- (4) Fair housing and equal opportunity. Organizations that receive assistance through the application must be in compliance with applicable civil rights laws and Executive Orders.
- (5) *Vacancy rate.* For the Section 8 SRO program, at least 25 percent of the units to be assisted at any one site must be vacant at the time of application.

(b) Rating and Conditional Selection

Applications for S+C, SRO, and SHP grants will be conditionally selected in three separate categories, one for each program. To rate applications, the Department may establish panels including persons not currently employed by HUD to obtain outside points of view, including views from other Federal agencies.

After all points have been awarded, applications will be ranked from highest point score to lowest for each program. A bonus of 2 points will be added in determining the final score of any project that will serve homeless persons living within the boundaries of a federal **Empowerment Zone or Enterprise** Community. Whether an application is conditionally selected will depend on its overall ranking compared to other applications submitted for the same program, except that HUD reserves the right to select lower rated applications if necessary to achieve geographic diversity; ensure that the overall amount of assistance received by a jurisdiction is not disproportionate to the jurisdiction's overall need for homeless assistance, as calculated from generally available data; or achieve diversity of assistance provided in a community as determined through a comparison of applications from a given jurisdiction.

For all programs, in the event of a tie between applicants, the applicant with the highest score for the coordination criterion will be selected. If a tie remains, the applicant with the highest score for the quality of project criterion will be selected. In the event of a procedural error that, when corrected, would result in selection of an otherwise eligible applicant during the funding round under this NOFA, HUD may select that applicant when sufficient funds become available.

For Shelter Plus Care and Supportive Housing, in cases where the applicant requests assistance for more than one of the components of the program within one application, the components will not be rated separately. Rather, the application will be rated as a whole. (For Section 8 SRO, only one project is allowed per application.)

(c) Core Selection Criteria

The following five core selection criteria apply to each of the programs covered by this NOFA and account for 105 of the 110 points available for award.

- (1) *Coordination*. HUD will award up to 40 points based on the extent to which the application demonstrates:
- Participation in a community process for developing a continuum of care strategy, which could include nonprofit organizations, State and local governmental agencies, other homeless providers, housing developers and service providers, private foundations, local businesses and the investment banking community, neighborhood groups, and homeless or formerly homeless persons.
- Need for the type of project proposed in the area to be served, and that the proposed project will effectively and appropriately fill a gap in the community's response to homelessness.
- Coordination with other applicants, if any, applying for assistance under this NOFA for projects in the same local jurisdiction. (If more than one organization within a local jurisdiction is submitting an application under this NOFA, higher scores will be assigned where it is clear that the proposed projects have been coordinated within a single, appropriate continuum of care strategy and that each project effectively and appropriately fills a gap in the community's response to homelessness.)
- Use by the project of mainstream services, such as income supports, mental health services, and substance abuse treatment, and how the project uses or will use mainstream housing programs, such as Section 8 rental assistance, HOME, and State programs, and other permanent housing resources to complete the continuum of care.
- (2) *Need*. HUD will award up to 20 points based on:
- the jurisdiction's need for homeless assistance, as calculated from generally available data including data on poverty, housing overcrowding, population, age of housing and growth lag; and
- the extent of need in that jurisdiction taking into account the higher rated applications and the extent of need nationwide.
- (3) *Quality of project*. HUD will award up to 25 points based on the extent to which the applicant demonstrates that the proposed project will:
- Reach out and engage potential eligible participants. The most needy are homeless persons who are sleeping in places not meant for human habitation, such as cars, tunnels and

- parks, and persons who are staying at shelters, transitional housing or other facilities for homeless persons who originally came from the streets or emergency shelter.
- Provide appropriate housing. HUD will consider how the housing fits the needs of participants and ensures their safety; empowers participants through involvement in decision-making and project operations; employs participants in the project or otherwise helps increase their incomes; and ensures that transportation is available and accessible. HUD will also consider project staffing and the scale of the project, viewing the concentration of very large numbers of homeless persons at one location unfavorably.

For transitional housing projects, appropriateness of housing also includes how the project assists participants in locating and succeeding in permanent housing, and provides necessary follow-up services upon the completion of transitional housing. For permanent housing projects, appropriateness of housing also includes how the project assists integration of participants into the surrounding community.

- Provide appropriate services. HUD will consider whether the project provides up-front, individualized, needs assessments and ongoing case management, how services fit the needs of participants, and the availability of needed services.
- For projects serving families, the project serves the family together, and works to strengthen the family structure. Projects that mix families with singles populations in the same structure will be viewed unfavorably.
- For safe haven projects, the above factors are modified to award up to 25 points on the extent to which the applicant demonstrates how the project will link persons to other housing and supportive services after stabilization in a safe haven, the availability of basic services in the safe haven, and how the security of participants will be assured by the applicant.

The rating under this criterion will also consider the extent to which the project represents an innovative approach when viewed nationally that promises to be successful and replicable. Applications submitted under the "innovative supportive housing" component of the Supportive Housing Program must achieve points for innovation.

Applications receiving less than 8 points under the quality of project criterion will not be selected for a grant award.