DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR-5600-C-41]

Notice of Funding Availability (NOFA) for the Continuum of Care Program Competition

Federal Agency Name: U.S. Department of Housing and Urban Development, Office of Community Planning and Development

Action: Notice of technical correction and clarification.

Summary: On November 9, 2012, HUD posted the Notice of Funding Availability (NOFA) for the Continuum of Care (CoC) Program Competition. This notice describes the technical corrections renumbering Section II.I. Award Information, revising Section V.B.1.b., and correcting Appendix A. It also provides clarification for those CoCs areas severely impacted by Hurricane Sandy.

For More Information Contact: CoCs, Collaborative Applicants, and project applicants that require information and technical support concerning the NOFA and the applications in *e-snaps* may submit an electronic inquiry via the HUD HRE Virtual Help Desk (VHD) at http://www.hudhre.info/helpdesk. The VHD is accessible 24 hours each day. Starting on the day prior to the application deadline, the VHD will respond only to emergency technical support questions up to the deadline of 7:59:59 p.m. Eastern Time.

Supplementary Information: On November 9, 2012, HUD posted on www.Grants.gov its NOFA for HUD's FY2012 CoC Program. The NOFA made available approximately $1.61 billion in assistance for the CoC Program.

A. In Section II. Continuum of Care Program Requirements, of the NOFA, subsection I. Award Information was incorrectly numbered. On page 13, the subsection is currently numbered II. Award Information. This Notice corrects the numbering for this subsection to **I. Award Information**.

B. This Notice corrects the language in Section V.B.1.b. *Conditional Selection and Adjustments to Funding* to read as follows:

> Once projects are determined to have passed threshold review, HUD will use the following order of selection priorities to select eligible projects for funding in the FY2012 CoC Program Competition. Using the selection priorities, HUD will select projects from the CoC's Priority Listings until no additional funds are available. HUD will select lower-ranked projects from a CoC's Priority Listings above higher-ranked projects, consistent with these selection priorities.
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> Within the rank order established by the CoC on the Priority Listings, HUD will first select projects from Tier 1 in the following order by CoC score:

(1) renewal projects.

(2) new projects created through reallocation.

(3) CoC Planning costs.

(4) Permanent Housing Bonus projects located in designated "Extreme High Needs" communities.

(5) new Permanent Housing Bonus projects.

(6) new permanent housing projects.

(7) new SSO projects for centralized or coordinated assessment systems created with available PPRN.

(8) new HMIS projects.

(9) new transitional housing projects.

(10) new supportive services only projects.

Within the rank order established by the CoC on the Priority Listings, HUD will then select projects from Tier 2 with any remaining available funds in the following order by CoC score:

(1) renewal projects.

(2) new projects created through reallocation.

(3) CoC Planning costs.

(4) Permanent Housing Bonus projects located in designated "Extreme High Needs" communities.

(5) new SSO projects for centralized or coordinated assessment systems created with available PPRN.

(6) new Permanent Housing Bonus projects.

(7) new permanent housing projects.

(8) new HMIS projects.

(9) new transitional housing projects.

(10) new supportive services only projects.

HUD will select projects in order of the selection priorities, and within each selection priority by CoC score, and for each CoC in order of the Priority Listing, until there are no more available funds. For each selection priority, HUD will select all of the projects for a higher scoring CoC, in order of the CoC's Priority Listing, before selecting projects from the next highest scoring CoC, in order of that CoC's Priority Listing; HUD will move down through the CoCs by CoC score before continuing to the next selection priority, or until there are no more available funds.

C. Further, the Appendix A of the NOFA has been updated to correct Annual Renewal (ARD), ARD minus 3.5 percent, and Final Pro Rata Need (FPRN). During the FY2012 CoC Registration, HUD approved the incorrect ARD amounts for several CoCs. The affected CoCs had to accept these incorrect values during the final stage of registration in order to have access to the FY2012 CoC Application. As a result, the incorrect amounts were listed on the "Maximum Funding Needs" form. The incorrect amounts also affected the ARD minus 3.5 percent and total FPRN. HUD has made the appropriate corrections on the "Maximum Funding Needs" form. The corrected Appendix A is attached.

D. As stated in Section V.A.1. of the NOFA, CoCs with projects impacted by a major disaster, as declared under Title IV of the Robert T. Stafford Act, will be awarded a minimum score of half of the full points available for CoC Performance. CoCs with projects impacted by Hurricane Sandy are reminded to notify HUD in writing prior to the close of the CoC Program Competition. Send written notification to Ann Marie Oliva at HUD Headquarters, 451 Seventh Street, SW, Office of Special Needs Assistance Programs, Room 7262, Washington, DC, 20410 postmarked no later than December 21, 2012.

The requirements in the NOFA continue to apply to CoCs with projects impacted by a major disaster. Collaborative and project applicants experiencing difficulty in gathering information for CoC and project applications due to Hurricane Sandy are encouraged to focus on expiring renewal grants. The Collaborative Applicant must complete as much of the CoC Application as possible and rank all project applications on the CoC Project Listings. Project applicants must complete as much information as possible in the project application and submit it to the Collaborative Applicant. Collaborative Applicants and project applicants have the ability to access their previous applications that may contain useful information through *e-snaps* as well as the Point-in-Time (PIT) and Housing Inventory County (HIC) that is available in the Homelessness Data Exchange (HDX). The budgets for renewal projects should reflect the HUD-approved Grants Inventory Worksheet (GIW). CoCs with projects impacted by Hurricane Sandy may consider limiting new project applications to one application for CoC planning funds and one application for a dedicated HMIS project. CoCs with projects impacted by Hurricane Sandy should plan to work closely with their local HUD CPD field office to amend budgets as needed, provide updates to the field office and HUD Headquarters regarding progress toward getting impacted projects back in operation, and agree to any technical assistance HUD deems necessary.

If a CoC with projects impacted by Hurricane Sandy determines that it will not be able to establish local competition deadlines to receive the maximum number of points available in section V.A.3.c. of the NOFA – (1) project applications to be submitted to the CoC no later than 30 days before the application deadline, and (2) notification in writing, outside of *e-snaps*, of rejection by the CoC within 15 days of the application deadline – the Collaborative Applicant should propose revised dates and justify the request in a letter to Ms. Oliva postmarked by December 21, 2012. If HUD determines that the proposed dates are reasonable based on the impact of Hurricane Sandy on the CoC and will provide rejected project applicants sufficient notice to appeal per 24 CFR 578.35(b), then HUD may award the CoC points up to the maximum permitted under V.A.3.c. The proposed dates must be prior to the January 18, 2013, 7:59:59, p.m., Eastern Time application deadline to HUD.

This clarification does not substantively change the NOFA nor does it change the application deadline or rating factors.

DATE: **December 12, 2012**

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