

It is entirely possible that within a single grant, one component project may have sufficient funds remaining to continue providing rental assistance beyond 2004 while another component project must be submitted for renewal. Therefore, the status of every S+C component project within an expiring grant should be analyzed separately to determine whether it can be extended or should be submitted for renewal.

HUD has developed procedures for extending the grant term for S+C projects expiring in calendar year 2004 with sufficient funds to carry the project into calendar year 2005. This extension process is independent from the CoC competition. In such a case, contact your HUD field office for information on seeking an extension of your project.

13. Is the special funding of Shelter Plus Care renewals going to continue in the 2003 competition and what will the requirements be for submission of these renewal applications?

Under the 2003 HUD Appropriations Act, eligible Shelter Plus Care Program grants whose terms are expiring in FY2004 and Shelter Plus Care Program grants that have been extended beyond their original five-year terms but which are projected to run out of funds in FY 2004 will be renewed for one-year provided that they are determined to be needed by the Continuum of Care and meet other programmatic and financial standards. In order to meet the Congressional intent that only Shelter Plus Care renewals determined to be needed by the Continuum of Care are funded, all Shelter Plus Care renewals must be submitted as part of a community's Continuum of Care submission and be included on the priority list. Therefore, S+C renewals must be given consideration as part of the local CoC planning process and, if approved for submission by the CoC, must be listed as the last entries on the CoC's Project Priority Chart. (Even though the selection for funding of eligible Shelter Plus Care projects is non-competitive, a Shelter Plus Care renewal application should be submitted by the deadline and in accordance with the other submission requirements described in the NOFA.)

Exhibit "3R" is for Shelter Plus Care renewal projects only. Submit a separate Exhibit 3R for each renewal project. (A renewal project may include no more than one component [i.e., TRA, SRA, PRA] and may be carried out by no more than one project sponsor.)

You may request up to the amount determined by multiplying the number of units under lease at the time of your application for renewal funding by the applicable current Fair Market Rent(s) by 12 months, except for Shelter Plus Care grants having been awarded one year of renewal funding in 2002, the number of units requested for renewal this year may not exceed the number of units funded in 2002. Upon renewal, the unspent balance of funds at the end of the previous grant period will be recaptured. The one-year term of non-competitively awarded Shelter Plus Care renewal projects may not be extended.

14. How much money can I request for my first S+C renewal or subsequent renewal?

For S+C projects seeking their first renewal in this year's competition, the renewal amount may not exceed the number of S+C units under lease at the time of application for renewal funding times the current Fair Market Rent (FMR as published in the Federal Register on September 30, 2002) times 12 months. (S+C renewal funding is now limited to one year by Congress.) However, for Shelter Plus Care grants having been awarded one-year of renewal funding in 2002, the number of units requested for renewal in 2003 may not exceed the number of units funded in 2002. (Please be advised that the actual FMRs used in calculating your grant will be those in effect at the time the grants are approved which may be higher than those found in the September 30, 2002 FR Notice.) The renewal of S+C/SRO projects is not based on the FMR, but on the contract rent.