

1 homeless in accordance with Attachment "A" entitled "Program Goals", Attachment "B"
2 entitled "Budget", Attachment "C" entitled "Compliance with Federal Regulations",
3 Attachment "D" entitled "Housing Case Management Standards of Care", Attachment "E"
4 entitled "Certification of Debarment", and Attachment "F" entitled "Certification of
5 Lobbying", all of which are attached and incorporated by this reference.

6 B. Organization shall be responsible for adherence to all policies,
7 procedures, rules and regulations as noted in the United States Department of Housing
8 and Urban Development (HUD) Supportive Housing Program Desk Guide, HUD Continuum
9 of Care SuperNOFA (Notice of Funding Availability), Office of Management and Budget
10 (OMB) Circulars, Code of Federal Regulations, United States Codes, City of Long Beach
11 Grants Monitoring Guidelines, City's contract for funds, the Request for Proposal (RFP),
12 and Organization's proposal in response to the RFP, and all Information Bulletins issued
13 by the City of Long Beach Department of Health and Human Services, Homeless Services
14 Division.

15 Section 3. The term of this Contract shall commence at midnight on May 3,
16 2005, and, unless sooner terminated as stated below, shall terminate at 11:59 p.m. on
17 January 31, 2009.

18 Section 4.A. Organization shall affirmatively and aggressively use its best
19 efforts to seek and obtain all possible outside funding and mainstream resources available
20 to continue the services identified in this Contract. Further, Organization shall maintain
21 cash reserves equivalent to three (3) months of funding necessary to provide services
22 under this Contract.

23 B. Total disbursements made to the Organization under this Contract by City
24 shall not exceed \$23,795.00 over the term of this Contract. On execution of this Contract,
25 City shall disburse funds in due course of payments following receipt from Organization of
26 billing statements in a form approved by City showing expenditures and costs identified in
27 Attachment "B".

28 C. City shall pay to Organization the amounts specified in Attachment "B"

1 for the categories, criteria and rates established in that Attachment. Organization may with
2 the prior written approval of the Director of City's Department of Health and Human
3 Services, or his designee, make adjustments within and among the categories of
4 expenditures in Attachment "B" and modify the performance to be rendered provided,
5 however, that such adjustment in expenditures shall not cause the amount of the total
6 budget stated in Attachment "B" to be exceeded.

7 Organization shall prepare monthly invoices and submit them to City within
8 fifteen (15) days after the end of the month in which the Organization provided services.
9 Organization shall attach documentation to each invoice that evidences the amounts
10 shown on the invoice and the amounts of matching funds required from Organization.
11 Failure to submit an invoice and its accompanying documentation within the 15-day period
12 may result in late payment from the City. Submission of incorrect invoices with ineligible/in
13 allocable expenses or inadequate documentation shall result in a Disallowed Cost Report.
14 The Disallowed Cost Report was created to provide detail to the Organization for the
15 purpose of communicating disallowed costs due to reasons of insufficient source
16 documentation, ineligible expenses, exceeded line items, and similar reasons. In the event
17 that an item is disallowed in the invoice, Organization will be permitted to resubmit the
18 disallowed costs along with adequate source documentation, other eligible expenses and
19 the like in the next invoice. City reserves the right to refuse payment of an invoice received
20 by it sixty (60) days after Organization provided the services relating to that invoice or for
21 the unauthorized expense of funds requiring written approval for budget changes or
22 modifications.

23 D. City reserves the right to suspend payment of invoices in the event of non-
24 compliance regarding, but not limited to, submission of reports or insurance documents.

25 E. Each calendar quarter Organization shall, no later than fifteen (15) days
26 after the end of each quarter, submit to the City copies of cancelled checks and other
27 documents supporting the charges and matching funds in the invoices submitted during
28 the previous quarter.

1 F. City closes its fiscal year during the months of August and September;
2 Organization acknowledges and agrees that City's payment of invoices will be slightly
3 slower during that time.

4 Section 5.A. Organization's records relating to the performance of this
5 Contract shall be kept in accordance with generally accepted accounting principles and in
6 the manner prescribed by City. Organization's records shall be current and complete. City
7 and HUD shall have the right to examine, copy, inspect, extract from, and audit financial
8 and other records related to this Contract during Organization's normal business hours to
9 include announced and unannounced site visits during the term of the Contract. If
10 examination of these financial and other records by City or HUD reveals that Organization
11 has not used these grant funds for the purposes and on the conditions stated in this
12 Contract, then Organization covenants, agrees to and shall immediately repay all or that
13 portion of the grant funds which were improperly used. If Organization is unable to repay
14 all or that portion of the grant funds, then City will terminate all activities of Organization
15 under this Contract and pursue appropriate legal action to collect the funds.

16 B. In addition, Organization shall provide any information that the City Auditor
17 and other City representatives require in order to monitor and evaluate Organization's
18 performance. City reserves the right to review and request copies of all documentation
19 related to the program funded by this Contract (for example, case files, program files,
20 policies and procedures). Organization shall provide all reports, documents or information
21 requested by City within three (3) days after receipt of a written or oral request from a City
22 representative, unless a longer period of time is otherwise expressly stated by the
23 representative.

24 C. Organization shall submit to City an Annual Progress Report ("APR")
25 certified by one of Organization's officers or by its Executive Director no later than thirty
26 (30) days after the completion of each twelve-month period ("Operational Year") during the
27 term of this Contract, and the first Operational Year shall begin on the date of the first
28 invoice from Organization.

1 D. Organization shall participate in the City's Homeless Management
2 Information System (HMIS) and obtain funding to ensure participation. Organization shall
3 ensure implementation, operation and maintenance necessary for participation throughout
4 the term of this Contract. Further, Organization shall enter data into the HMIS system on
5 a regular basis (at least weekly) and in a timely manner.

6 E. If Organization spends \$500,000 or more in Federal funds in an
7 Operational Year, then Organization shall submit an audit report to City in accordance with
8 OMB Circular A-133 no later than thirty (30) days after receipt of the audit report from
9 Organization's auditor or no later than nine (9) months after the end of the Operational
10 Year. If Organization spends less than \$500,000 in Federal grant funds in an Operational
11 Year, submission of the audit report is optional.

12 Section 6. In the performance of this Contract, Organization shall not
13 discriminate against any employee, applicant for employment or service, or subcontractor
14 because of race, color, religion, national origin, sex, sexual orientation, AIDS, HIV Status,
15 condition, age, disability or handicap. Organization shall take affirmative action to assure
16 that applicants are employed or served, and that employees and applicants are treated
17 during employment or services without regard to these categories. Such action shall
18 include but not be limited to the following: employment, upgrading, demotion or transfer;
19 recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of
20 compensation; and selection for training, including apprenticeship.

21 Organization shall permit access by City or any other agency of the county,
22 state or federal governments to Organization's records of employment, employment
23 advertisements, application forms and other pertinent data and records for the purpose of
24 investigation to ascertain compliance with the fair employment practices provisions of this
25 Contract.

26 Section 7.A. In performing services, Organization is and shall act as an
27 independent contractor and not as an employee, representative, or agent of City.
28 Organization's obligations to and authority from the City are solely as prescribed in this

1 Contract. Organization expressly warrants that it will not, at any time, hold itself out or
2 represent that Organization or any of its agents, volunteers, subscribers, members, officers
3 or employees are in any manner officials, employees or agents of City. Organization shall
4 not have any authority to bind City for any purpose.

5 B. Organization acknowledges and agrees that a) City will not withhold taxes
6 of any kind from Organization's compensation, b) City will not secure workers'
7 compensation or pay unemployment insurance to, for or on Organization's behalf, and c)
8 City will not provide and Organization and Organization's employees are not entitled to any
9 of the usual and customary rights, benefits or privileges of City employees.

10 Section 8. This Contract contemplates the personal services of Organization
11 and Organization's employees. Organization shall not delegate its duties or assign its
12 rights under this Contract, or any interest in it or any portion of it, without the prior written
13 consent of City. Any attempted assignment or delegation shall be void, and any assignee
14 or delegate shall acquire no right or interest by reason of the attempted assignment or
15 delegation.

16 Section 9. Organization shall indemnify and hold harmless the City, its
17 Boards, Commissions, and their officials, employees and agents (collectively in this Section
18 "City") against any and all liability, claims, demands, damage, causes of action,
19 proceedings, penalties, loss, costs, and expenses (including attorney's fees, court costs,
20 and expert and witness fees) (collectively "Claims" or individually "Claim"). Claims include
21 allegations and include by way of example but are not limited to: Claims for property
22 damage, personal injury or death arising in whole or in part from any negligent act or
23 omission of Organization, its officers, employees, agents, subcontractors, or anyone under
24 Organization's control (collectively "Indemnitor"); Organization's breach of this Agreement;
25 misrepresentation; willful misconduct; and Claims by any employee of Indemnitor relating
26 in any way to workers' compensation. Independent of the duty to indemnify and as a
27 free-standing duty on the part of Organization, Organization shall defend City and shall
28 continue such defense until the Claim is resolved, whether by settlement, judgment or

1 otherwise. Organization shall notify the City of any Claim within ten (10) days. Likewise,
2 City shall notify Organization of any Claim, shall tender the defense of the Claim to
3 Organization, and shall assist Organization, as may be reasonably requested, in such
4 defense.

5 Section 10. Organization shall procure and maintain at Organization's
6 expense (which expense may be submitted to City for reimbursement from grant funds
7 allocated to the Organization if itemized on Attachment "B") for the duration of this Contract
8 the following insurance and bond against claims for injuries to persons or damage to
9 property which may arise from or in connection with the performance of this Contract by
10 the Organization, its agents, representatives, employees, volunteers or subcontractors.

11 (a) Commercial general liability insurance (equivalent in scope to ISO
12 form CG 00 01 11 85 or CG 00 01 11 88) in an amount not less than One
13 Million Dollars (\$1,000,000) per occurrence and Two Million Dollars
14 (\$2,000,000) general aggregate. Such coverage shall include but not be
15 limited to broad form contractual liability, cross-liability, independent
16 contractors liability, and products and completed operations liability. The
17 City, its officials, employees and agents shall be named as additional
18 insureds by endorsement (on City's endorsement form or on an endorsement
19 equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85), and
20 this insurance shall contain no special limitations on the scope of protection
21 given to the City, its officials, employees and agents.

22 (b) Workers' Compensation insurance as required by the Labor Code
23 of the State of California and employer's liability insurance in an amount not
24 less than One Million Dollars (\$1,000,000).

25 (c) Professional liability or errors and omissions insurance in an
26 amount not less than One Million Dollars (\$1,000,000) per claim.

27 (d) Commercial automobile liability insurance (equivalent in scope to
28 ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto) in an amount

1 not less than Five Hundred Thousand Dollars (\$500,000) combined single
2 limit per accident.

3 (e) Blanket Honesty Bond in an amount equal to at least fifty percent
4 (50%) of the total amount to be disbursed to Organization hereunder or
5 Twenty-Five Thousand Dollars (\$25,000), whichever is less, to safeguard the
6 proper handling of funds by employees, agents or representatives of
7 Organization who sign as the maker of checks or drafts or in any manner
8 authorize the disbursement or expenditure of said funds.

9 (f) If delivering services to minors, seniors, or persons with
10 disabilities, Organization's Commercial General Liability insurance shall not
11 exclude coverage for abuse and molestation. If Organization is unable to
12 provide abuse and molestation coverage, it can request a waiver of this
13 coverage from the City. City's Risk Manager will consider waiving the
14 requirement if Organization can demonstrate to the satisfaction of the City's
15 Risk Manager that Organization has no exposure, that the coverage is
16 unavailable, or that the coverage is unaffordable. If a request for a waiver
17 is desired, Organization must submit a signed document on Organization's
18 letterhead to the Director of City's Department of Health and Human
19 Services, who will forward it to the City's Risk Manager, providing reasons
20 why the insurance coverage should be waived. Waivers will be considered
21 on a case by case basis.

22 Any self-insurance program, self-insured retention, or deductible must be
23 separately approved in writing by City's Risk Manager or designee and shall protect City,
24 its officials, employees and agents in the same manner and to the same extent as they
25 would have been protected had the policy or policies not contained retention or deductible
26 provisions. Each insurance policy shall be endorsed to state that coverage shall not be
27 reduced, non-renewed, or canceled except after thirty (30) days prior written notice to City,
28 and shall be primary and not contributing to any other insurance or self-insurance

1 maintained by City. Organization shall notify the City in writing within five (5) days after any
2 insurance required herein has been voided by the insurer or cancelled by the insured.

3 Organization shall require that all contractors and subcontractors which
4 Organization uses in the performance of services under this Contract maintain insurance
5 in compliance with this Section unless otherwise agreed in writing by City's Risk Manager
6 or designee.

7 Prior to the start of performance or payment of first invoice, Organization shall
8 deliver to City certificates of insurance and required endorsements for approval as to
9 sufficiency and form. The certificate and endorsements for each insurance policy shall
10 contain the original signature of a person authorized by that insurer to bind coverage on
11 its behalf. In addition, Organization, shall, within thirty (30) days prior to expiration of this
12 insurance, furnish to City certificates of insurance and endorsements evidencing renewal
13 of the insurance. City reserves the right to require complete certified copies of all policies
14 of Organization and Organization's contractors and subcontractors, at any time.
15 Organization shall make available to City's Risk Manager or designee all books, records
16 and other information relating to this insurance, during normal business hours.

17 Any modification or waiver of these insurance requirements shall only be
18 made with the approval of City's Risk Manager or designee. Not more frequently than
19 once a year, the City's Risk Manager or designee may require that Organization,
20 Organization's contractors and subcontractors change the amount, scope or types of
21 coverages if, in his or her sole opinion, the amount, scope, or types of coverages are not
22 adequate.

23 The procuring or existence of insurance shall not be construed or deemed
24 as a limitation on liability relating to Organization's performance or as full performance of
25 or compliance with the indemnification provisions of this Contract.

26 Section 11.A. Organization certifies that, if grant funds are used for
27 renovation or conversion of the building for which the grant funds will be used, then the
28 building must be maintained as a shelter for or provide supportive services to homeless

1 individuals for not less than ten (10) years nor more than twenty (20) years according to
2 a written determination delivered to Organization by City and such determination shall state
3 when the applicable period of time shall commence and terminate in accordance with
4 CFR24 Part 583.305.

5 B. Organization certifies that the building for which the grant funds will be
6 used for supportive services, assessment, and/or homeless prevention services shall be
7 maintained as a shelter or provider of programs for homeless individuals during the term
8 of the Contract.

9 C. Organization shall comply with all requirements of City's Municipal Code
10 relating to building code standards in undertaking any activities or renovations using grant
11 funds.

12 D. Organization shall not commence services until the City's Planning and
13 Building Department has completed an environmental review under 24 CFR Part 58, and
14 Organization shall not commence such services until City informs Organization of the
15 completion and conditions of said environmental review.

16 E. Organization shall provide reports as required by City and HUD and as
17 required in this Contract and applicable laws and regulations.

18 F. In addition to, and not in substitution for, other terms of this Contract
19 regarding the provision of services or the payment of operating costs for supportive
20 services only or housing pursuant to 24 CFR Part 583, Organization shall:

21 (1) Not represent that it is, or may be deemed to be, a religious or
22 denominational institution or organization or an organization operated for
23 religious purposes which is supervised or controlled by or in connection with
24 a religious or denominational institution or organization;

25 (2) Not, in connection with costs of its services hereunder, engage in
26 the following conduct:

27 a. It shall not discriminate against any employee or applicant for
28 employment on the basis of religion;

1 b. It shall not discriminate against any person seeking housing or
2 related supportive services only on the basis of religion and will not limit such
3 services or give preference to persons on the basis of religion;

4 c. It shall provide no religious instruction or counseling, conduct no
5 religious worship or services, engage in no religious proselytizing, and exert
6 no other religious influence in the provision of services or the use of facilities
7 and furnishings;

8 d. The portion of the facility used for housing or supportive services
9 only assisted in whole or in part under this Contract or in which services are
10 provided which are assisted under this Contract shall contain no sectarian
11 religious symbols or decorations.

12 G. Organization shall provide homeless individuals with assistance in
13 obtaining:

14 (1) Appropriate supportive services, including transitional housing,
15 permanent housing, physical health treatment, mental health treatment,
16 counseling, supervision, and other services essential for achieving
17 independent living; and

18 (2) Other federal, state, and local private assistance available for
19 such individuals, including mainstream resources.

20 H. Organization certifies that it will comply with 24 CFR Part 583, as
21 amended, the regulations identified in Attachment "C" attached hereto and made a part
22 hereof by this reference, the Grant Agreement, and such other requirements as from time
23 to time may be promulgated by HUD.

24 I. Organization shall execute a Certification Regarding Lobbying in the form
25 shown in Attachment "D".

26 Section 12. All notices given under this Contract shall be in writing and
27 personally delivered or deposited in the U.S. Postal Service, certified mail, return receipt
28 requested, to City at 2525 Grand Avenue, Long Beach, California 90815 Attn: Manager,

1 Bureau of Human and Social Services, and to Organization at the address first stated
2 above. Notice shall be deemed given on the date personal delivery is made or the date
3 shown on the return receipt, whichever occurs first. Notice of change of address shall be
4 given in the same manner as stated for other notices.

5 Section 13. The City Manager or designee is authorized to administer this
6 Contract and all related matters, and any decision of the City Manager or designee in
7 connection with this Contract shall be final.

8 Section 14. Organization shall have the right to terminate this Contract at any
9 time for any reason by giving thirty (30) days prior notice of termination to City, and City
10 shall have the right to terminate all or any part of this Contract at any time for any reason
11 or no reason by giving five (5) days prior notice to Organization. If either party terminates
12 this Contract, all funds held by the Organization under this Contract which have not been
13 spent on the date of termination shall be returned to City.

14 Section 15. This document constitutes the entire understanding of the parties
15 and supersedes all other agreements, oral or written, with respect to the subject matter in
16 it.

17 Section 16. This Contract shall be governed by and construed pursuant to
18 the laws of the State of California.

19 Section 17. This Contract including all attachments shall not be amended,
20 nor any provision or breach waived, except in writing signed by the parties which expressly
21 refers to this Contract, and except to the extent that amendment is allowed pursuant to
22 Section 4.C. hereof.

23 Section 18. In the event of any conflict or ambiguity between this Contract
24 and one or more attachments, the provisions of this Contract shall govern.

25 Section 19. The acceptance of any service or payment of any money by City
26 shall not operate as a waiver of any provision of this Contract, or of any right to damages
27 or indemnity stated in this Contract. The waiver of any breach of this Contract shall not
28 constitute a waiver of any other or subsequent breach of this Contract.

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 Section 20. Organization certifies that it has established a Drug-Free
2 Awareness Program in compliance with Government Code Section 8355, that it has given
3 a copy of the Program to each employee who performs services under this Contract, that
4 compliance with the Program is a condition of employment, and that it has published a
5 statement notifying employees that unlawful manufacture, distribution, dispensation,
6 possession, or use of a controlled substance is prohibited and action will be taken for
7 violation.

8 Section 21. City shall facilitate the submission of all reports required by HUD
9 based on information submitted by Organization to City. City shall act as the primary
10 contact for Organization to HUD for services provided under this Contract. City shall
11 facilitate directly to HUD the submission of any information related to all financial and
12 programmatic matters in this Contract, including but not limited to reimbursements of grant
13 funds, requests for changes to Organization's budget, requests for changes to
14 Organization's application for grant funds, and requests for changes to Organization's
15 Technical Submission.

16 IN WITNESS WHEREOF, the parties have signed this document with all the

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Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

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formalities required by law as of the date first stated above.

NATIONAL MENTAL HEALTH ASSOCIATION
OF GREATER LOS ANGELES, a nonprofit
California corporation

10/2, 2006

By Richard Van Horn
President
RICHARD VAN HORN
(Type or Print Name)

10/3, 2006

By Julia R. Scalise
Secretary
Julia R. Scalise
(Type or Print Name)

"Organization"

CITY OF LONG BEACH, a municipal corporation

10-19, 2006

By Wanda Medina
City Manager

"City"

This Contract is approved as to form on 10/10, 2006.

ROBERT E. SHANNON, City Attorney

By Bowen Conway
Senior Deputy

Attachment "A"

**City of Long Beach - Supportive Housing Program
2005 Supportive Housing Program
Scope of Work**

Agency: National Mental Health Association of Greater Los Angeles **CLB Contract:** _____
HUD Grant: CA16B506-010 **HUD Identifier:** CA7464

Program Objective: Mental Health Association will provide outreach for persons with disabilities, who are dual diagnosis with mental illness and substance abuse or are disabled by serious mental illness.

#	Outcomes/Performance Measures
1	70% of participants who complete the program will be placed in emergency, transitional or permanent housing upon exit from the program.
2	45% of combined total eligible participants will obtain increased income/benefits from mainstream health and human services programs (government benefits such as Medicare, Medicaid, County Mental Health Services, Veterans benefits, GR, SSI, SSDI, TNAF, Food Stamps, etc.) and/or of employable participants will obtain and maintain employment income upon exit from the program.
3	70 % of participants will achieve at least one of the goals stated in their case plan upon exit from the program.
4	70 % of participants will establish increased social support through community resources to achieve greater independence upon exit from the Supportive Service Only Project.

2/20/07

ATTACHMENT A
 PAGE 1 OF 1 PAGES

Attachment “B”

CITY OF LONG BEACH

Continuum of Care Homeless Assistance - Supportive Housing Program 2005 (04, 01R, 96)

Program Budget for National Mental Health Association (MSC) Program Contract # CA16B506-010/CA7464 City Contract #

ITEM	ALLOCATION	BUDGET JUSTIFICATION
SUPPORTIVE SERVICES		
1. Mental Health Outreach Worker (1.0 FTE)	\$22,667	To provide outreach, sack lunches, blankets and referrals to shelters to mentally ill homeless that are on the streets, encampments, or other locations.
2. Benefits	\$5,667	Employee benefits i.e. workers comp, SUI, FICA, medicare, group insurance.
3. Mental Health Outreach Supplies	\$1,040	Sack lunches, blankets, and other outreach supplies
TOTAL SUPPORTIVE SERVICES	\$29,374	
TOTAL SHP REQUEST (SUPPORTIVE SVS)	\$23,499	SHP Request for Supportive Services (80%)
APPLICANT CASH MATCH (SUPPORTIVE SVS)	\$5,875	Project Sponsors required cash match (20%). Difference between Total Supportive Services and Total SHP Request (Supportive Services).
Administration (1%)	\$296	Administration of grant 1%=\$296, \$1,184
TOTAL CITY OF LONG BEACH CONTRACT	\$23,795	Total SHP Request (Supportive Services and Administration 1%)

MHA 2005 (MHA/MSC)

DOCUMENT B
PAGE 1 OF 1 PAGES

Attachment “C”

Ofc. of Assl. Secy., Comm. Planning, Develop., HUD

§ 583.1

PRA with rehabilitation projects, and a change in the type of persons with disabilities to be served. Depending on the nature of the change, HUD may require a new certification of consistency with the CHAS (see § 582.120).

(b) *Approval.* Approval for such changes is contingent upon the application ranking remaining high enough to have been competitively selected for funding in the year the application was selected.

§ 582.410 Obligation and deobligation of funds.

(a) *Obligation of funds.* When HUD and the applicant execute a grant agreement, HUD will obligate funds to cover the amount of the approved grant. The recipient will be expected to carry out the activities as proposed in the application. After the initial obligation of funds, HUD is under no obligation to make any upward revisions to the grant amount for any approved assistance.

(b) *Deobligation.* (1) HUD may deobligate all or a portion of the approved grant amount if such amount is not expended in a timely manner, or the proposed housing for which funding was approved or the supportive services proposed in the application are not provided in accordance with the approved application, the requirements of this part, and other applicable HUD regulations. The grant agreement may set forth other circumstances under which funds may be deobligated, and other sanctions may be imposed.

(2) HUD may readvertise, in a notice of fund availability, the availability of funds that have been deobligated, or may reconsider applications that were submitted in response to the most recently published notice of fund availability and select applications for funding with the deobligated funds. Such selections would be made in accordance with the selection process described in § 582.220 of this part. Any selections made using deobligated funds will be subject to applicable appropriation act requirements governing the use of deobligated funding authority.

(Approved by the Office of Management and Budget under control number 2506-0118)

PART 583—SUPPORTIVE HOUSING PROGRAM

Subpart A—General

- Sec.
583.1 Purpose and scope.
583.5 Definitions.

Subpart B—Assistance Provided

- 583.100 Types and uses of assistance.
583.105 Grants for acquisition and rehabilitation.
583.110 Grants for new construction.
583.115 Grants for leasing.
583.120 Grants for supportive service costs.
583.125 Grants for operating costs.
583.130 Commitment of grant amounts for leasing, supportive services, and operating costs.
583.135 Administrative costs.
583.140 Technical assistance.
583.145 Matching requirements.
583.150 Limitations on use of assistance.
583.155 Consolidated plan.

Subpart C—Application and Grant Award Process

- 583.200 Application and grant award.
583.230 Environmental review.
583.235 Renewal grants.

Subpart D—Program Requirements

- 583.300 General operation.
583.305 Term of commitment; repayment of grants; prevention of undue benefits.
583.310 Displacement, relocation, and acquisition.
583.315 Resident rent.
583.320 Site control.
583.325 Nondiscrimination and equal opportunity requirements.
583.330 Applicability of other Federal requirements.

Subpart E—Administration

- 583.400 Grant agreement.
583.405 Program changes.
583.410 Obligation and deobligation of funds.

AUTHORITY: 42 U.S.C. 11389 and 3535(d).

SOURCE: 58 FR 13871, Mar. 15, 1993, unless otherwise noted.

Subpart A—General

§ 583.1 Purpose and scope.

(a) *General.* The Supportive Housing Program is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act (the McKinney Act) (42 U.S.C. 11381–11389). The Supportive

Housing program is designed to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homelessness, and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.

(b) *Components.* Funds under this part may be used for:

(1) Transitional housing to facilitate the movement of homeless individuals and families to permanent housing;

(2) Permanent housing that provides long-term housing for homeless persons with disabilities;

(3) Housing that is, or is part of, a particularly innovative project for, or alternative methods of, meeting the immediate and long-term needs of homeless persons; or

(4) Supportive services for homeless persons not provided in conjunction with supportive housing.

[58 FR 13071, Mar. 15, 1993, as amended at 61 FR 51175, Sept. 30, 1996]

§ 583.5 Definitions.

As used in this part:

Applicant is defined in section 422(1) of the McKinney Act (42 U.S.C. 11382(1)). For purposes of this definition, governmental entities include those that have general governmental powers (such as a city or county), as well as those that have limited or special powers (such as public housing agencies).

Consolidated plan means the plan that a jurisdiction prepares and submits to HUD in accordance with 24 CFR part 91.

Date of initial occupancy means the date that the supportive housing is initially occupied by a homeless person for whom HUD provides assistance under this part. If the assistance is for an existing homeless facility, the *date of initial occupancy* is the date that services are first provided to the residents of supportive housing with funding under this part.

Date of initial service provision means the date that supportive services are initially provided with funds under this part to homeless persons who do not reside in supportive housing. This definition applies only to projects funded

under this part that do not provide supportive housing.

Disability is defined in section 422(2) of the McKinney Act (42 U.S.C. 11382(2)).

Homeless person means an individual or family that is described in section 103 of the McKinney Act (42 U.S.C. 11302).

Metropolitan city is defined in section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)). In general, metropolitan cities are those cities that are eligible for an entitlement grant under 24 CFR part 570, subpart D.

New construction means the building of a structure where none existed or an addition to an existing structure that increases the floor area by more than 100 percent.

Operating costs is defined in section 422(5) of the McKinney Act (42 U.S.C. 11382(5)).

Outpatient health services is defined in section 422(6) of the McKinney Act (42 U.S.C. 11382(6)).

Permanent housing for homeless persons with disabilities is defined in section 424(c) of the McKinney Act (42 U.S.C. 11384(c)).

Private nonprofit organization is defined in section 422(7) (A), (B), and (D) of the McKinney Act (42 U.S.C. 11382(7) (A), (B), and (D)). The organization must also have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or designate an entity that will maintain a functioning accounting system for the organization in accordance with generally accepted accounting principles.

Project is defined in sections 422(8) and 424(d) of the McKinney Act (42 U.S.C. 11382(8), 11384(d)).

Recipient is defined in section 422(9) of the McKinney Act (42 U.S.C. 11382(9)).

Rehabilitation means the improvement or repair of an existing structure or an addition to an existing structure that does not increase the floor area by more than 100 percent. Rehabilitation does not include minor or routine repairs.

State is defined in section 422(11) of the McKinney Act (42 U.S.C. 11382(11)).

Supportive housing is defined in section 424(a) of the McKinney Act (42 U.S.C. 11384(a)).

Supportive services is defined in section 425 of the McKinney Act (42 U.S.C. 11385).

Transitional housing is defined in section 424(b) of the McKinney Act (42 U.S.C. 11384(b)). See also § 583.300(j).

Tribe is defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302).

Urban county is defined in section 102(a)(6) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(6)). In general, urban counties are those counties that are eligible for an entitlement grant under 24 CFR part 570, subpart D.

[61 FR 51175, Sept. 30, 1996]

Subpart B—Assistance Provided

§ 583.100 Types and uses of assistance.

(a) *Grant assistance.* Assistance in the form of grants is available for acquisition of structures, rehabilitation of structures, acquisition and rehabilitation of structures, new construction, leasing, operating costs for supportive housing, and supportive services, as described in §§ 583.105 through 583.125. Applicants may apply for more than one type of assistance.

(b) *Uses of grant assistance.* Grant assistance may be used to:

(1) Establish new supportive housing facilities or new facilities to provide supportive services;

(2) Expand existing facilities in order to increase the number of homeless persons served;

(3) Bring existing facilities up to a level that meets State and local government health and safety standards;

(4) Provide additional supportive services for residents of supportive housing or for homeless persons not residing in supportive housing;

(5) Purchase HUD-owned single family properties currently leased by the applicant for use as a homeless facility under 24 CFR part 291; and

(6) Continue funding supportive housing where the recipient has received funding under this part for leasing, supportive services, or operating costs.

(c) *Structures used for multiple purposes.* Structures used to provide sup-

portive housing or supportive services may also be used for other purposes, except that assistance under this part will be available only in proportion to the use of the structure for supportive housing or supportive services.

(d) *Technical assistance.* HUD may offer technical assistance, as described in § 583.140.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36891, July 19, 1994]

§ 583.105 Grants for acquisition and rehabilitation.

(a) *Use.* HUD will grant funds to recipients to:

(1) Pay a portion of the cost of the acquisition of real property selected by the recipients for use in the provision of supportive housing or supportive services, including the repayment of any outstanding debt on a loan made to purchase property that has not been used previously as supportive housing or for supportive services;

(2) Pay a portion of the cost of rehabilitation of structures, including cost-effective energy measures, selected by the recipients to provide supportive housing or supportive services; or

(3) Pay a portion of the cost of acquisition and rehabilitation of structures, as described in paragraphs (a)(1) and (2) of this section.

(b) *Amount.* The maximum grant available for acquisition, rehabilitation, or acquisition and rehabilitation is the lower of:

(1) \$200,000; or

(2) The total cost of the acquisition, rehabilitation, or acquisition and rehabilitation minus the applicant's contribution toward the cost.

(c) *Increased amounts.* In areas determined by HUD to have high acquisition and rehabilitation costs, grants of more than \$200,000, but not more than \$400,000, may be available.

§ 583.110 Grants for new construction.

(a) *Use.* HUD will grant funds to recipients to pay a portion of the cost of new construction, including cost-effective energy measures and the cost of land associated with that construction, for use in the provision of supportive housing. If the grant funds are used for new construction, the applicant must demonstrate that the costs associated

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with new construction are substantially less than the costs associated with rehabilitation or that there is a lack of available appropriate units that could be rehabilitated at a cost less than new construction. For purposes of this cost comparison, costs associated with rehabilitation or new construction may include the cost of real property acquisition.

(b) *Amount.* The maximum grant available for new construction is the lower of:

(1) \$400,000; or

(2) The total cost of the new construction, including the cost of land associated with that construction, minus the applicant's contribution toward the cost of same.

§ 583.115 Grants for leasing.

(a) *General.* HUD will provide grants to pay (as described in § 583.130 of this part) for the actual costs of leasing a structure or structures, or portions thereof, used to provide supportive housing or supportive services for up to five years.

(b)(1) *Leasing structures.* Where grants are used to pay rent for all or part of structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable space.

(2) *Leasing individual units.* Where grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged by the same owner for comparable unassisted units, and the portion of rents paid with grant funds may not exceed HUD-determined fair market rents. Recipients may use grant funds in an amount up to one month's rent to pay the non-recipient landlord for any damages to leased units by homeless participants.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36891, July 19, 1994]

§ 583.120 Grants for supportive services costs.

(a) *General.* HUD will provide grants to pay (as described in § 583.130 of this part) for the actual costs of supportive services for homeless persons for up to five years. All or part of the supportive services may be provided directly by the recipient or by arrangement with public or private service providers.

(b) *Supportive services costs.* Costs associated with providing supportive services include salaries paid to providers of supportive services and any other costs directly associated with providing such services. For a transitional housing project, supportive services costs also include the costs of services provided to former residents of transitional housing to assist their adjustment to independent living. Such services may be provided for up to six months after they leave the transitional housing facility.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36891, July 19, 1994]

§ 583.125 Grants for operating costs.

(a) *General.* HUD will provide grants to pay a portion (as described in § 583.130) of the actual operating costs of supportive housing for up to five years.

(b) *Operating costs.* Operating costs are those associated with the day-to-day operation of the supportive housing. They also include the actual expenses that a recipient incurs for conducting on-going assessments of the supportive services needed by residents and the availability of such services; relocation assistance under § 583.310, including payments and services; and insurance.

(c) *Recipient match requirement for operating costs.* Assistance for operating costs will be available for up to 75 percent of the total cost in each year of the grant term. The recipient must pay the percentage of the actual operating costs not funded by HUD. At the end of each operating year, the recipient must demonstrate that it has met its match requirement of the costs for that year.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51175, Sept. 30, 1996; 65 FR 30823, May 12, 2000]

§ 583.130 Commitment of grant amounts for leasing, supportive services, and operating costs.

Upon execution of a grant agreement covering assistance for leasing, supportive services, or operating costs, HUD will obligate amounts for a period not to exceed five operating years. The total amount obligated will be equal to an amount necessary for the specified years of operation, less the recipient's share of operating costs.

(Approved by the Office of Management and Budget under OMB control number 2506-0112)

[59 FR 36891, July 19, 1994]

§ 583.135 Administrative costs.

(a) *General.* Up to five percent of any grant awarded under this part may be used for the purpose of paying costs of administering the assistance.

(b) *Administrative costs.* Administrative costs include the costs associated with accounting for the use of grant funds, preparing reports for submission to HUD, obtaining program audits, similar costs related to administering the grant after the award, and staff salaries associated with these administrative costs. They do not include the costs of carrying out eligible activities under §§ 583.105 through 583.125.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51175, Sept. 30, 1996]

§ 583.140 Technical assistance.

(a) *General.* HUD may set aside funds annually to provide technical assistance, either directly by HUD staff or indirectly through third-party providers, for any supportive housing project. This technical assistance is for the purpose of promoting the development of supportive housing and supportive services as part of a continuum of care approach, including innovative approaches to assist homeless persons in the transition from homelessness, and promoting the provision of supportive housing to homeless persons to enable them to live as independently as possible.

(b) *Uses of technical assistance.* HUD may use these funds to provide technical assistance to prospective applicants, applicants, recipients, or other providers of supportive housing or services for homeless persons, for sup-

portive housing projects. The assistance may include, but is not limited to, written information such as papers, monographs, manuals, guides, and brochures; person-to-person exchanges; and training and related costs.

(c) *Selection of providers.* From time to time, as HUD determines the need, HUD may advertise and competitively select providers to deliver technical assistance. HUD may enter into contracts, grants, or cooperative agreements, when necessary, to implement the technical assistance.

[59 FR 36892, July 19, 1994]

§ 583.145 Matching requirements.

(a) *General.* The recipient must match the funds provided by HUD for grants for acquisition, rehabilitation, and new construction with an equal amount of funds from other sources.

(b) *Cash resources.* The matching funds must be cash resources provided to the project by one or more of the following: the recipient, the Federal government, State and local governments, and private resources.

(c) *Maintenance of effort.* State or local government funds used in the matching contribution are subject to the maintenance of effort requirements described at § 583.150(a).

§ 583.150 Limitations on use of assistance.

(a) *Maintenance of effort.* No assistance provided under this part (or any State or local government funds used to supplement this assistance) may be used to replace State or local funds previously used, or designated for use, to assist homeless persons.

(b) *Primarily religious organizations—*
(1) *Provision of assistance.* (i) HUD will provide assistance to a recipient that is a primarily religious organization if the organization agrees to provide housing and supportive services in a manner that is free from religious influences and in accordance with the following principles:

(A) It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;

(B) It will not discriminate against any person applying for housing or supportive services on the basis of religion and will not limit such housing or services or give preference to persons on the basis of religion;

(C) It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of housing and supportive services.

(i) HUD will provide assistance to a recipient that is a primarily religious organization if the assistance will not be used by the organization to construct a structure, acquire a structure or to rehabilitate a structure owned by the organization, except as described in paragraph (c)(2) of this section.

(2) *Rehabilitation of structures owned by a primarily religious organization.* Rehabilitation grants may be used to rehabilitate a structure owned by a primarily religious organization, if the following conditions are met:

(i) The structure (or portion of the structure) that is to be rehabilitated with HUD assistance has been leased to a recipient that is an existing or newly established wholly secular organization (which may be established by the primarily religious organization under the provisions of paragraph (c)(3) of this section);

(ii) The HUD assistance is provided to the wholly secular organization (and not the primarily religious organization) to make the improvements;

(iii) The leased structure will be used exclusively for secular purposes available to all persons regardless of religion;

(iv) The lease payments paid to the primarily religious organization do not exceed the fair market rent of the structure before the rehabilitation was done;

(v) The portion of the cost of any improvements that benefit any unleased portion of the structure will be allocated to, and paid for by, the primarily religious organization;

(vi) The primarily religious organization agrees that, if the recipient does not retain the use of the leased premises for wholly secular purposes for the useful life of the improvements, the primarily religious organization will

pay an amount equal to the residual value of the improvements to the secular organization, and the secular organization will remit the amount to HUD.

(3) *Assistance to a wholly secular private nonprofit organization established by a primarily religious organization.* (i) A primarily religious organization may establish a wholly secular private nonprofit organization to serve as a recipient. The wholly secular organization may be eligible to receive other forms of assistance available under this part.

(A) The wholly secular organization must agree to provide housing and supportive services in a manner that is free from religious influences and in accordance with the principles set forth in paragraph (c)(1)(i) of this section.

(B) The wholly secular organization may enter into a contract with the primarily religious organization to operate the supportive housing or to provide supportive services for the residents. In such a case, the primarily religious organization must agree in the contract to carry out its contractual responsibilities in a manner free from religious influences and in accordance with the principles set forth in paragraph (c)(1)(i) of this section.

(C) The rehabilitation grants are subject to the requirements of paragraph (c)(2) of this section.

(i) HUD will not require the primarily religious organization to establish the wholly secular organization before the selection of its application. In such a case, the primarily religious organization may apply on behalf of the wholly secular organization. The application will be reviewed on the basis of the primarily religious organization's financial responsibility and capacity, and its commitment to provide appropriate resources to the wholly secular organization after formation. The requirement with regard to site control, described in § 583.320, may be satisfied if the primarily religious organization demonstrates site control and a commitment to transfer control of the site to the wholly secular organization after its formation. If such an application is selected for funding, the obligation of funds will be conditioned upon the establishment of a wholly secular

organization that meets the definition of private nonprofit organization in § 583.5.

(c) *Participant control of site.* Where an applicant does not propose to have control of a site or sites but rather proposes to assist a homeless family or individual in obtaining a lease, which may include assistance with rent payments and receiving supportive services, after which time the family or individual remains in the same housing without further assistance under this part, that applicant may not request assistance for acquisition, rehabilitation, or new construction.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1993]

§ 583.155 Consolidated plan.

(a) *Applicants that are States or units of general local government.* The applicant must have a HUD-approved complete or abbreviated consolidated plan, in accordance with 24 CFR part 91, and must submit a certification that the application for funding is consistent with the HUD-approved consolidated plan. Funded applicants must certify in a grant agreement that they are following the HUD-approved consolidated plan.

(b) *Applicants that are not States or units of general local government.* The applicant must submit a certification by the jurisdiction in which the proposed project will be located that the applicant's application for funding is consistent with the jurisdiction's HUD-approved consolidated plan. The certification must be made by the unit of general local government or the State, in accordance with the consistency certification provisions of the consolidated plan regulations, 24 CFR part 91, subpart F.

(c) *Indian tribes and the Insular Areas of Guam, the U.S. Virgin Islands, American Samoa, and the Northern Mariana Islands.* These entities are not required to have a consolidated plan or to make consolidated plan certifications. An application by an Indian tribe or other applicant for a project that will be located on a reservation of an Indian tribe will not require a certification by the tribe or the State. However, where an Indian tribe is the applicant for a project that will not be located on a

reservation, the requirement for a certification under paragraph (b) of this section will apply.

(d) *Timing of consolidated plan certification submissions.* Unless otherwise set forth in the NOFA, the required certification that the application for funding is consistent with the HUD-approved consolidated plan must be submitted by the funding application submission deadline announced in the NOFA.

[60 FR 16380, Mar. 30, 1995]

Subpart C—Application and Grant Award Process

§ 583.200 Application and grant award.

When funds are made available for assistance, HUD will publish a notice of funding availability (NOFA) in the FEDERAL REGISTER, in accordance with the requirements of 24 CFR part 4. HUD will review and screen applications in accordance with the requirements in section 426 of the McKinney Act (42 U.S.C. 11386) and the guidelines, rating criteria, and procedures published in the NOFA.

[61 FR 51176, Sept. 30, 1996]

§ 583.230 Environmental review.

(a) *Generally.* Project selection is subject to completion of an environmental review of the proposed site, and the project may be modified or the site rejected as a result of that review. The environmental effects must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4320) (NEPA) and the related environmental laws and authorities listed in HUD's implementing regulations at 24 CFR part 50 or 58, depending on who is responsible for environmental review.

(b) *Environmental review by HUD.* HUD will perform an environmental review, in accordance with part 50 of this title, before approval of conditionally selected applications received directly from private nonprofit organizations and governmental entities with special or limited purpose powers. Any application subject to environmental review by HUD that requires an Environmental Impact Statement (EIS) in accordance with the procedures in 24 CFR

part 50, subpart E, will not be eligible for assistance under this part.

(c) *Environmental review by applicants.* Applicants that are States, metropolitan cities, urban counties, tribes, or other governmental entities with general purpose powers must assume responsibility for environmental review, decisionmaking, and action for each application for assistance in accordance with part 58 of this title. These applicants must include in their applications an assurance that they will assume all the environmental review responsibility that would otherwise be performed by HUD as the responsible Federal official under NEPA and related authorities listed in 24 CFR part 58. The grant award is subject to completion of the environmental responsibilities set out in 24 CFR part 58 within a reasonable time period after notification of the award. Applicants may, however, enclose an environmental certification and Request for Release of Funds with their applications.

[61 FR 51176, Sept. 30, 1996]

§ 583.235 Renewal grants.

(a) *General.* Grants made under this part, and grants made under subtitles C and D (the Supportive Housing Demonstration and SAFAR, respectively) of the Stewart B. McKinney Homeless Assistance Act as in effect before October 28, 1992, may be renewed on a non-competitive basis to continue ongoing leasing, operations, and supportive services for additional years beyond the initial funding period. To be considered for renewal funding for leasing, operating costs, or supportive services, recipients must submit a request for such funding in the form specified by HUD, must meet the requirements of this part, and must submit requests within the time period established by HUD.

(b) *Assistance available.* The first renewal will be for a period of time not to exceed the difference between the end of the initial funding period and ten years from the date of initial occupancy or the date of initial service provision, as applicable. Any subsequent renewal will be for a period of time not to exceed five years. Assistance during each year of the renewal period, sub-

ject to maintenance of effort requirements under § 583.150(a) may be for:

(1) Up to 50 percent of the actual operating and leasing costs in the final year of the initial funding period;

(2) Up to the amount of HUD assistance for supportive services in the final year of the initial funding period; and

(3) An allowance for cost increases.

(c) *HUD review.* (1) HUD will review the request for renewal and will evaluate the recipient's performance in previous years against the plans and goals established in the initial application for assistance, as amended. HUD will approve the request for renewal unless the recipient proposes to serve a population that is not homeless, or the recipient has not shown adequate progress as evidenced by an unacceptably slow expenditure of funds, or the recipient has been unsuccessful in assisting participants in achieving and maintaining independent living. In determining the recipient's success in assisting participants to achieve and maintain independent living, consideration will be given to the level and type of problems of participants. For recipients with a poor record of success, HUD will also consider the recipient's willingness to accept technical assistance and to make changes suggested by technical assistance providers. Other factors which will affect HUD's decision to approve a renewal request include the following: a continuing history of inadequate financial management accounting practices, indications of mismanagement on the part of the recipient, a drastic reduction in the population served by the recipient, program changes made by the recipient without prior HUD approval, and loss of project site.

(2) HUD reserves the right to reject a request from any organization with an outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed to, or whose response to an audit finding is overdue or unsatisfactory.

(3) HUD will notify the recipient in writing that the request has been approved or disapproved.

(Approved by the Office of Management and Budget under control number 2506-0112)

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Subpart D—Program Requirements

§ 583.300 General operation.

(a) *State and local requirements.* Each recipient of assistance under this part must provide housing or services that are in compliance with all applicable State and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the project is located regarding the condition of the structure and the operation of the housing or services.

(b) *Habitability standards.* Except for such variations as are proposed by the recipient and approved by HUD, supportive housing must meet the following requirements:

(1) *Structure and materials.* The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from the elements.

(2) *Access.* The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.

(3) *Space and security.* Each resident must be afforded adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.

(4) *Interior air quality.* Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.

(5) *Water supply.* The water supply must be free from contamination.

(6) *Sanitary facilities.* Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.

(7) *Thermal environment.* The housing must have adequate heating and/or cooling facilities in proper operating condition.

(8) *Illumination and electricity.* The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be pro-

vided to permit use of essential electrical appliances while assuring safety from fire.

(9) *Food preparation and refuse disposal.* All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.

(10) *Sanitary condition.* The housing and any equipment must be maintained in sanitary condition.

(11) *Fire safety.* (i) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing-impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.

(ii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

(c) *Meals.* Each recipient of assistance under this part who provides supportive housing for homeless persons with disabilities must provide meals or meal preparation facilities for residents.

(d) *Ongoing assessment of supportive services.* Each recipient of assistance under this part must conduct an ongoing assessment of the supportive services required by the residents of the project and the availability of such services, and make adjustments as appropriate.

(e) *Residential supervision.* Each recipient of assistance under this part must provide residential supervision as necessary to facilitate the adequate provision of supportive services to the residents of the housing throughout the term of the commitment to operate supportive housing. Residential supervision may include the employment of

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a full- or part-time residential supervisor with sufficient knowledge to provide or to supervise the provision of supportive services to the residents.

(f) *Participation of homeless persons.* (1) Each recipient must provide for the participation of homeless persons as required in section 426(g) of the McKinney Act (42 U.S.C. 11386(g)). This requirement is waived if an applicant is unable to meet it and presents a plan for HUD approval to otherwise consult with homeless or formerly homeless persons in considering and making policies and decisions. See also § 583.330(e).

(2) Each recipient of assistance under this part must, to the maximum extent practicable, involve homeless individuals and families, through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project and in providing supportive services for the project.

(g) *Records and reports.* Each recipient of assistance under this part must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the timeframe required.

(h) *Confidentiality.* Each recipient that provides family violence prevention or treatment services must develop and implement procedures to ensure:

(1) The confidentiality of records pertaining to any individual services; and

(2) That the address or location of any project assisted will not be made public, except with written authorization of the person or persons responsible for the operation of the project.

(i) *Termination of housing assistance.* The recipient may terminate assistance to a participant who violates program requirements. Recipients should terminate assistance only in the most severe cases. Recipients may resume assistance to a participant whose assistance was previously terminated. In terminating assistance to a participant, the recipient must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of:

(1) Written notice to the participant containing a clear statement of the reasons for termination;

(2) A review of the decision, in which the participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and

(3) Prompt written notice of the final decision to the participant.

(j) *Limitation of stay in transitional housing.* A homeless individual or family may remain in transitional housing for a period longer than 24 months, if permanent housing for the individual or family has not been located or if the individual or family requires additional time to prepare for independent living. However, HUD may discontinue assistance for a transitional housing project if more than half of the homeless individuals or families remain in that project longer than 24 months.

(k) *Outpatient health services.* Outpatient health services provided by the recipient must be approved as appropriate by HUD and the Department of Health and Human Services (HHS). Upon receipt of an application that proposes the provision of outpatient health services, HUD will consult with HHS with respect to the appropriateness of the proposed services.

(l) *Annual assurances.* Recipients who receive assistance only for leasing, operating costs or supportive services costs must provide an annual assurance for each year such assistance is received that the project will be operated for the purpose specified in the application.

(Approved by the Office of Management and Budget under control number 2506-0112)

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1994; 61 FR 51176, Sept. 30, 1996]

§ 583.305 Term of commitment; repayment of grants; prevention of undue benefits.

(a) *Term of commitment and conversion.* Recipients must agree to operate the housing or provide supportive services in accordance with this part and with sections 423 (b)(1) and (b)(3) of the McKinney Act (42 U.S.C. 11383(b)(1), 11383(b)(3)).

(b) *Repayment of grant and prevention of undue benefits.* In accordance with section 423(c) of the McKinney Act (42 U.S.C. 11383(c)), HUD will require recipients to repay the grant unless HUD has authorized conversion of the project under section 423(b)(3) of the McKinney Act (42 U.S.C. 11383(b)(3)).

[61 FR 51176, Sept. 30, 1996]

§ 583.310 Displacement, relocation, and acquisition.

(a) *Minimizing displacement.* Consistent with the other goals and objectives of this part, recipients must assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of supportive housing assisted under this part.

(b) *Relocation assistance for displaced persons.* A displaced person (defined in paragraph (f) of this section) must be provided relocation assistance at the levels described in, and in accordance with, the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR part 24.

(c) *Real property acquisition requirements.* The acquisition of real property for supportive housing is subject to the URA and the requirements described in 49 CFR part 24, subpart B.

(d) *Responsibility of recipient.* (1) The recipient must certify (i.e., provide assurance of compliance) that it will comply with the URA, the regulations at 49 CFR part 24, and the requirements of this section, and must ensure such compliance notwithstanding any third party's contractual obligation to the recipient to comply with these provisions.

(2) The cost of required relocation assistance is an eligible project cost in the same manner and to the same extent as other project costs. Such costs also may be paid for with local public funds or funds available from other sources.

(3) The recipient must maintain records in sufficient detail to demonstrate compliance with provisions of this section.

(e) *Appeals.* A person who disagrees with the recipient's determination con-

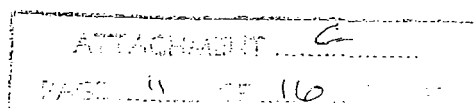
cerning whether the person qualifies as a "displaced person," or the amount of relocation assistance for which the person is eligible, may file a written appeal of that determination with the recipient. A low-income person who is dissatisfied with the recipient's determination on his or her appeal may submit a written request for review of that determination to the HUD field office.

(f) *Definition of displaced person.* (1) For purposes of this section, the term "displaced person" means a person (family, individual, business, nonprofit organization, or farm) that moves from real property, or moves personal property from real property permanently as a direct result of acquisition, rehabilitation, or demolition for supportive housing projects assisted under this part. The term "displaced person" includes, but may not be limited to:

(i) A person that moves permanently from the real property after the property owner (or person in control of the site) issues a vacate notice, or refuses to renew an expiring lease in order to evade the responsibility to provide relocation assistance, if the move occurs on or after the date the recipient submits to HUD the application or application amendment designating the project site.

(ii) Any person, including a person who moves before the date described in paragraph (f)(1)(i) of this section, if the recipient or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the assisted project.

(iii) A tenant-occupant of a dwelling unit who moves permanently from the building/complex on or after the date of the "initiation of negotiations" (see paragraph (g) of this section) if the move occurs before the tenant has been provided written notice offering him or her the opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex, under reasonable terms and conditions, upon completion of the project. Such reasonable terms and conditions must include a monthly rent and estimated average monthly utility costs that do not exceed the greater of:



(A) The tenant's monthly rent before the initiation of negotiations and estimated average utility costs, or

(B) 30 percent of gross household income. If the initial rent is at or near the maximum, there must be a reasonable basis for concluding at the time the project is initiated that future rent increases will be modest.

(iv) A tenant of a dwelling who is required to relocate temporarily, but does not return to the building/complex, if either:

(A) A tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, or

(B) Other conditions of the temporary relocation are not reasonable.

(v) A tenant of a dwelling who moves from the building/complex permanently after he or she has been required to move to another unit in the same building/complex, if either:

(A) The tenant is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move; or

(B) Other conditions of the move are not reasonable.

(2) Notwithstanding the provisions of paragraph (f)(1) of this section, a person does not qualify as a "displaced person" (and is not eligible for relocation assistance under the URA or this section), if:

(i) The person has been evicted for serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable Federal, State, or local or tribal law, or other good cause, and HUD determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;

(ii) The person moved into the property after the submission of the application and, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, or suffer a rent increase) and the fact that the person would not qualify as a "displaced person" (or for any assistance provided under this section), if the project is approved;

(iii) The person is ineligible under 49 CFR 24.2(g)(2); or

(iv) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(3) The recipient may request, at any time, HUD's determination of whether a displacement is or would be covered under this section.

(g) *Definition of initiation of negotiations.* For purposes of determining the formula for computing the replacement housing assistance to be provided to a residential tenant displaced as a direct result of privately undertaken rehabilitation, demolition, or acquisition of the real property, the term "initiation of negotiations" means the execution of the agreement between the recipient and HUD.

(h) *Definition of project.* For purposes of this section, the term "project" means an undertaking paid for in whole or in part with assistance under this part. Two or more activities that are integrally related, each essential to the others, are considered a single project, whether or not all component activities receive assistance under this part.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1994]

§ 583.315 Resident rent.

(a) *Calculation of resident rent.* Each resident of supportive housing may be required to pay as rent an amount determined by the recipient which may not exceed the highest of:

(1) 30 percent of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses and child care expenses). The calculation of the family's monthly adjusted income must include the expense deductions provided in 24 CFR 5.611(a), and for persons with disabilities, the calculation of the family's monthly adjusted income also must include the disallowance of earned income as provided in 24 CFR 5.617, if applicable;

(2) 10 percent of the family's monthly gross income; or

(3) If the family is receiving payments for welfare assistance from a

public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of the payment that is designated for housing costs.

(b) *Use of rent.* Resident rent may be used in the operation of the project or may be reserved, in whole or in part, to assist residents of transitional housing in moving to permanent housing.

(c) *Fees.* In addition to resident rent, recipients may charge residents reasonable fees for services not paid with grant funds.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1994; 66 FR 6225, Jan. 19, 2001]

§ 583.320 Site control.

(a) *Site control.* (1) Where grant funds will be used for acquisition, rehabilitation, or new construction to provide supportive housing or supportive services, or where grant funds will be used for operating costs of supportive housing, or where grant funds will be used to provide supportive services except where an applicant will provide services at sites not operated by the applicant, an applicant must demonstrate site control before HUD will execute a grant agreement (e.g., through a deed, lease, executed contract of sale). If such site control is not demonstrated within one year after initial notification of the award of assistance under this part, the grant will be deobligated as provided in paragraph (c) of this section.

(2) Where grant funds will be used to lease all or part of a structure to provide supportive housing or supportive services, or where grant funds will be used to lease individual housing units for homeless persons who will eventually control the units, site control need not be demonstrated.

(b) *Site change.* (1) A recipient may obtain ownership or control of a suitable site different from the one specified in its application. Retention of an assistance award is subject to the new site's meeting all requirements under this part for suitable sites.

(2) If the acquisition, rehabilitation, acquisition and rehabilitation, or new construction costs for the substitute

site are greater than the amount of the grant awarded for the site specified in the application, the recipient must provide for all additional costs. If the recipient is unable to demonstrate to HUD that it is able to provide for the difference in costs, HUD may deobligate the award of assistance.

(c) *Failure to obtain site control within one year.* HUD will recapture or deobligate any award for assistance under this part if the recipient is not in control of a suitable site before the expiration of one year after initial notification of an award.

§ 583.325 Nondiscrimination and equal opportunity requirements.

(a) *General.* Notwithstanding the permissibility of proposals that serve designated populations of disabled homeless persons, recipients serving a designated population of disabled homeless persons are required, within the designated population, to comply with these requirements for nondiscrimination on the basis of race, color, religion, sex, national origin, age, familial status, and disability.

(b) *Nondiscrimination and equal opportunity requirements.* The nondiscrimination and equal opportunity requirements set forth at part 5 of this title apply to this program. The Indian Civil Rights Act (25 U.S.C. 1301 et seq.) applies to tribes when they exercise their powers of self-government, and to Indian housing authorities (IHAs) when established by the exercise of such powers. When an IHA is established under State law, the applicability of the Indian Civil Rights Act will be determined on a case-by-case basis. Projects subject to the Indian Civil Rights Act must be developed and operated in compliance with its provisions and all implementing HUD requirements, instead of title VI and the Fair Housing Act and their implementing regulations.

(c) *Procedures.* (1) If the procedures that the recipient intends to use to make known the availability of the supportive housing are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or handicap who

may qualify for admission to the housing, the recipient must establish additional procedures that will ensure that such persons can obtain information concerning availability of the housing.

(2) The recipient must adopt procedures to make available information on the existence and locations of facilities and services that are accessible to persons with a handicap and maintain evidence of implementation of the procedures.

(d) *Accessibility requirements.* The recipient must comply with the new construction accessibility requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973, and the reasonable accommodation and rehabilitation accessibility requirements of section 504 as follows:

(1) All new construction must meet the accessibility requirements of 24 CFR 8.22 and, as applicable, 24 CFR 100.205.

(2) Projects in which costs of rehabilitation are 75 percent or more of the replacement cost of the building must meet the requirements of 24 CFR 8.23(a). Other rehabilitation must meet the requirements of 24 CFR 8.23(b).

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 33894, June 30, 1994; 61 FR 5210, Feb. 9, 1996; 61 FR 51176, Sept. 30, 1996]

§ 583.330 Applicability of other Federal requirements.

In addition to the requirements set forth in 24 CFR part 5, use of assistance provided under this part must comply with the following Federal requirements:

(a) *Flood insurance.* (1) The Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128) prohibits the approval of applications for assistance for acquisition or construction (including rehabilitation) for supportive housing located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(i) The community in which the area is situated is participating in the National Flood Insurance Program (see 44 CFR parts 59 through 79), or less than a year has passed since FEMA notification regarding such hazards; and

(ii) Flood insurance is obtained as a condition of approval of the application.

(2) Applicants with supportive housing located in an area identified by FEMA as having special flood hazards and receiving assistance for acquisition or construction (including rehabilitation) are responsible for assuring that flood insurance under the National Flood Insurance Program is obtained and maintained.

(b) The Coastal Barrier Resources Act of 1982 (16 U.S.C. 3501 *et seq.*) may apply to proposals under this part, depending on the assistance requested.

(c) *Applicability of OMB Circulars.* The policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments) and 24 CFR part 85 apply to the award, acceptance, and use of assistance under the program by governmental entities, and OMB Circular Nos. A-110 (Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations) and A-122 (Cost Principles Applicable to Grants, Contracts and Other Agreements with Nonprofit Institutions) apply to the acceptance and use of assistance by private nonprofit organizations, except where inconsistent with the provisions of the McKinney Act, other Federal statutes, or this part. (Copies of OMB Circulars may be obtained from E.O.P. Publications, room 2200, New Executive Office Building, Washington, DC 20503, telephone (202) 395-7332. (This is not a toll-free number.) There is a limit of two free copies.

(d) *Lead-based paint.* The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title apply to activities under this program.

(e) *Conflicts of interest.* (1) In addition to the conflict of interest requirements in 24 CFR part 85, no person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decisionmaking process or gain inside

information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, sub-contract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter. Participation by homeless individuals who also are participants under the program in policy or decisionmaking under § 583.300(f) does not constitute a conflict of interest.

(2) Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (e)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the program and the effective and efficient administration of the recipient's project. An exception may be considered only after the recipient has provided the following:

(i) For States and other governmental entities, a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(ii) For all recipients, an opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(3) In determining whether to grant a requested exception after the recipient has satisfactorily met the requirement of paragraph (e)(2) of this section, HUD will consider the cumulative effect of the following factors, where applicable:

(i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the project which would otherwise not be available;

(ii) Whether the person affected is a member of a group or class of eligible persons and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(iii) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decisionmaking

process with respect to the specific assisted activity in question;

(iv) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (e)(1) of this section;

(v) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vi) Any other relevant considerations.

(f) *Audit.* The financial management systems used by recipients under this program must provide for audits in accordance with 24 CFR part 44 or part 45, as applicable. HUD may perform or require additional audits as it finds necessary or appropriate.

(g) *Davis-Bacon Act.* The provisions of the Davis-Bacon Act do not apply to this program.

[56 FR 13871, Mar. 15, 1993, as amended at 61 FR 5211, Feb. 9, 1996; 64 FR 50226, Sept. 15, 1999]

Subpart E—Administration

§ 583.400 Grant agreement.

(a) *General.* The duty to provide supportive housing or supportive services in accordance with the requirements of this part will be incorporated in a grant agreement executed by HUD and the recipient.

(b) *Enforcement.* HUD will enforce the obligations in the grant agreement through such action as may be appropriate, including repayment of funds that have already been disbursed to the recipient.

§ 583.405 Program changes.

(a) *HUD approval.* (1) A recipient may not make any significant changes to an approved program without prior HUD approval. Significant changes include, but are not limited to, a change in the recipient, a change in the project site, additions or deletions in the types of activities listed in § 583.100 of this part approved for the program or a shift of more than 10 percent of funds from one approved type of activity to another, and a change in the category of participants to be served. Depending on the nature of the change, HUD may require

a new certification of consistency with the consolidated plan (see § 583.155).

(2) Approval for changes is contingent upon the application ranking remaining high enough after the approved change to have been competitively selected for funding in the year the application was selected.

(b) *Documentation of other changes.* Any changes to an approved program that do not require prior HUD approval must be fully documented in the recipient's records.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51176, Sept. 30, 1996]

§ 583.410 Obligation and deobligation of funds.

(a) *Obligation of funds.* When HUD and the applicant execute a grant agreement, funds are obligated to cover the amount of the approved assistance under subpart B of this part. The recipient will be expected to carry out the supportive housing or supportive services activities as proposed in the application.

(b) *Increases.* After the initial obligation of funds, HUD will not make revisions to increase the amount obligated.

(c) *Deobligation.* (1) HUD may deobligate all or parts of grants for acquisition, rehabilitation, acquisition and rehabilitation, or new construction:

(i) If the actual total cost of acquisition, rehabilitation, acquisition and rehabilitation, or new construction is less than the total cost anticipated in the application; or

(ii) If proposed activities for which funding was approved are not begun within three months or residents do not begin to occupy the facility within nine months after grant execution.

(2) HUD may deobligate the amounts for annual leasing costs, operating costs or supportive services in any year:

(i) If the actual leasing costs, operating costs or supportive services for that year are less than the total cost anticipated in the application; or

(ii) If the proposed supportive housing operations are not begun within three months after the units are available for occupancy.

(3) The grant agreement may set forth in detail other circumstances

under which funds may be deobligated, and other sanctions may be imposed.

(4) HUD may:

(i) Readvertise the availability of funds that have been deobligated under this section in a notice of fund availability under § 583.200, or

(ii) Award deobligated funds to applications previously submitted in response to the most recently published notice of fund availability, and in accordance with subpart C of this part.

PART 585—YOUTHBUILD PROGRAM

Subpart A—General

- Sec.
- 585.1 Authority.
- 585.2 Program purpose.
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Subpart B [Reserved]

Subpart C—Youthbuild Planning Grants

- 585.201 Purpose.
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- 585.301 Purpose.
- 585.302 Award limits.
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- 585.304 Locational considerations.
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- 585.306 Designation of costs.
- 585.307 Environmental procedures and standards.
- 585.308 Relocation assistance and real property acquisition.
- 585.309 Project-related restrictions applicable to Youthbuild residential rental housing.
- 585.310 Project-related restrictions applicable to Youthbuild transitional housing for the homeless.
- 585.311 Project-related restrictions applicable to Youthbuild homeownership housing.
- 585.312 Wages, labor standards, and non-discrimination.
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Subpart E—Administration

- 585.401 Recordkeeping by recipients.
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ATTACHMENT C
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Attachment “D”

SECTION I-HOUSING CASE MANAGEMENT STANDARDS OF CARE

I. Definition of Housing Case Management

Housing case management services are client-centered activities through which emergency shelter, transitional and permanent housing in conjunction with supportive services is coordinated. Case managers assess the client's physical, psychosocial, environmental, and financial needs and facilitate the client's access to appropriate sources of health care, financial assistance, mental health care and other supportive services. Case management services include but are not limited to the following activities: intake, comprehensive assessment of client's needs, development of a service plan, interventions on behalf of the client, referral, active and on-going follow-up, monitoring, evaluating and updating the client's service plan, education and periodic measurements of the client's plan.

II. Goals of Housing Case Management

- Provide access to services to promote maximum quality of life, independence and self-sufficiency.
- Ensure access to housing, medical, psychosocial services as necessary to promote stable housing.
- Increase access to supportive services information and foster harm reduction activities.
- Promote continuity of care and follow-up of clients,
- Foster resource development, increase the coordination among service providers, identify gaps in services, and eliminate duplication.

III. Major components of Housing case Management

All Case Management models include the following activities:

- Initial Contact
- Intake Assessment
- Individual Service Plan Development and Implementation
- General Follow-up and Reassessment
- Case Closure

A. Initial Contact:

Process:

- Initial Contact is initiated by a prospective client who requests or is referred for housing case management services.

- o Prospective client "is" informed of agency services and limitations.
- o Demographic information and required documentation is collected from the prospective client to complete the eligibility screening.
- o A decision is made by the prospective client and agency staff to do the following: (1) Continue and move to comprehensive assessment and open a case for the client, (2) refer the client to the appropriate agency services keeping in mind programs available for special needs populations,

Documentation:

- o Date of Intake
- o Client name, address staying (if any), mailing address, and telephone numbers
- o Emergency contact name, address and phone numbers
- o Information regarding significant medical issues i.e. HIV dx, diabetes, high blood pressure, mental health dx
- o Proof of Los Angeles County residency
- o Release of information form (this form should be updated yearly, but a new form must be initiated any time there is a need for communication with an individual not listed on the current form)
- o Limits of confidentiality form
- o Statement of informed consent to receive case management services
- o Client rights, responsibilities and grievance procedures

B. Intake Assessment

A cooperative and interactive face to face interview process during which the clients' medical, physical, psychosocial, environmental, and financial strengths and needs are identified. This information is gathered for the purpose of developing the Individual Service Plan.

C. Individual Service Plan development and implementation

Develop an Individual Service Plan to facilitate client access to services and the enhancement of coordination of care. It is developed in conjunction with the client, based on the intake Assessment data. This includes the clients' short and long term foals; dates and disposition of goals as they are met, changed, or determined to be attainable. The Individual Service Plan is updated as frequently as needed through on-going contact, follow-up and reassessment of the client.

Process:

- o The Individual Service Plan is completed immediately following the Intake Assessment and within fourteen (14) days of the Initial Contact.
- o After completing the Intake Assessment, the case manager, along with the client develops a list of priority client needs.
- o An Individual Service Plan is then developed which includes client goals, steps to be taken to reach those goals, who will be performing steps, and anticipated time frame for completion.
- o The client receives a copy of the Individual Service Plan.
- o The disposition is recorded as goals are met, changed, in progress, or determined to be unattainable.
- o The Individual Service Plan is updated on an ongoing basis, but at a minimum of every three months.
- o Implementation begins immediately following Individual Service Plan development.

Documentation:

Initial Individual Service Plan that includes:

- o Goals, which indicate the date established
- o Steps to be taken by the case manager, client or others, to reach goals.
- o Time frame by which the goals are expected to be completed.
- o Disposition of the goals.
- o The date and signature of both the client and the case manager.

Ongoing Individual Service Plans that includes:

- o Goals, which indicate the date established
- o Steps to be taken by the case manager, client or others to reach goals.
- o Time frame by which the goals are expected to be completed
- o Disposition of goals.

D. General follow-up and reassessment

Ongoing client contact, which ensures services are consistent with the Individual Service Plan and that the steps of the goals are being carried out. In addition, follow-up evaluation is necessary in

determining whether any changes in the client's condition or circumstances warrant a change in the array of services that the client is receiving. Assures that the care and treatment that the client is receiving from different providers is coordinated to avoid duplication or gaps in services.

Process:

- o Direct face to face or telephone contact with the client, family or significant other with consent.
- o Indirect contact with the client through agency staff, health care or social service providers. This contact may include meetings, telephone communications, written reports and letters, review of client records and related materials and agency supervision and case conferencing.
- o Ongoing evaluation of the client, family and significant others' status, satisfaction of case management services and quality and appropriateness of services provided.
- o The Individual Service Plan is updated with goals and/or the disposition of previous goals according to follow-up and reassessment information.

Documentation:

Progress notes include:

- o All contracts with clients, family, significant others or other service providers.
- o Changes in the client's status and progress made towards fulfilling Individual Service Plan.

Progress notes describing:

- o Date, time and type of contact
- o Time spend on behalf of the client
- o What occurred during the contact
- o Referrals and intervention strategies identified
- o Results of interventions/referrals
- o Progress notes are signed and dated by case manager
- o Upgraded Individual Service Plan reflecting the information gathering in following-up and reassessment
- o Updated demographic and emergency contact data.
- o Behavioral contract, as needed, to include what the unacceptable behavior is, expectation of acceptable behavior of future use of case management services, consequences of failure to comply with contract, and

signatures of the client, case manager and supervisor, in accordance with agency policies.

E. Service reduction / case closure

Case management programs are intended to foster client autonomy. The overall goal of case management services is to discharge clients from services once they are maintaining an improved quality of life. As clients are meeting their Individual Service Plan goals, adjustments in frequency of contact may be made prior to case closure in order to reinforce their independence. Clients will discharge from case management services through a systemic process that includes formal notification to the client of case closure and case closure summary in the client record. If necessary, clients can utilize the individual agency's grievance procedure to challenge case closure. Case closure may occur for the following reasons: (1) client relocation outside the service area, (2) case management goals and needs are resolved, (3) continued non-adherence to Individual Service Plan goals, (4) client chooses to terminate services, (5) unacceptable client behavior, (5) client death.

Process:

- o Prior to case closure, reduce services as the client becomes more self-sufficient, able to negotiate community resources successfully and needing less intensive case management involvement.
- o When a case is closed due to relocation, voluntary termination or goals and needs resolved:
 - o Mutually determine when to close the case
 - o Establish a means for re-entry into case management program
 - o Write a case closure summary to include evaluation of services, plan for continued success and ongoing resources to be utilized
 - o Case closure summary is reviewed, approved and signed by the supervisor
- o When a case is closed due to continued non-adherence to Individual Service Plan, failure to comply with behavioral contract or inability to contact client:
 - o Case manager will report to supervisor the intent to close the case.
 - o Case Manager makes attempt to notify the client on impending case closure through face-to-face meeting, telephone conversation or letter.

- Written documentation is provided to client explaining the reason for case closure, resources available to them in the community and the grievance process to be followed if client elects to challenge the reason for case closure.
- Write case closure summary to include reason for case closure and resources provided to the client.
- Case closure summary is reviewed, approved and signed by the supervisor.
- When a case is closed due to sudden death
 - Provide appropriate referrals to family and significant others, or emergency contact as necessary.
 - Write case closure summary to include intervention and referrals provided to others involved in the client's case.
 - Case closure summary is reviewed, approved and signed by the supervisor.

Documentation:

- Case closure summary
- Copy of written notification of case closure provided to the client.

1V. Direct Client, Family, Significant Other Services

- A. Advocacy and linkage: Assisting the client in accessing various resources and services. This includes contacting referrals to community referral sources to ensure that clients' needs are being addressed.
- B. Provisions of referrals: Providing client referrals to community resources to assist in meeting their housing needs.
- C. Education: Providing basic life skills information and educational materials including household management, parenting skills, health information, etc.
- D. Benefits/Financial Counseling: Counseling a client regarding the availability of private and/or public benefits, assisting with determination of eligibility, and providing information regarding access to benefits. This could include assisting clients with budgeting techniques.
- E. Crisis Intervention: contact with a client during a time when the client is experiencing a situational or environmental crisis, e.g. loss of living accommodations, recent bereavement, etc. This includes ensuring referrals to appropriate mental health professionals.

- F. Emotional Support: Contact which primarily focuses on emotional needs and feelings. When appropriate referrals to mental health professionals.
- G. Case Conferences: Discussing selected clients with supervisor and peers to assist in problem-solving related to clients and to ensure that professional guidance and high quality case management services are provided.
- H. Consultation: Multidisciplinary interactions with service providers from different agencies and programs to assist in the coordination of client care.

V. **Administrative Services**

- A. Supervision: Participation in clinical and administrative supervision sessions. Supervision involves supervisor's review of client's psychosocial needs with the case manager. Administrative supervision involves all other supervision that is no-client related, e.g. personnel, employee relations issues.
- B. Community/Agency Meetings: Participation in meetings, task forces, working groups, network meetings, commission and advisory board meetings. Meetings provide an opportunity for case managers to advocate for the needs of their clients, network and create linkages with other service providers and promote the availability of case management services.
- C. Participation/provision of Trainings: Attending or conducting any trainings or conferences where case management and/or related information are provided.
- D. Documentation: Initial Contact, Intake Assessment, Individual Service Plans and all contracts with or on behalf of clients in a record/file system.
- E. Quality Improvement: Developing a plan to obtain input from a committee comprised of case managers, case management supervisors, program administrators, and clients to evaluate the appropriateness of services, timeliness with which services are rendered and the availability, competency, reliability and cultural sensitivity of case managers.

SECTION II-PROGRAMMATIC STANDARDS OF CARE

A. Qualifications:

The case manager shall possess a bachelor's degree in a human services area; or hold a high school diploma (or GED equivalent) and possess at least one year of working as a case manager, or in the field of homeless services or in a related field of health and human services.

Eligible candidates shall possess:

- Holds general understanding of homeless issues
- Effective interviewing and assessment skills
- Sensitivity and knowledge of relevant social diversity issues, which may impact client care issued including culture, race, ethnicity, gender/transgender, religion, sexual orientation, political beliefs and physical/mental issues.
- Ability to appropriately interact and collaborate with others
- Effective written and verbal communication
- Ability to work independently
- Ability to work well under pressure
- Effective problem solving skills
- Ability to respond appropriately in crisis situations
- Effective organizational skills

B. Professionalism:

The Case Manager shall use his/her professional skills and competence to serve the client whose interest is of primary concern. It is the case manager's role to ensure that the client receives accurate and complete information about all available services based on the ongoing assessment of the client. Personal or professional gains shall never be put before client needs. Case Managers must not exploit relationships with clients to meet personal or agency interests.

C. Client Involvement:

The case manager shall ensure that clients are involved in all phases of case management practice to the greatest extent possible. Every effort shall be made to foster and respect maximum client self-determination. The case manager is responsible for presenting all available options so that the client can make informed decisions when selecting services.

D. Confidentiality:

The case manager shall ensure the client's right to privacy and confidentiality when information about the client is released to others. All information about a client and their significant others/family members shall be held in the strictest confidence. Information may be released to other professionals and agencies only with the written permission of the client or his/her guardian. This release shall detail what information is to be disclosed, to whom and for what purpose. The client has the right to revoke this release by written request at any time.

The case manager should explain the limits of confidentiality to all clients. The limits of confidentiality are situations that involve a client being at risk of harming himself/herself or another person or suspect abuse or neglect of a child or dependent adult.

E. Advocacy

Case managers have the responsibility to advocate for their clients on a public policy level. Case managers are responsible for understanding the systems, which dictate the services they provide. This may include being knowledgeable about local, state and federal legislation that impacts the health and well-being of our clients, and taking action to impact these systems. Likewise, case managers need to advocate for clients within their agencies and communities to assure their client's needs are appropriately addressed.

F. Coordination of Services

The case manager shall provide direct services and coordinate the delivery of services to clients and their significant others/families. The case manager shall assist the client in developing and maintaining an effective and appropriate system of care. It is the responsibility of the case manager to ensure consistent quality care utilizing available resources and avoiding duplication of services.

Attachment “E”

CERTIFICATION REGARDING DEBARMENT

By signing and submitting this document, the recipient of federal assistance funds is providing the certification as set out below:

1. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the recipient of federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
2. The recipient of Federal assistance funds shall provide immediate written notice to the person to which this agreement is entered, if at any time the recipient of Federal Assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstance.
3. The terms "covered transaction", "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
4. The recipient of Federal assistance funds agrees by submitting this document that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the departmental or agency with which this transaction originated.
5. The recipient of Federal assistance funds further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. A participant in a covered transaction may rely upon a certification of participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the list of parties excluded from procurement or non-procurement programs.
7. Nothing contained in the foregoing shall be constructed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for transactions authorized under Paragraph 4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which the transaction originated may pursue available remedies, including suspension and/or debarment.

ATTACHMENT E
PAGE 1 OF 3

The regulations implementing Executive Order 12549, Debarment and Suspension, 24 CFR Part 24 Section 24.510, Participants' Responsibilities require this certification.

1. The recipient of Federal assistance funds certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such participants shall attach an explanation to this document.

Agreement Number: CA 16 C 506-010 Contract Agency: National Mental Health Association of Greater Los Angeles

Name and Title of Authorized Representative: Richard Van Horn, President

Richard Van Horn
Signature

10/2/06
Date

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Attachment "F"

CERTIFICATION REGARDING LOBBYING

Contractor(s) and lobbyist firm(s), as defined in the Los Angeles County Code Chapter 2.160 (ordinance 93-0031), retained by the Contractor, shall fully comply with the requirements as set forth in said County Code. The Contractor must also certify in writing that it is familiar with the Los Angeles County Code Chapter 2.160 and that all persons acting on behalf of the Contractor will comply with the County Code.

Failure on the part of the Contractor and/or Lobbyist to fully comply with the County's Lobbyist requirement shall constitute a material breach of the contract upon which the City of Long Beach may immediately terminate this contract and the Contractor shall be liable for civil action.

The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and the Housing and Urban Development Code of Federal Regulations 24 part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an office or employee of Congress, or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with Federal Lobbyist Requirements shall be subject to civil penalties. The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form -LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

National Mental Health Association

Agreement Number: CA 116 C 506-010 Contract Agency: of Greater Los Angeles

Name and Title of Authorized Representative: Rudolf Van Han

Signature: *Rudolf Van Han* Date: 10/2/06

ATTACHMENT E