clearly show how the applicant plans to document efforts to engage clients uninterested in receiving supportive services.

5 points – Full points will be awarded if there is a precise, feasible plan that ensures program beneficiaries have viable access to a wide variety of supportive services that address needs associated with maintaining stable housing and achieving positive health outcomes. The proposed plan should clearly allow program beneficiaries to choose the course of action that is best for them and demonstrate cross-agency coordination, resource utilization and data-driven approaches to provide culturally competent services.

5. Funds for replacement activity cannot replace state or local funds. Applicant must affirm below that funds for the proposed replacement activity will not replace any state or local funds?

5 points – Full points will be awarded if applicant affirms that funds will not be used to supplant local and state funds.

Rating Factor 4: Leveraging

Maximum Points: 5

Applicants may receive a maximum of 5 points for this factor. Responses for Rating Factor 4 are limited to a total of 3 pages.

This factor evaluates the applicant’s ability to secure community resources that can be combined with HUD funds to achieve program purposes and to ensure sustainability of housing efforts. Such commitments may involve provisions of funding or services by other agencies, or in-kind donations of dedicated personnel to lead or plan activities.

1. Provide a list or chart of leveraged resources that directly impact the proposed activity. Include names and address of organizations providing the commitments, state if organization is a project sponsor, type of commitment (non-cash resources, volunteer time, in-kind resources or services, funds), the dollar value commitment, the source of the funding or in-kind contribution, such as federal, state, local, private and the organizations’ authorized representative’s name, title and contact information for the person who has made this commitment.

5 points – Full points will be awarded if applicant provides detailed information that reflects leverage commitments.

Rating Factor 5: Achieving Results and Program Evaluation

Maximum Points: 15

Applicants may receive a maximum of 15 points for this factor. Responses for Factor 5 are limited to 5 pages.

Responses for this factor must describe the project’s specific outcomes and goals and how data will be collected to ensure reporting is accurate and complete. This must also include a clear plan to monitor and evaluate project achievements based on the established goals and requirements.

1. Show a clear strategy for measuring program progress toward achieving performance goals. The strategy should document five performance measures linking to program outcomes and outputs. Performance measures for proposed activities must show progress toward the HOPWA program goal, which is to assist beneficiaries, using culturally competent

approaches to improve their health by providing stable housing as a basis for increased participation in comprehensive care.

Applicants are required to develop performance measures for each of the following areas: a) housing stability b) housing permanency c) health outcomes d) self-sufficiency. All performance measures must include goals, indicators, targets, data source and baseline data. Additional performance measures may be included from external sources of data that is related to measuring progress, such as viral load suppression and care continuum linkage. *4 points* - Full points will be awarded if there is at least one performance measure listed for each required area which includes goals, indicators, targets, and baseline data. The plan is comprehensive and has goals that are SMART (specific, measurable, achievable, relevant and time-bound).

2. Provide a clear plan for collecting client-level data and other necessary project data to produce accurate and complete reports for this Notice inclusive of the APR. The applicant should show they have systems or processes in place to accommodate the data collection for the replacement activity.

4 points – Full points will be awarded if there is a clear data collection plan to gather all the required data elements in the required reporting forms under this Notice.

3. Provide a clear plan to monitor and evaluate the delivery of housing and services that objectively measures actual achievements against anticipated achievements. This should include a timeline with activities, benchmarks, and performance indicators. Include efforts that will be made to ensure racial equity in the service delivery model.

4 points – Full points will be awarded if there is a clear monitoring and evaluation plan to measure achievements with a timeline that includes activities, benchmarks, and performance indicators.

4. Describe experience in achieving measurable results and meeting applicable performance goals in the operation of housing programs, include the existing HOPWA grant. This includes meeting project goals and objectives, such as number of persons assisted in comparison to the number that was planned at the time of the application; submitting timely performance reports; and expending funding as outlined in grant agreements/contracts, with no outstanding audit or monitoring issues.

3 points – Full points will be awarded if the applicant’s detailed response provides evidence of successful experience in establishing and measuring performance goals and outcomes in housing programs. A detailed response will include data on performance measures, clients served and timeliness of expenditures for each program.

H. Application Deficiencies

Depending on specific criteria, deficiencies may be either curable or non-curable. If during the replacement application threshold review or application review process HUD identifies curable deficiencies with the application, HUD will uniformly notify applicants of each curable deficiency.

1. Curable Deficiencies

A curable deficiency is an error or oversight that, if corrected, would not alter, in a positive or negative fashion, the review and rating of the application. Examples of curable deficiencies include missing information on a form, or some other type of unsatisfied information requirements. These examples are not exhaustive. 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.

When HUD identifies a curable deficiency, HUD will notify the applicant 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 the deficiency and must provide the response in accordance with the instructions contained in the deficiency notification.

Applicants must email corrections of curable deficiencies to the HUD email address through which they received the curable deficiency notification 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 7 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 dates 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.

2. Non-Curable Deficiency

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. An applicant cannot correct a non-curable deficiency after the submission deadline.

I. Award Announcements

Following the Replacement Grant Application review process, HUD will notify applicants whether the replacement application has been accepted. If the Replacement Grant Application is approved, the replacement activities will become the approved grant activities for the FY21 grant. If the Replacement Grant Application is not approved, the activities and budget submitted in the FY21 Renewal Grant Application will remain the approved activities for the FY21 grant, if approved.

XIV. Program Implementation Expectations

A. Continuation of Grant Activities

All successful applicants are expected to continue approved program activities on the expiring grant through the end of the period of performance, unless otherwise approved through Budget or Program amendment processes. The start date for the new grant agreement will be the day the grant agreement is signed by the grantee but should be coordinated with the expiration date of the expiring grant for continuity of service. In the case that funding balances under the expiring grant are exhausted prior to the effective date of the renewal or replacement grant, the grantee may request HUD's written approval to incur pre-award costs under the renewal or replacement grant in accordance with 2 CFR 200.458.

All Grantees will be required to comply with the applicable requirements at 2 CFR part 200, as may be amended from time to time. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in 24 CFR part 574, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments.

Grantees should fully expend their current grant before executing their renewal or replacement grant. However, if a grantee experiences a brief overlap in grant periods of performance, the grantee should fully expend the expiring grant before incurring costs on the renewal or replacement grant to avoid duplication on reporting forms.

Grantees must update their project sponsor agreements prior to project sponsors conducting activities under the renewal grant agreement. All project sponsor agreements must reflect all HOPWA requirements for grantees, including requirements of the HOPWA statute, regulations, nondiscrimination and equal opportunity requirements, other program requirements, and the terms and conditions of the grant agreement between the grantee and HUD. Grantees must ensure that their project sponsors are aware of HOPWA requirements and agree to comply with such requirements in carrying out activities under the HOPWA award. This includes, but is not limited to:

- HOPWA regulatory and statutory requirements;
- System for Award Management (SAM) registration requirements;
- Financial accounting requirements, including those found in 2 CFR part 200;
- Reporting requirements under both the HOPWA program and OMB sub-award data via the Federal Funding Accountability and Transparency Act (FFATA) Sub-award Reporting System (FSRS) and the Transparency Act; and
- Nondiscrimination and equal opportunity requirements, as described in 24 CFR 5.105(a) and 5.106. This includes, but is not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Titles II and III of the Americans with Disabilities Act, as applicable, HUD's Equal Access Rule, the Age Discrimination Act of 1975, and the obligation to affirmatively further fair housing.

B. Budget or Program Amendments

1. Extensions

Regarding the expiring grant, grantees should plan to fully expend their grants and not return funds at the conclusion of their period of performance. However, grantees with funding projected to be available past the grant expiration date may request an extension on their current grant. A grantee requesting an extension must provide supporting reasons for the extension request to HUD in writing. However, extension requests may not extend the grant past May 31, 2022, the cutoff date for eligibility in this Notice. Extensions past May 31, 2022 would make the applicant ineligible for renewal or replacement under this Notice. Grant extensions must be approved by HUD ten days before the original expiration date.

Regarding the FY2021 renewal or replacement award, grantees must fully expend their grant within three years of the execution of the grant agreement, or request and receive HUD's approval for a grant extension of up to one year from the grant end date. The grant term expiration date is three years from the signing of the grant agreement by the grantee, which is the effective project start date.

2. Amendments

Significant work will be put into determining eligible BLI amounts on the renewal or replacement award. As such, grantees should do their due diligence to operate the grant as approved before proposing budget or program changes. Grantees must also show a good faith effort to implement their project activities as approved. Accordingly, grantees may submit budget amendment requests no sooner than the beginning of their second program year based off actual expenditures and changing community need. Amendments in the first year will only be considered if the grantee provides justification that the grant cannot be operated as currently approved and meets other applicable requirements described below.

Regarding project sponsor changes within the scope and purpose of the grant, if there is a circumstance where a project sponsor needs to be added, a project sponsor needs to be dropped from the program design, or if a project sponsor's legal status has changed, the grantee must request the change in writing (email is acceptable). The request should: (1) justify the need for the project sponsor change or adjustment and provide an assessment of the impact on the approved project plans; (2) address how the change would be beneficial to addressing the permanent housing needs of HOPWA-eligible persons in their service area; (3) include an organizational capacity narrative addressing all rating criteria listed in the notice; (4) include a nonprofit status letter from the IRS for the new project sponsor; (5) provide documentation showing that the new project sponsor has, among its purposes, significant activities related to providing services or housing to persons living with HIV. This documentation could include a copy of the organization's articles of incorporation and/or bylaws, mission statement, program management plan, or other organizational policy document that evidences the organization's activities or

objectives related to providing services or housing to persons with HIV/AIDS. The preferred and most reliable documentation of an organization’s HIV/AIDS-related purpose is a statement in the organization’s articles of incorporation and/or bylaws; and (6) include an updated HUD-40110-B reflecting the requested changes. The review process and metrics to evaluate a new project sponsor during the grant’s period of performance is the same as when a new project sponsor is evaluated during the renewal application process. New project sponsors must be awarded a 14 out of 20 in order to be approved.

The regulation at 24 CFR 574.260 governs the process for making budget and program amendments within the scope and purpose of the grant. Grantees must provide written documentation, including an updated HUD-40110-B with budget change requests, to their local HUD field office for any proposed changes. Some proposed changes must receive prior field office review and approval. Each program must operate within the statutory limits on administrative costs for grantee (3%) and project sponsors (7%), as well as standards established in this Notice. If grantees are requesting to move funds between organizations, whether project sponsor or grantee, the administrative costs must be adjusted to remain in compliance with statutory limits on administrative costs. As such, not all changes can be approved.

Budget amendments should reflect how the funds were reprogrammed from one line item to another within the HOPWA-specific budget form, HUD-40110-B. Grantees can only reprogram funds from a BLI if there are funds left unspent in that BLI. For example, if a grant was funded with \$30,000 for TBRA over 3 years and the grantee spent \$10,000 on TBRA in the first year, the maximum amount of funds that could be reprogrammed out of TBRA at the start of year 2 would be \$20,000. Funds can only be reprogrammed to BLIs that are currently approved under the grant. The HUD-40110-B is required to show the approved amended budget, but the grantee should provide a chart in its written amendment request to the field office showing how funds will be reprogrammed between BLIs.

Example chart:

BLI	Original Budget	Amended Amount +/-	% of funds to be moved	New Amended Budget
TBRA	\$30,000	-\$10,000)	33%	\$20,000
Supportive services	\$20,000	+ \$10,000	50%	\$30,000

Some changes may not require a HUD approval, including changes that do not change an approved BLI or significantly alter the scope, location, service area, or objectives of an activity or the number of persons served by the grantee. The regulation at 24 CFR 574.260 provides that, in cases involving any other amendment to the application, these could be made by the grantee and the grantee is required to provide a copy to HUD. Such changes could involve the type of supportive services undertaken, adjustments in the planned types

of operating costs for housing facilities, changes in housing information services or program methods for administering the approved activities, or other such adjustments to improve the responsiveness, appropriateness, or efficiency of delivering the assistance provided under the approved grant agreement. These programmatic changes should be provided to HUD as they are established, but a summary of all such changes should also be articulated in the APR through outputs and the narrative section.

There are two types of BLI changes that may be considered: significant and insignificant.

a. Insignificant BLI changes

Insignificant changes involve a small amount of funds within the scope and purpose of the grant, no greater than 10 percent of an approved BLI, to which funds would be subtracted and added to another approved BLI. The grantee should notify the field office in writing (email is acceptable) of the amount of funds to be transferred from one BLI to the other BLI, describe the revised proposed use of funds, and submit an updated HUD-40110-B with the budget changes. Grantees must adjust their IDIS activity funding amounts to reflect the BLI changes after the Department has been notified of the change. No more than one insignificant change will be allowed within a monthly time frame. However, if additional insignificant amendments of funding between BLIs are needed, the Department may approve on a case-by-case basis. The chart below provides an example chart the grantee can send to the field office to provide written notification of the funds transferred for an insignificant BLI change. The grantee must also submit an updated HUD-40110-B incorporating these changes.

Table 3. Insignificant BLI Change Example

Budget Line Item	Approved	+/- Amendment Request	% of funds to be moved	Amendment Total Request
Tenant Based Rental Assistance (TBRA)	\$30,000	-\$3,000	10%	\$27,000
Short-term Rental, Mortgage, and Utility Assistance (STRMU)	\$40,000	+\$3,000	8%	\$43,000
Supportive Services	\$200,000	\$0		\$200,000
Total	\$270,000	\$0		\$270,000

b. Significant BLI Changes

HOPWA regulations at 24 CFR 574.260 require a grantee to provide HUD with a justification to any change that will significantly alter the scope, location, service area, or objectives of an activity or the number of eligible persons served. A proposed significant change must be within the scope and purpose of the grant and includes a grantee request to add or subtract more than 10 percent of the HOPWA-funded amount approved in any one BLI to another approved BLI; a change that affects the approved housing outputs established in the performance grant agreement by more than 10 percent; a change that decreases the amount of other leveraged funds that

were committed to be used for supportive service activities as documented in the approved application; or otherwise make any change that will significantly alter the scope, location, service area, or objectives of an activity or the number of persons served.

The grantee must request the change in writing (email is acceptable) and the request should:

(1) justify the request and provide an assessment of the impact on the approved project plans;

(2) address how the change would be beneficial to addressing the permanent housing needs of HOPWA-eligible persons in their service area; and

(3) include an updated HUD-40110-B reflecting the requested changes. All significant changes must receive a formal HUD approval and this must be accomplished prior to any grantee redistribution of funding among activities in IDIS. Per 2 CFR 200.308, the field office must review the budget or program amendment request and notify the grantee whether the amendment has been approved within 30 days. If the amendment is still under consideration at the end of 30 calendar days, the field office must inform the grantee in writing of the date when the recipient may expect the decision.

Table 4. Significant BLI Change Example

Budget Line Item	Approved	+/- Amendment Request	% of funds to be moved	Amendment Total Request
Tenant Based Rental Assistance (TBRA)	\$30,000	-\$10,000	33%	\$20,000
Short-term Rental, Mortgage, and Utility Assistance (STRMU)	\$40,000	+\$10,000	25%	\$50,000
Supportive Services	\$200,000	\$0		\$200,000
Total	\$270,000	\$0		\$270,000

Only one significant change should be approved within an annual operating period. However, if additional significant changes are requested by the grantee within a single operating year, the Department may approve such changes on a case-by-case basis. Grantees must operate their programs within the approved scope and purpose of the grant. If the scope of the grant is expanded beyond the original grant's approved purpose, then the existing and continued funding of the project as a renewal or replacement grant will be jeopardized.

The amendment should reflect how the funds shifted from one line item to another within the HOPWA-specific budget form HUD-40110-B. The examples of BLI change charts in Tables 4 and 5 can be incorporated into the amendment with the HUD-40110-

B attached. Once the amendment has been approved, the grantee will be responsible for adjusting its IDIS financial accounts accordingly.

c. Non-approvable BLI Changes

Some BLI changes are not eligible for approval, including those which exceed statutory limits for administrative costs for the grantee (i.e., 3 percent of the grant award) or for a project sponsor (i.e., 7 percent of the grant funds received by this sponsor). Also, the following changes are **not** eligible:

- The supportive services BLI may not exceed the supportive services amount approved under the renewal or replacement award;
- Changes in the committed leveraging amounts to be used in the coordination of housing assistance and supportive services that are critical to the delivery of services promised under the grant agreement. If leveraged resources are withdrawn, the grantee will be required to secure additional leveraged resources needed to sustain the project for the delivery of the appropriate level and type of services as committed in the application. Grantees may not amend the grant agreement to reflect a reduction in essential leveraged resources;
- A request for additional capital development activities that involve new facilities or sites which are not eligible activities under a renewal application; and
- Any change that is not within the purpose and scope of the grant.

C. HOPWA and HIV Strategic Plan

HUD encourages grantees to undertake activities that advance the HIV National Strategic Plan.

HIV National Strategic Plan: 2021–2025

<https://www.hiv.gov/federal-response/hiv-national-strategic-plan/hiv-plan-2021-2025>

Goal 1- Prevent New HIV Infections

Goal 2- Improve HIV Related Health Outcomes of People with HIV

Goal 3 - Reduce HIV-Related Disparities and Health Inequities

Goal 4- Achieve Integrated, coordinated efforts that address the HIV Epidemic among all partners and stakeholders

The HIV National Strategic Plan states that realizing the vision of ending HIV requires that PLWHA have access to high-quality services including housing and supportive services that are non-stigmatizing, culturally competent, non-discriminatory, inclusive, and responsive to their needs. In order to successfully achieve the goal, issues such as discrimination and systemic racism that contribute to differences in access in housing and lead to ongoing disparities among racial, ethnic, and LGBTQ+, must be addressed.

Reducing these disparities requires a focus on the needs of disproportionately affected populations, supporting racial justice, the rights of LGBTQ+ persons, and combating HIV-related stigma and discrimination, providing employment opportunities for people with HIV, and addressing social determinants of health and co-occurring conditions to reduce health inequities

and disparities. Accordingly, applicants are encouraged to engage in ongoing analysis of how organizational policies, procedures and practices, impact equitable access to services.

HOPWA grantees must report results on assisting vulnerable persons who are at risk of homelessness or are currently homeless through TBRA payments to eligible households and use of permanent housing facilities that increase access to affordable rental housing.

HOPWA grantees are encouraged to provide priority access to homeless and chronically homeless persons living with HIV/AIDS and their families with available housing units, and other forms of assistance as they become available. This prioritizing may be conducted through the combination of PHP assistance and TBRA payments.

HOPWA grantees are encouraged to evaluate racial equity and the appropriateness of supportive service activities needed. The package of available supportive service activities may be updated, if reasonable and necessary to appropriately address needs. HUD encourages the range of supportive service activities to involve opportunities for engaging beneficiaries in employment/job training programs and/or referral services linking beneficiaries to employment and job training programs to help promote greater client self-sufficiency. HOPWA grantees that participate in employment/job training supportive service activities must report on how assistance facilitates income increases for HUD-assisted households through the promotion of employment training/education activities that lead to income-producing jobs.

D. IDIS and Reporting

HOPWA PSH renewal and replacement grantees are required to use IDIS for financial transactions and reimbursement of approved project activities. Applicants must have the necessary processes and systems in place to comply with the reporting requirements should they receive funding. It is important that grantees understand the required separation of duties to draw down funding and how to keep the accounts active. New IDIS users will need to work with their field office representative to submit a request for access to an IDIS account. More information on IDIS account creation and maintenance can be found here:

<https://www.hudexchange.info/programs/idis/idis-technical-assistance/>. Due to the amount of time and steps involved in achieving IDIS integration, grantees should begin work on obtaining access to IDIS 90 days prior to the expiration of their current grant. The HUD Office of HIV/AIDS Housing will ensure the grantee has adequate support to properly set up their renewal grant and make their first drawdown in IDIS.

Grant funds under this award must be used in a consistent and regular manner over the three-year period of performance. HUD recommends draws from IDIS be made within 60 days from the end of the month in which an eligible cost was incurred and appropriately billed (incurred either by the grantee or project sponsors) to ensure that timely reimbursements are being paid for correctly billed eligible costs incurred. Grantees must draw down funds and reconcile the account quarterly, at minimum, in IDIS. However, it is recommended, as a sound financial management practice and oversight action, that drawdowns and reconciliations occur monthly.

HUD has issued a training manual to assist grantees in using IDIS and an IDIS naming convention tool. Grantees may also submit questions to the HUD Exchange Ask-A-Question online help desk. These resources are available at the links provided below.

- Manual: Using IDIS Online for the HOPWA Program:
<https://www.hudexchange.info/news/new-idis-manual-for-hopwa-grantees/>
- HOPWA IDIS Naming Convention Tool:
<https://www.hudexchange.info/resource/5233/hopwa-idis-naming-convention-tool/>
- HOPWA Webinar Series: Using IDIS for the HOPWA Competitive Grant Program:
<https://www.hudexchange.info/trainings/courses/hopwa-webinar-series-using-idis-for-the-hopwa-competitive-grant-program-webinar1/>
- HUD Exchange Ask A Question:
<https://www.hudexchange.info/get-assistance/my-question/>

Annual Performance Reports

Grantees must continue to report comprehensive household output and outcome accomplishment data and other data through the Annual Performance Report (APR) (HUD-40110-C) form.

Grantees are encouraged to use this data to begin evaluating racial equity in its service delivery model. Grantees should consider implementing additional processes that address:

- How the organization collects and tracks data elements in relation to racial equity
- Efforts made toward racial equity
- How service level demographic data and data documenting disparities is being used to prioritize and develop criteria for program level decision making.

Achieving racial equity in housing service is a continuous process. The process should include regular assessment and review of program level data disaggregated by race at decision points such as referrals, screenings, intake, and types of housing provided. Review of these data elements will capture various areas of disproportionality. It is important to supplement your data analysis with assessment conversations to determine the key leverage points and opportunities to influence each area of inequity in the service delivery model.

The APR is due to the grantee's Field Office representative and to the Office of HIV/AIDS Housing at HUD headquarters within 90 days of the end of the grantee's operating year. Generally, each operating year under the new award should be a 12-month period beginning on the period of performance start date established in the grant agreement. The grantee and all project sponsors should report on activities completed within this operating period. If an extension is granted through an amendment of the grant agreement and the extension is under six months, the data collected for that time period should be included in the grantee's final annual APR. If the extension granted is over six months, the grantee must submit an additional APR on the activities conducted during the extension time period.

HOPWA Closeout

Grantees must ensure the timely closeout of expired grants. All financial, performance and other required reports outlined in the terms and conditions of the award must be submitted to HUD, no later than 120 calendar days after the end of the period of performance. Required reports will include: financial status reports, final requests for payment, property reports (for property acquired with HOPWA funds), completed Standard Form Federal Financial Report (SF-425) and if applicable, completed audit certification. Additional requirements can be found at 2 CFR 200.344.

E. General HOPWA Guidance Materials

Grantees should also familiarize themselves with the following HOPWA guidance materials:

- HOPWA Oversight Training:
<https://www.hudexchange.info/trainings/hopwa-oversight-training/>
- HOPWA Rental Assistance Guide:
<https://www.hudexchange.info/resources/documents/HOPWARentalAssistanceGuidebook.pdf>
- HOPWA Income Resident Rent Calculation:
<https://www.hudexchange.info/resource/1835/hopwa-income-resident-rent-calculation/>
- Administering HOPWA Housing Assistance Fact Sheet:
<https://www.hudexchange.info/resources/documents/AdministeringHOPWAHousingAssistance.pdf>
- HOPWA Program Data Update:
<https://www.hudexchange.info/resource/5599/hopwa-program-data-update/>
- IDIS Manual for HOPWA Grantees:
<https://www.hudexchange.info/resource/1018/using-idis-online-for-hopwa/>
- HOPWA IDIS Naming Convention Tool:
<https://www.hudexchange.info/resource/5233/hopwa-idis-naming-convention-tool/>
- Memorandum on the Applicability of Section 8 Requirements to Rental Assistance Funded through the HOPWA Program:
<https://www.hudexchange.info/resource/4861/memo-12-15-applicability-of-section-8-requirements-to-rental-assistance-funded-through-the-hopwa-program/>
- CPD Financial Management Curriculum:
<https://www.hudexchange.info/news/cpd-launches-financial-management-curriculum/>
- HOPWA Short-Term Rent, Mortgage, and Utility Assistance Resource:
<https://files.hudexchange.info/resources/documents/HOPWA-STRMU-Assistance.pdf>

- Short-Term Rent, Mortgage, and Utility Assistance Fact Sheet:
<https://www.hudexchange.info/resource/1016/hopwa-short-term-supported-housing-fact-sheet/>
- Frequently Asked Questions on emergency hotel/motel vouchers, STRMU, administrative costs, and FFATA:
<https://www.hudexchange.info/hopwa/faqs/>
- HOPWA Confidentiality User Guide:
<https://www.hudexchange.info/resources/documents/HOPWA-Confidentiality-User-Guide.pdf>
- Program Administration Toolkit:
<https://www.hudexchange.info/resource/1025/hopwa-program-administration-toolkit/>
- Getting to Work: A Training Curriculum for HIV/AIDS Service Providers and Housing Providers:
<https://www.hudexchange.info/training-events/dol-hud-getting-to-work-curriculum-for-hiv-aids-providers/>
- HOPWA eLearning Best Practices Training Series:
<http://www.vpi.org/tap/webinars/>
- Information on the HOPWA Back to Work Employment Initiative:
<http://www.vpi.org/tap/webinars/>
- CPD Monitoring Handbook 6509.2 (see Chapter 10 on HOPWA):
<https://www.hudexchange.info/resource/290/hud-community-planning-and-development-monitoring-handbook-65092-rev7/>
- Homeless Management Information System (HMIS) Resources:
<https://www.hudexchange.info/programs/hmis/>
- HOPWA White Paper: The Connection Between Housing and Improved Outcomes Along the HIV Care Continuum:
<https://www.hudexchange.info/resource/4143/connection-between-housing-and-improved-outcomes/>
- Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity: https://www.hud.gov/LGBT_resources
- Information about the related Ryan White HIV/AIDS Program:
<http://hab.hrsa.gov/>

XV. Information Collection

The information collection requirements contained in this document have been approved by the Office of Management and Budget under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and are assigned the OMB control number of 2506-0133 (exp. 11/30/2023).