

organizations under the Mainstream Housing Opportunities for Persons with Disabilities Program that is found elsewhere in this SuperNOFA.

In accordance with the waiver authority provided in the FY 2003 Consolidated Appropriations, the Secretary is waiving the following statutory and regulatory provision: The term of the project rental assistance contract is reduced from 20 years to 5 years. HUD anticipates that at the end of the contract terms, renewals will be approved subject to the availability of funds. In addition to this provision, HUD will reserve project rental assistance contract funds based on 75 percent rather than on 100 percent of the current operating cost standards for approved units in order to take into account the average tenant contribution toward rent.

The allocation formula used for section 811 reflects the "relevant characteristics of prospective program participants," as specified in 24 CFR 791.402(a). The FY 2003 formula consists of the following data element from the 2000 Census: The number of non-institutionalized persons age 16 to

64 with a disability. The data on disability status were derived from answers to a two-part question that asked about the existence of the following long-lasting conditions: (a) Blindness, deafness, or a severe vision or hearing impairment (sensory disability) and (b) a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying (physical disability); and a four-part question that asked if the individual had a physical, mental, or emotional condition lasting 6 months or more that made it difficult to perform certain activities. The four activity categories were: (a) Learning, remembering, or concentrating (mental disability); (b) dressing, bathing, or getting around inside the home (self-care disability); (c) going outside the home alone to shop or visit a doctor's office (going outside the home disability); and (d) working at a job or business (employment disability). Under the Section 811 Program, each HUD Office jurisdiction receives sufficient capital advance funds for a minimum of 10 units. The total amount

of capital advance funds to support this minimum set-aside is then subtracted from the total capital advance available. The remainder is fair shared to each HUD Office jurisdiction whose fair share would exceed the set-aside based on the allocation formula fair share factors described below.

The fair share factors were developed by taking the count of disabilities in the data element for each state, or state portion, of each local HUD Office jurisdiction as a percent of the data element from the 2000 Census, described above, for the total United States. The resulting percentage for each local HUD Office is then adjusted to reflect the relative cost of providing housing among the local HUD Office jurisdictions. The adjusted needs percentage for each local HUD Office is then multiplied by the total amount of capital advance funds available nationwide.

The section 811 capital advance funds have been allocated, based on the formula above, to 51 local HUD Offices as shown on the following chart:

**BILLING CODE 4210-32-P**