regulations (24 CFR 8.57) [PHAs and IHAs];

(e) There is no pending civil rights suit brought against the HA by the Department of Justice; and

(f) There is no unresolved charge of discrimination against the HA issued by the Secretary under Section 810(g) of the Fair Housing Act, as implemented by 24 CFR 103.400.

(2) *Eligible Activities.* Program funds may be used for the following activities:

(a) The renovation, conversion, or combination of vacant dwelling units in a HA development to create common areas to accommodate the provision of supportive services;

(b) The renovation of existing common areas in a HA development to accommodate the provision of supportive services;

(c) The renovation, construction, or acquisition of facilities located near the premises of one or more HA developments to accommodate the provision of supportive services;

(d) The provision of not more than 15 percent of the total cost of supportive services (which may be provided directly to eligible residents by the HA or by contract or lease through other appropriate agencies or providers), but only if the HA demonstrates that:

(i) The supportive services are appropriate to improve the access of eligible residents to employment and educational opportunities; and

(ii) The HA has made diligent efforts to use or obtain other available resources to fund or provide such services; and

(e) The employment of service coordinators.

(3) *Eligible Costs.* Activities that may be funded and carried out by an HA include, but are not limited to the following:

(a) Administrative costs. No cap. Costs that are reasonable and include maintenance, utility costs (telephone, fax, light, gas), Postage, Printing, Copier, Building leasing/rent costs, Service Coordinator/Case Manager, Accounting Staff, initial equipment purchase (i.e., desks, chairs, computer equipment, tools, etc.);

(b) Other program costs. Costs that include advertisement, reimbursement for participant travel costs, travel stipends, vehicle lease (to transport participants to FIC), insurance liability costs (personal property/property off HA site) and Technical Assistance (T/A) contractor fees, etc.;

(c) Supportive services. The provision of not more than 15% of the total cost of supportive services. Direct service delivery includes the costs of training programs, day care services, manpower, etc.; and

(d) Site Facility/Renovation/ Conversion/Construction Costs. Costs include renovation/conversion/ construction, acquisition, architectural and engineering (and related professional services required to prepare architectural plans or drawings, writeups, specifications or inspections).

(4) Other Eligibility Related Requirements. (a) Grants used solely for the renovation, conversion, construction, or acquisition activities listed in paragraphs (a), (b), or (c) of Section I.E(2), "Eligible Activities," of this NOFA, shall be completed within 3 years of the effective date of the grant. The provision of supportive services shall commence upon completion of such activities and shall be provided for over a 3- to 5-year period. Each applicant should submit a description of the renovation or conversion to be conducted, along with a budget and timetable for those activities. Each applicant must demonstrate a firm commitment of assistance from one or more sources ensuring that supportive services will be provided for not less than 3 years following the completion of renovation/conversion/construction/ acquisition activities funded under this NOFA. Grants solely for supportive services activities (only) shall be funded over a maximum 3- to 5-year period.

(b) Each applicant must submit a budget, timetable, and list of milestones outlining the supportive services proposed for the 3- to 5-year period (following initial receipt of funding), at least, covered by the applicant's description of supportive services. Milestones shall include the number of families to be served, types of services, and dollar amounts to be allocated over the 3- to 5-year period.

(c) Each applicant for funds to conduct supportive services (only) must demonstrate a firm commitment of assistance from one or more sources ensuring that supportive services will be provided for not less than 3 years following receipt of funds under this NOFA.

(d) When a grant application is approved, the HA must receive approval from HUD to conduct renovation/ conversion/construction/acquisition. Approval must be provided prior to drawing down funds.

(e) If renovation/conversion/ construction is done off-site, the HA must provide documentation that it has control of the proposed property for not less than 3 years and, preferably, for 5 years or more. Control can be evidenced through a lease agreement, ownership documentation, or other appropriate documentation (see Sections III.B(3) and III.C(18) of this NOFA).

## F. Other Program Requirements

(1) Resident Involvement. The Department has a longstanding policy of encouraging HAs to promote resident involvement and to facilitate cooperative partnerships to achieve specific and mutual goals. Therefore, residents must be included in the planning and implementation of this program. The HA shall develop a process that assures that Resident Council/Resident Management Corporation/Resident Organization representatives and residents are fully briefed and have an opportunity to comment on the proposed content of the HA's application in response to this NOFA. The HA shall give full consideration to the comments and concerns of the residents. The process shall include:

(a) Informing residents of the selected developments regarding the preparation of the application, and providing for residents to assist in the development of the application, as appropriate.

(b) Once a draft application has been prepared, the HA shall make a copy available for reading in the management office; provide copies of the draft to any resident organization representing the residents of the development(s) involved; and provide adequate opportunity for comment by the residents of the development and their representative organizations prior to making the application final.

(c) Provide to any resident organization representing the development a summary of the resident comments and its response to them, and notify residents of the development(s) that this summary and response are available for reading in the management office.

(d) After HUD approval of a grant, notify residents of the development, and any representative organizations, of approval of the grant; notify the residents of the availability of the HUD approved implementation schedule in the management office for reading; and develop a system to facilitate a regular resident role in all aspects of program implementation.

(2) Training/Employment/Contracting of HA Residents.

(a) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) requires that programs of direct financial assistance administered by HUD provide, to the greatest extent feasible, opportunities for job training and employment to lower income residents in connection with projects in their neighborhoods.