

(B) *Funding for the Section 811 Program.* The Section 811 Program of Supportive Housing for Persons With Disabilities, located elsewhere in the SuperNOFA, provides capital advances and project rental assistance in FY 2003. The Section 811 Program of Supportive Housing for Persons With Disabilities will provide funding to nonprofit organizations (sponsors) for the development and operation of small, scattered-site housing to enable adults with disabilities to live as independently as possible in the community. The capital advance does not need to be repaid as long as the housing is used for its intended purpose for at least 40 years. The project rental assistance funds cover the difference between the HUD-approved operating expenses of the housing and the tenant's contribution towards rent, which is 30 percent of adjusted income. The types of housing that are typically developed through the program are small group homes for no more than six persons, independent living projects containing individual apartment units for no more than 14 persons, and condominium units. Sponsors are required to ensure that residents have access to any necessary supportive services but cannot require the acceptance of such as a condition of occupancy.

*(C) Housing Choice Voucher Funding*

(1) *Funding Methodology.* HUD will select applications for funding that meet all of the application submission requirements in section VI of this NOFA and that score a sufficient number of points under the selection criteria listed in section V of this NOFA. Applications will be ranked from highest to lowest score in descending order, with the highest ranked application selected first for funding, and so forth. Where two or more applicants have exactly the same score under the selection criteria in section V (B) of this NOFA and insufficient funding remains to fund all of them, applicants will be funded in the order of the exact percentage of disabled persons at or below the poverty level that is in each applicant's primary market area. The applicant with the highest percentage will be funded first, etc.

HUD will limit the number of applications selected for funding from any State to 10 percent of the budget authority available for the Mainstream Program. If establishing this geographic limit would result, however, in unreserved budget authority, HUD may modify this limit to assure that all available funds are used.

When remaining budget authority is insufficient to fund the last selected

application in full, the application will be funded to the extent of the funding available, unless the applicant indicates that it will only accept a higher number of units. In that event, the next selected application shall be the one indicating a willingness to accept the lesser amount of funding for the units available.

(2) *Maximum Voucher Request.* There is a limit on the number of vouchers that may be requested. An eligible applicant may apply for a maximum of 50 vouchers. No more than 50 vouchers will be awarded to any applicant under the FY 2003 Mainstream Program.

(3) *Determination of Funding Amount for the Applicant's Requested Number of Vouchers.* HUD will determine the amount of funding that an applicant will be awarded under this announcement based upon an actual annual per unit cost {except for Moving to Work (MTW) agencies in which the per unit cost will be calculated in accordance with the agency's MTW Agreement for MTW units}, using the following two-step process:

(a) HUD will extract the total expenditures for the PHA's housing choice voucher program and the unit months leased information from the most recent approved year-end statement (Form HUD-52681) that the PHA has filed with HUD. HUD will divide the total expenditures for the PHA's housing choice voucher program by the unit months leased to derive an average monthly per unit cost.

(b) HUD will multiply the monthly per unit cost by 12 (months) to obtain an annual per unit cost.

**Note:** Applicants who do not currently administer a housing choice voucher program shall have their voucher funding based upon the actual annual per unit costs of the PHA in their most immediate area administering a housing choice voucher program, using the two step process described immediately above.

(4) *Preliminary Fee.* A preliminary fee of up to \$500 per unit for start-up expenses will be paid to applicants selected for funding under this announcement who have not previously administered their own housing choice voucher program. The preliminary fee will be provided to such applicants only in their first year of administering housing choice vouchers.

### III. Program Description, Eligible Applicants and Eligible Participants

(A) *Program Description.* The Secretary has established a Mainstream Housing Opportunities for Persons with Disabilities Program (Mainstream Program) to provide vouchers to enable persons with disabilities to access

affordable private housing of their choice.

The Mainstream Program will assist PHAs and nonprofit organizations in providing housing choice vouchers to a segment of the population recognized by HUD's housing research as having one of the worst housing needs of any group in the United States, i.e., very low-income households with adults with disabilities. In addition, the Mainstream Program will assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

(B) *Eligible Applicants.* Public housing agencies (PHAs) and nonprofit organizations that provide services to the disabled (as defined in section IV(E) of this announcement) are eligible applicants for the five-year budget authority funding available under this funding announcement. PHAs or nonprofit organizations that fall into any of the categories in section VII(B)(2) of this announcement are ineligible to have an application funded under this announcement. Indian Housing Authorities (IHAs), Indian tribes and their tribally designated housing entities are not eligible to apply for new increments of housing choice voucher funding because the Native American Housing Assistance and Self-Determination Act of 1996 does not allow HUD to enter into new housing choice voucher annual contributions contracts (ACC) with IHAs after September 30, 1997.

(1) *PHAs.*

(a) A PHA may submit only one application under this announcement. This one application per PHA limit applies regardless of whether or not the PHA is a State or regional PHA, except in those instances where such a PHA has more than one PHA code number due to its operating under the jurisdiction of more than one HUD Field Office. In such an instance, a separate application under each code shall be considered for funding, with the cumulative total of vouchers applied for under the applications not to exceed the maximum of 50 vouchers the PHA is eligible to apply for under Section II (C)(2) of this announcement, i.e., no more than the number of vouchers the same PHA would be eligible to apply for if it only had one PHA code number.

(b) PHAs are encouraged to involve nonprofit organizations that provide services to disabled families, as defined in Section III(B)(2) of this announcement, in the administration of the Mainstream Program's vouchers. In the past, such organizations have frequently demonstrated a capacity to assist disabled families, as well as have