

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5307-N-02]

**Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recovery and Reinvestment Act of 2009;
Corrections and Clarifications**

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD

ACTION: Notice of corrections and clarifications

EFFECTIVE DATE: These corrections are effective as of June 8, 2009.

SUMMARY: This notice makes clarifying and other corrections to the Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recovery and Reinvestment Act of 2009 (Notice), which the Department of Housing and Urban Development (HUD) posted on its website on March 19, 2009. These corrections include: (1) a revision of the time period for HUD's review of HPRP applications, (2) the addition of a provision for waiving non-statutory requirements in the Notice, (3) the identification of the District of Columbia as a metropolitan city, (4) a clarification of the maximum number of months for which a program participant may receive housing relocation and stabilization services, (5) an extension of the timeframe for incurring eligible pre-award costs, and (6) a revision of the timeframe for drawing down funds for eligible costs incurred during the grant period. A revised version of the Notice, which incorporates these corrections, will be posted on the HUD Homelessness Resource Exchange at: www.hudhre.info.

SUPPLEMENTARY INFORMATION:

1. The first two sentences of section E of the Overview Information on page 2 of the Notice are revised to read as follows:

Substantial amendments submitted pursuant to this Notice must be postmarked to HUD no later than 60 days from the date of publication of this Notice. HUD will complete its review of all correctly completed substantial amendments within 45 days of receipt.

2. Section F.2.c. of the Overview Information on page 3 of the Notice is revised to read as follows:

Each substantial amendment submitted to HUD will be subject to the approval process set forth in 24 CFR 91.500, except that: HUD will approve or disapprove the substantial amendment within 45 days of receipt; jurisdictions with disapproved substantial amendments may revise and resubmit a substantial amendment within 15 days after HUD sends the first notification of its disapproval; and HUD will approve or disapprove the revised substantial amendment within 15 days of receiving the resubmission.

3. The following paragraph is added as paragraph 4 of Section I.A. of the Notice:

The requirements in this Notice may be waived in the same manner as regulatory requirements. Grantees must submit a written request to HUD. Upon a determination of good cause, the Assistant Secretary for Community Planning and Development may, subject to statutory limitations, waive any provision of this Notice. Each waiver must be in writing and must specify the grounds for approving the waiver.

4. The following sentence is added to the end of the definition of *metropolitan city* in Section I.B. of the Notice:

This includes the District of Columbia.

5. The first sentence of Section III.B. of the Notice is revised to read as follows:

Metropolitan cities (including the District of Columbia), urban counties, and territories, or an agency of those governments, may directly carry out eligible activities, or may distribute all or part of their grant amounts to private non-profit organizations to carry out HPRP activities.

6. The following sentence is added after the second sentence of Section IV.A.2. of the Notice:

Each program participant may receive housing relocation and stabilization services for up to 18 months.

7. The last two sentences of Section IV.A.4.b. of the Notice are revised to read as follows:

Eligible pre-award costs that grantees may incur are costs that are directly related to preparing the application for submission to HUD or participating in HUD-sponsored HPRP training, starting with the publication of this Notice and ending with the execution of the grant agreement. This includes, but is not limited to, staff costs for preparing the substantial amendment and publication, other costs related to the public comment process, or reasonable travel and accommodation costs related to participation in HUD-sponsored HPRP training.

8. The last sentence of Section IV.A.4.c. of the Notice is revised to read as follows:

In addition, all administrative costs must be incurred prior to the 3-year expenditure deadline (described in Section V.A.2).

9. The second sentence of Section IV.F.1. of the Notice is revised to read as follows:

HUD will notify the grantee within 45 days of receipt that either the application was accepted or it did not meet the requirements of this Notice.

10. Section V.A.2 of the Notice is revised to read as follows:

Expenditure. Each grantee must draw down 60 percent of its HPRP grant funds within 2 years of the date that HUD signed the grant agreement, and must expend 100 percent of its funds within 3 years of this date. If a grantee cannot spend 60 percent of its grant funds within 2 years of the date that HUD signed the grant agreement, HUD may reallocate the grantee's funds. See Section II.B.2 of this Notice for the process of reallocation. Grantees may continue to draw down funds for up to 90 days after the grant period ends, provided that these funds are used to pay for eligible costs that were incurred before the 3-year expenditure deadline. Any costs incurred after the 3-year deadline, including administrative costs, are not eligible HPRP costs.

11. The third bullet under Section V.J. of the Notice is revised to read as follows:

HUD expedites review, completing all reviews not requiring additional information from the grantee within 45 days of receipt of the substantial amendment;

12. The following bullet is added to the end of Section V.J. of the Notice:

Grantees will have up to 90 days after the 3-year expenditure deadline to draw down funds for eligible HPRP costs incurred during the 3-year grant period.

13. The last sentence of Section VII.G. of the Notice is removed.

FOR MORE INFORMATION: Grantees may contact the HUD Field Office serving their area, at the telephone number referred to in the HPRP Notice. In addition, applicants are strongly encouraged to send questions regarding this Notice to HUD's Virtual Help Desk located at <http://www.hudhre.info/index.cfm?do=viewHPRPIssue>.

AUTHORITY: Section 7(d) of the Department of HUD Act, 42 U.S.C. 3535(d), and the provisions under the Homelessness Prevention Fund heading of Division A, Title XII of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, 123 Stat. 115, 221-222 (Feb. 17, 2009).

Dated: JUN - 8 2009

A handwritten signature in dark ink, appearing to read "Nelson R. Bregón". The signature is fluid and cursive, with a large initial "N" and a stylized "B".

Nelson R. Bregón, General Deputy Assistant
Secretary, Office of Community Planning and
Development

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