

- If you or the project sponsors are current or past recipients of assistance under a HUD McKinney-Vento Act program, there must have been no delay in meeting applicable program timeliness standards unless HUD determines the delay in project implementation is beyond your or the project sponsor's control, no unresolved HUD finding, or no outstanding audit finding of a material nature regarding the administration of the program; and

- You and the project sponsors must be in compliance with applicable civil rights laws and Executive Orders, and must meet the threshold requirements of Section V of the General Section of the SuperNOFA.

(2) *Project eligibility.* HUD will review projects to determine if they meet the following eligibility standards. If HUD determines the following standards are not met by a specific project or activity, the project or activity will be rejected from the competition.

- The population to be served must meet the eligibility requirements of the specific program as described in the program regulations and you must provide evidence of eligibility specified in the application kit. The application must clearly establish eligibility pertaining to homelessness and disability status.

- Projects that involve rehabilitation or new construction must meet the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, the design and construction requirements of the Fair Housing Act and the accessibility requirements of the Americans with Disabilities Act, as applicable.

The project must be cost-effective in HUD's opinion, including costs associated with construction, operations and supportive services with such costs not deviating substantially from the norm in that locale for the type of structure or kind of activity.

- For the Section 8 SRO program, only individuals meeting HUD's definition of homeless are eligible for assistance. Therefore, any individual occupying a unit at the time of application is not eligible for the SRO program and upon returning after having vacated their unit during the rehabilitation period is not eligible to receive rental assistance under the SRO Program since they do not meet the McKinney-Vento Act definition of homeless individual.

- For those projects proposed under the SHP innovative category: Whether or not a project is a considered innovative will be determined on the basis that the particular approach proposed is new and can be replicated.

- Applicant agrees to participate in a local HMIS system when implemented. Standards for participation in an HMIS will soon be published by HUD.

(3) *Project quality.* HUD will review projects to determine if they meet the following quality standards. The housing and services proposed must be appropriate to the needs of the persons to be served. HUD may find a project to be inappropriate if:

- The type, scale and general location of the housing or services do not fit the needs of the proposed participants. A S+C or SHP project renewal will be considered as having met this requirement through its previously approved grant application unless information to the contrary is received.

- A specific plan for ensuring that clients will be assisted to obtain the benefits of the mainstream health, social service, and employment programs for which they are eligible is not provided.

- The description of the project does not show how participants will be helped to access permanent housing and achieve self-sufficiency. A S+C project renewal will be considered as having met this requirement through its previously approved grant application.

- Renewal projects do not evidence satisfactory performance for their existing grant in HUD's opinion based upon the substantial achievement of their program goals as reflected in their most recent Annual Progress Report. (New projects funded for one year in 2001 are not subject to this requirement.)

- Renewal projects do not evidence that they have assisted clients to obtain the benefits of the mainstream health, social service, and employment programs for which they were eligible as evidenced in their most recent Annual Progress Report.

- An applicant that proposes a new project does not evidence satisfactory performance for their existing or prior grants based upon the substantial achievement of their program goals as reflected in their most recent Annual Progress Report.

(4) *Continuum of Care.* HUD will award up to 60 points as follows:

(a) *Process and Strategy.* HUD will award up to 20 points based on the extent to which your application demonstrates:

- The existence of a coordinated and inclusive community process, including organizational structure(s), for developing and implementing a CoC strategy which includes nonprofit organizations (such as veterans service organizations, organizations representing persons with disabilities, faith-based and other community-based

organizations, and other groups serving homeless persons), State and local governmental agencies, public housing authorities, housing developers and service providers, law enforcement, hospital and medical entities, funding providers, local businesses and business associations, and homeless or formerly homeless persons; and

- That a well-defined and comprehensive strategy has been developed which addresses the components of a CoC system (*i.e.*, prevention, outreach, intake, and assessment; emergency shelter; transitional housing; permanent and permanent supportive housing) and that strategy has been designed to serve all homeless subpopulations in the community (*e.g.*, seriously mentally ill, persons with multiple diagnoses, veterans, persons with HIV/AIDS), including those persons living in emergency shelters, supportive housing for homeless persons, or in places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

*The CoC's statement on process and strategy must also include the following:*

A description of how the Continuum will work with the appropriate local government entity to develop and implement a discharge policy for persons leaving publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons; and a description of the CoC's strategy and schedule for implementing an HMIS and its progress to date.

(b) *Gaps and Priorities.* HUD will award up to 15 points based on the extent to which your application:

(i) Describes the gap analysis performed, uses reliable information and sources that are presented completely and accurately; and

(ii) Proposes projects that are not inconsistent with the gaps analysis described in the CoC strategy, describes a fair project selection process, explains how gaps identified through the analysis are being addressed, and correctly completes the priority chart.

When HUD reviews a community's CoC to determine the points to assign, HUD will consider whether the community took its renewal needs into account in preparing its project priority list. (See discussion on renewals in Section III(A)(3) of this NOFA.)

(c) *Supplemental Resources.* HUD will award up to 15 points based on the extent to which your application incorporates mainstream resources and