

must list the county only and not list the individual cities within that county (the county is the sum of all housing needs for cities within a county). If, in addition to the county, there are individual cities outside the county where the applicant also will be issuing vouchers, the PHA then also must list these cities. A State PHA or nonprofit organization legally authorized to operate throughout the entire State, but which intends to issue the fair share vouchers in only one county, must list solely that county as its primary market area. In addition, the primary market area shall not include a geographic area in which the applicant is issuing vouchers, outside its normal, legally authorized area of operation, based upon an agreement with another agency/PHA to issue vouchers in the other agency's/PHA's jurisdiction.

VII. Corrections to Deficient Applications

(A) *Acceptable Applications.* The application must include all of the information specified in Section VI, Application Submission Requirements, of this announcement. The General Section of the SuperNOFA provides the procedures for corrections to deficient applications. {Note: The submission by applicants of clarifications or corrections of technical deficiencies under this funding announcement must be provided to HUD within 7 calendar days (not the 14 calendar days indicated in the General Section of the SuperNOFA) of receipt of the HUD notification.}

(B) *Unacceptable Applications.* (1) After the 7-calendar day technical deficiency correction period, the Grants Management Center will disapprove all applications from PHAs and nonprofit organizations that the Grants Management Center determines are not acceptable for processing. The Grants Management Center's notification of rejection letter must state the basis for the decision. The applicant may request an applicant debriefing. Beginning not less than 30 days after the awards for assistance are announced in the **Federal Register**, and for not longer than 120 days, HUD will, upon receiving a written request from the applicant, provide a debriefing to the requesting applicant. (See the General Section of the SuperNOFA for additional information regarding a debriefing.) Applicants requesting to be debriefed must send a written request to Michael Diggs, Director, Grants Management Center, Department of Housing and Urban Development, 501 School Street, SW., Suite 800, Washington, DC 20024.

(2) Applications from PHAs or nonprofit organizations that fall into any of the following categories will not be processed:

(a) PHAs or nonprofit organizations that do not meet the fair housing and civil rights compliance threshold requirements of sections V(B)(2), (C) and (D) of the General Section of the SuperNOFA.

(b) The applicant is designated as troubled by HUD under SEMAP, or has major program management findings in an Inspector General audit for its voucher program that are unresolved, or has other significant program compliance problems that are not resolved. Major program management findings, or significant program compliance problems, are those that would cast doubt on the capacity of the applicant to effectively administer any new housing choice voucher funding in accordance with applicable HUD regulatory and statutory requirements. The only exception to this category is if the applicant has been identified under the policy established in section III (B)(1)(c) of this announcement and the applicant makes application with a designated contract administrator.

(c) The PHA or nonprofit organization has failed to achieve a lease-up or budget authority utilization rate of 97 percent for its voucher units under contract for its fiscal year ending on either December 31, 2001; March 31, 2002; June 30, 2002; or September 30, 2002. Applicants that have been determined by HUD to have passed either the 97 percent lease-up, or 97 percent budget authority utilization requirement for their fiscal year ending on December 31, 2001; March 31, 2002; June 30, 2002; or September 30, 2002, will be listed with the Mainstream funding announcement at the following HUD Web site: <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>. An applicant not listed may submit monthly lease-up and budget authority utilization information (following the methodology of Appendix A of this announcement and using the format in Appendix B, which also includes a blank version of the format) as part of its application supportive of its contention that it should have been included among those potential applicants HUD listed on the HUD Web site as having achieved either a 97 percent lease-up rate or 97 percent budget authority utilization rate for fiscal years ending on December 31, 2001; March 31, 2002; June 30, 2002; September 30, 2002; or subsequent full fiscal year not yet processed by HUD but certified by the applicant. Applicants not listed on the aforementioned HUD

Web site must submit utilization information using the blank form in Appendix B, as the application will otherwise be determined ineligible for funding under this announcement.

Note: The lease-up and budget authority utilization requirement shall not apply to applicants not currently administering a voucher program, or to new units associated with funding increments obligated during the applicant's last fiscal year and units obligated for litigation. In addition, lease-up or budget authority utilization rates of 96.5 percent but less than 97 percent shall be rounded up to 97 percent.)

See section VI (G) of this funding announcement which addresses the certification to be submitted by MTW agencies in connection with the 97 percent lease-up and budget authority utilization requirements referenced above.

(d) The PHA or nonprofit organization is involved in litigation and HUD determines that the litigation may seriously impede the ability of the applicant to administer the vouchers.

(e) An application that does not comply with the requirements of 24 CFR 982.103 and this program section after the expiration of the 7-calendar day technical deficiency correction period will be rejected from processing.

(f) The application was submitted after the application due date.

(g) The application was not submitted to the official place of receipt as indicated in the paragraph entitled "Address for Submitting Applications" at the beginning of this announcement.

(h) The applicant has been debarred or otherwise disqualified from providing assistance under the program.

(i) The PHA did not have its PHA plans approved by HUD for the FY 2001 plan cycle on the application due date for this funding announcement. (This category of ineligibility does not apply to nonprofit organizations whose housing choice voucher program is based solely upon previously approved housing choice vouchers under the Mainstream Program.)

VIII. Environmental Requirements

In accordance with 24 CFR 50.19(b)(11) and 58.35(b)(1) of the HUD regulations, tenant-based rental activities under this program are categorically excluded from the requirements of the National Environmental Policy Act of 1969 (NEPA) and are not subject to environmental review under the related laws and authorities. Activities under the homeownership option of this program are categorically excluded from NEPA requirements and excluded from other environmental requirements