Amendments to the Drug Elimination Program made by the Housing and Community Development Act of 1992 (Pub. L. 102-550, approved October 28, 1992), permit grants, under certain conditions as given in section (c)(9) of this NOFA, below, to be used to eliminate drug-related crime in housing owned by PHAs that is not housing assisted under the United States Housing Act of 1937 and is not otherwise federally assisted. Where an application is submitted for this category of housing, the amount of eligible funding will be determined on the same per-unit basis as for federally assisted housing units, above.

The maximum grant awards are as follows, although, as discussed below, in section I.(b)(4) (Reduction of Requested Grant Amounts and Special Conditions), the Department may adjust the amount of any grant award:

(i) For housing authorities with 1–499 units: The maximum grant award is either a maximum grant award cap of \$500.00 per unit, or a total minimum grant award of \$50,000, whichever is greater:

(ii) For housing authorities with 500–1,249 units: The maximum grant award is either a maximum grant award cap of \$300.00 per unit, or a total minimum grant award of \$250,000, whichever is greater;

(iii) For housing authorities with 1,250 or more units: The maximum grant award is either a maximum grant award cap of \$250.00 per unit, or a total minimum grant award of \$375,000 whichever is greater.

whichever is greater; Example: A housing authority with 780 units could apply for a maximum grant award of \$250,000, i.e. the minimum grant award of \$250,000 for housing authorities with 500–1,249 units is greater than the per unit award calculation computed at \$300.00 per unit × 780 units = \$234,000.

Example: A housing authority with 4,234 units could apply for a minimum grant award of \$1,058,500, i.e. computed at \$250.00 per unit \times 4,234 units = \$1,058,500.

An applicant shall not apply for more funding than is permitted in accordance with the maximum grant award amount as described above. Any application requesting funding that exceeds the maximum grant award amount permitted will be rejected and will not be eligible for any funding *unless a computational error* was involved in the funding request. Section IV of this NOFA provides guidance regarding application curable and noncurable deficiencies.

Such an error will be considered a curable deficiency in the application.

Section III.(d) (Checklist of Application Requirements) of this NOFA requires applicants to compute the maximum grant award amount for which they are eligible, as follows: eligible dollar amount per unit × (times) number of units listed in the housing authority low-rent operating budget (form HUD–52564) for housing authority fiscal year ending, June 30, September 30, December 31, 1994 or March 31, 1995. The applicant is required to confirm the unit count with the local HUD Field Office prior to submission of the application.

The amount computed in this way must be compared with the dollar amount requested in the application to make certain the amount requested *does* not exceed the maximum grant award.

(3) Reallocation. All awards will be made to fund fully an application, except as provided in paragraph I.(b)(4) (Reduction of Requested Grant Amounts and Special Conditions) below.

(4) Reduction of Requested Grant Amounts and Special Conditions. HUD may approve an application for an amount lower than the amount requested, withhold funds after approval, and/or the grantee will be required to comply with special conditions added to the grant agreement, in accordance with 24 CFR 85.12 (PHAs), and 24 CFR 905.135 (IHAs) as applicable, and the requirements of this NOFA, or where:

(i) HUD determines the amount requested for one or more eligible activities is unreasonable or unnecessary;

(ii) The application does not otherwise meet applicable cost limitations established for the program;

(iii) The applicant has requested an ineligible activity:

(iv) Insufficient amounts remain in that funding round to fund the full amount requested in the application and HUD determines that partial funding is a viable option;

(v) The applicant fails to implement the program in its plan and/or fails to submit required reports;

(vi) The applicant has demonstrated an inability to manage HUD grants, particularly Drug Elimination Program grants; or

(vii) For any other reason where good cause exists.

(c) Eligibility

Funding under this NOFA is available only for Public Housing Agencies and Indian Housing Authorities. Although section 161 of the Housing and Community Development Act of 1992 (Pub. L. 102–550, approved October 28, 1992) makes public housing resident

management corporations (RMCs) eligible for Drug Elimination Program funding, the 95 App. Act limited the funds appropriated "for grants to public housing agencies". The authorizing statute includes Indian housing authorities (IHAs) in the term "public housing agencies" and, therefore, IHAs are eligible for funding. Because RMCs, unlike IHAs, constitute a separate entity from PHAs under the authorizing statute, no funds are appropriated for RMCs as direct applicants under the 95 App. Act. However, RMCs may continue to receive funding from housing authority grantees to develop security and drug abuse prevention programs involving site residents as they have in the past.

An application for funding under this program may be for one or more of the following eligible activities. An applicant may submit only one application under this Notice of Funding Availability (NOFA). Joint applications are not permitted under this program with the following exception: housing authorities (HA) under a single administration (such as housing authorities managing another housing authority under contract or housing authorities sharing a common executive director) may submit a single application, even through each housing authority has its own operating budget. The following is a listing of eligible activities under this program and guidance as to their parameters:

(1) Employment of Security Personnel.

(i) Contracted Security Guard Personnel. Contracting for security guard personnel services in public and Indian housing developments proposed for funding is permitted under this program. Contracting for security guard personnel services is defined as a competitive process in which individual companies and/or individuals participate.

(A) Contracted security personnel funded by this program must perform services not usually performed by local law enforcement agencies on a routine basis, such as, patrolling inside buildings, providing guard services at building entrances to check for identification cards (Ids), or patrolling and checking car parking lots for appropriate parking decals.

(B) Contracted security personnel funded by this program must meet all relevant tribal, state or local government insurance, licensing, certification, training, bonding, or other similar law enforcement requirements.

(C) The applicant, the cooperating local law enforcement agency, and the provider (contractor) of the security personnel *are required* to enter into and