

E. Match Requirements

1. Under the SHP, what is the operating cost match requirement? Is this a cash match?

SHP funds may be used to pay for up to 75 percent of the total operating costs of supportive housing for all years of the grant term (this change is not applicable to grants awarded prior to calendar year 2000). For example, if the annual operating costs are \$100,000, SHP funds may be used to pay up to \$75,000, or 75 percent, of these costs in each year of the grant term and the grantee would be required to pay \$25,000, or 25 percent, each year.

The operating costs match to be paid by the grantee is a cash match. Documentation of firm commitments of cash resources for the first year of the grant term and certification that cash resources will be provided in the second and third year of the grant term, if applicable, must be submitted as part of the technical submission application (the form and content requirements of the cash match documentation and certification are explained in the applicable exhibits of the SHP Technical Submission document). In addition, the cash match must be verified in the Annual Progress Report. Donated or in-kind contributions do not count toward meeting this match.

2. Is the SHP operating costs match requirement applicable to projects submitted for renewal funding?

Yes. Projects submitted for renewal are allowed to request up to 75 percent of the actual operating costs of supportive housing for all years of the grant term. However, renewal applicants may not request SHP funds to replace State or local government funds being used in the project.

3. What is the supportive services match requirement for SHP? Is this a cash match?

The 2003 HUD Appropriation Act specifies a 25 percent match of SHP supportive service funding (i.e., for every \$100 in SHP funds, the applicant must provide \$25 toward supportive services). Another way to look at this is that the SHP request can be no more than 80 percent of the total budget for the supportive services line item (i.e., 80% of the \$125 (total budget) in the above example equals \$100). If you do not indicate in your SHP application budget that you are supplying the full match required, your SHP request will be reduced so that it is no greater than 80 percent of your total supportive services budget.

The supportive services match to be paid by the grantee is a cash match. Documentation of firm commitments of cash resources for the first year of the grant term and certification that cash resources will be provided in the second and third year of the grant term, if applicable, must be submitted as part of the Technical Submission (the form and content requirements of the cash match documentation and certification are explained in the applicable exhibits of the SHP Technical Submission). In addition, the cash match must be verified in the Annual Progress Report. Donated or in-kind services do not count toward meeting this match.

4. What if we have a renewal project that is requesting supportive services funds? Do those funds need to be matched?

Yes. A renewal project requesting supportive services funds must also meet the match requirement as described in question #3 of this section.