

(3) Retrofitting to upgrade a regular unit to an accessible unit for a person/family with disabilities who is being displaced from an accessible unit in the portion of the project that is being converted to the ALF, where another accessible unit is not available.

(4) Temporary relocation (not applicable to commercial property).

(5) Consultant, architectural and legal fees.

(6) Vacancy payments not more than 30 days after conversion to an ALF.

(F) *Ineligible Activities*. You may not use funds available through this NOFA to:

(1) Add additional dwelling units to the existing project (not applicable to commercial property);

(2) Pay the costs of any of the necessary direct supportive services needed to operate the ALF;

(3) Purchase or lease additional land;

(4) Rehabilitate (see definition at 24 CFR 891.105) the project for needs unrelated directly to the conversion of units and common space for assisted living;

(5) Use the ALCP to reduce the number of accessible units in the project that are not part of the ALF (not applicable to commercial property);

(6) Permanently relocate any resident out of the project; and,

(7) Increase the management fee.

IV. Program Requirements

In addition to the statutory, regulatory, threshold and public policy requirements listed in Section V of the General Section of this SuperNOFA, each applicant must comply with the following requirements:

(A) *Statutory, Regulatory, and Other Program Requirements*. You must comply with all applicable statutory requirements to the projects specified in Section 202(b) and statutory requirements under Section 232(b)(6). Please note that all ALCP projects must conform to the 500-year flood plain limitation (See Section VII of this NOFA.) Construction of ALCP units is considered a "critical action" for purposes of the flood plain requirement.

Excess Residual Receipts (over \$500/unit) and Reserve for Replacement (R4R) funds (over \$1000/unit) in Project Accounts that are not approved for another use at the time of application to HUD under this NOFA are considered available funds and must be applied towards the cost of conversion activities. Before making this determination, however, HUD staff will consider the extent of repair/replacement needs indicated in the most recent REAC physical inspection and not yet approved and any ongoing

commitments such as non-grant-based service coordinator or other funding, where existing, deduct the estimated costs of such items from the R4R and residual receipts balances to determine the extent of available residual receipts and R4R funds for the ALCP. (This paragraph is not applicable to commercial properties.)

If funded, you must also file a HUD Form-2530 for all construction contractors, architects, consultants, and service provider organizations under direct contract with you that will be engaged under this NOFA and comply with all State and local licensing, zoning and building code requirements.

(B) *Meals and Supportive Services*. You must develop and submit a Supportive Services Plan (SSP) for the services and coordination of the supportive services which will be offered in the ALF to the appropriate state or local organization(s) which are expected to fund those supportive services. (See Section VI(B)(8) of this NOFA below, for the information which must be in the SSP.) You must submit one copy of your SSP to each appropriate State or local service funding organizations well in advance of the application deadline, for appropriate review. The State or local funding organization(s) must return the SSP to you with appropriate comments and an indication of the funding commitment, which you will then include with the application you submit to HUD.

You must ALSO submit the SSP to the appropriate organization(s) which license ALFs in your jurisdiction. The licensing agency(ies) must approve your plan, and must also certify that the ALF and the proposed supportive services identified in your SSP, are consistent with local statute and regulations and well designed to serve the needs of the frail elderly and people with disabilities who will reside in the ALF portion of your project.

Finally, you must also submit an agreement to pursue appropriate ALF licensing in a timely manner.

(C) *Minimum Size Limits for an ALF*. An ALF must be economically feasible. Consistent with HUD Handbook 4600.1, CHG-1, the minimum size for an ALF is five units.

(D) *Program Requirements*. The following program requirements apply: (Note: Program Requirements described in paragraphs 3, (8)(a) and (b), and (12) below are not applicable to applicants requesting funding to convert commercial facilities):

(1) Your ALF facility must be licensed and regulated by the state (or if there is no state law providing such licensing

and regulation, by the municipality or other subdivision in which the facility is located). Each assisted living unit must include its own kitchen, bathroom, bedroom, living/dining area (1 bedroom unit) or kitchen, bathroom, bedroom/living/dining area (efficiency unit) and must meet the state and/or local licensing, building, zoning and other requirements for an ALF.

(2) Your ALF must be available to qualified elderly persons and persons with disabilities, consistent with the rules and payment plans of the State, who need and want the supportive services in order to remain independent and avoid premature institutionalization.

(3) Your ALF's residents must be tenants or residents of the multifamily project and must comply with the requirements applicable to the project. Thus, you cannot charge additional rent over what is charged to residents in the non-ALF portion of the project. All admissions to the ALF must be through the applicable project admissions office. However, persons accepted into the ALF also must sign an ALF admissions agreement which shall be an addendum to the applicable project lease.

(4) At a minimum, your ALF must provide room, board (as defined in Section IV(B)(6)(below) and continuous protective oversight (CPO). CPO involves a range of activities and services that may include such things as awareness by management and staff of the occupant's condition and location as well as an ability to intervene in a crisis for dependent and relatively independent occupants on a 24-hour basis. The two occupant groups in an ALF are:

(a) *Independent Occupants*: Awareness by management and staff of the occupant's condition and whereabouts as well as the availability of assistance for the occupants as needed.

(b) *Dependent occupants*: Supervision of nutrition, assistance with medication and continuous responsibility for the occupants' welfare.

(5) Anyone moving into an ALF unit must agree to accept as a condition of occupancy the board and services required for the purpose of complying with state and local law and regulation. However, occupancy in an ALF unit may not be conditioned on receipt of other services or board not required by state or local requirements.

(6) Your ALF must offer three meals per day to each resident.

(a) Residents whose apartments have kitchens must take at least the number of meals a day provided by the facility, per their mandatory meals requirement,