SANTA CRUZ COUNTY HOMELESS ACTION PARTNERSHIP

HAP

homeless
action
partnership

PUBLIC SOLICITATION OF APPLICATIONS

2019 Local Continuum of Care
Project Evaluation & Application Policies and Procedures
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OVERVIEW OF THE HUD COC NOFA AND CoC INTERIM RULE REQUIREMENTS

Introduction

The purpose of the Continuum of Care (CoC) program is to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effective utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

Each year the U.S. Department of Housing and Urban Development (HUD) releases a Notice of Funding Availability (NOFA), signifying the beginning of a funding competition among more than 400 CoCs, the community stakeholder groups that guide local responses to homelessness. The 2019 CoC NOFA was released on July 3, 2019, opening the competition making available **approximately $2.3 billion** to serve homeless people nationally. The information in the NOFA sets forth the competition rules and processes for 2019. This document includes the highlights of the NOFA; additional information will be shared as it is made available by HUD.

Before the application is submitted to HUD, our CoC, the Homeless Action Partnership (HAP), is required to hold a local competition to determine which projects will be included in the consolidated application, along with their relative priority. The results of the local competition dictate for which projects the CoC will seek funding. Additional information about project application requirements and standards will be available at the upcoming Applicant Technical Assistance Session. For further information about the CoC Notice of Funding Available (NOFA), the CoC Interim Rule, and HUD's CoC online application system (called e-snaps) go to: https://www.hudexchange.info/programs/e-snaps/fy-2019-coc-program-nofa-coc-program-competition/#nofa-and-notices.
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Funding Available and Tiered Funding Approach

$3,328,671 is the possible total (before FMR adjustments) for Santa Cruz County projects. This includes:

- **$3,008,490** is our Annual Renewal Demand (ARD, the amount needed for one-year *renewal* of all expiring CoC grants or reallocation to permanent supportive housing (PSH) where 100% of beds are dedicated to chronically homeless (CH), PSH where the project meets the definition of DedicatedPLUS (details below), rapid rehousing (RRH), joint transitional housing (TH) and RRH projects (details below), coordinated entry (CE), or dedicated homeless management information system (HMIS)
- **$150,425** is our total possible amount for CoC *bonus* projects. Eligible types of CoC bonus projects: PSH where 100% of beds are dedicated to CH, PSH where the project meets the definition of DedicatedPLUS, RRH, joint TH and RRH, CE, and dedicated HMIS
- **$79,531** is our total possible amount for nationally competitive Domestic Violence (DV) bonus projects. Eligible types of DV bonus projects: RRH demonstrating (*new this year*) trauma-informed, victim-centered approaches, joint TH and RRH projects demonstrating trauma-informed, victim-centered approaches, and CE projects that better equip CE to meet the needs

of DV survivors (e.g., to implement policies and procedures that are demonstrating trauma-informed and victim-centered or to better coordinate referrals between the CoC's CE system and DV CE system)

- **$90,225** for one CoC planning project (not competitively ranked).

In 2019, funds are NOT available for:
- Emergency shelter
- Homelessness prevention projects
- New TH only
- New supportive service only projects (except coordinated entry).

Tiering: HUD requires CoCs to rank all projects in two tiers, which are financial thresholds. Tier 1 is 100% of the combined Annual Renewal amounts for all projects eligible for renewal for the first time plus 94% percent of the combined Annual Renewal amounts for all other projects eligible for renewal (*revised this year*). Tier 2 is the remaining ARD *plus* approved bonus projects, as follows:

- **$2,858,724** is our expected Tier 1 amount
- **$379,722** is our possible maximum Tier 2 amount (remaining ARD ($149,766), plus maximum CoC bonus amount ($150,425), plus maximum competitive DV bonus amount ($79,531).

The purpose of this tiering is to allow CoCs to clearly indicate to HUD which projects are of highest priority for limited 2019 CoC funding. HUD will select CoC planning projects and Tier 1 projects before it selects Tier 2 projects. CoC planning grants and Tier 1 projects are almost certain to be funded as long as they meet HUD eligibility and threshold requirements. Tier 2 projects, on the other hand, are subject to a national competition, and are less likely to be funded, since there is insufficient funding nationally for all Tier 2 project. See below for further information about the Tier 2 competition.

How HUD Will Select Projects

HUD will select project in the following order:
1. A renewal that exceeds $10 million
2. All CoC planning projects
3. All Unified Funding Agency (UFA) cost projects
4. DV bonus projects that awarded based on the DV bonus criteria in the CoC NOFA; if awarded as a DV bonus, it will be removed from the list and projects below it will slide up one rank; if not, it will retain the rank provided by the CoC and be treated as a regular ranked project. (*Revised this year*) DV bonus criteria, 100-points possible:
    a. For RRH or joint TH-RRH projects: (1) up to 25 points will be awarded in direct proportion to the score received on the CoC Application; (2) up to 25 points will be awarded on the extent the CoC is able to quantify the need, the extent of the need, and how the project will fill the gap; and (3) up to 50 points will be awarded based on the previous performance of the applicant in serving DV survivors, including housing and safety outcomes; must also use trauma-informed and victim-centered approaches
    b. For CE projects: (1) up to 50 points will be awarded in direct proportion to the score received on the CoC Application; and (2) up to 50 points will be awarded based on the extent the CoC can demonstrate the need for CE that better meets the needs of DV survivors and how the project will fill that need

5. Projects fully in in Tier 1 will be selected based on CoC score from highest to lowest CoC score
6. Projects fully in Tier 2 will be selected in order of score until there is no more funding available based on the following Tier 2 scoring factors totaling 100 points:
   a. CoC Score: Up to 50 of 100 points will be awarded in direct proportion to the score received on the CoC Application
   b. CoC Project Ranking. Up to 40 of 100 points for the CoC's ranking of the project application(s). To more evenly distribute funding across CoCs and take into account the CoCs ranking of projects, point values will be assigned directly related to the CoCs ranking of projects
   c. (Revised this year) Low Barriers to Entry. Up to 10 of 100 points for:
      i. How the project demonstrates that it is low-barrier and prioritizes rapid placement and stabilization in permanent housing
      ii. An HMIS project or CE project will automatically receive 10 points
7. For projects that straddle the two tiers, the Tier 1 portion will be funded in accordance with the above Tier 1 process and the Tier 2 portion will be funded in accordance with the Tier 2 process. HUD may award project funds for just the Tier 1 portion, provided the project is still feasible with the reduced funding (e.g., is able to continue serving homeless program participants effectively).

Overview of Key HUD Changes This Year

- Youth Homelessness Demonstration Program (YHDP): Some YHDP projects awarded in FY 2016 are due for first-time renewal in the FY 2019 CoC Program Competition.
- Expansion Projects: The application submission process for renewal projects that want to submit a new expansion project has changed:
  o New expansion project requests can now be paired with renewal consolidation requests
  o DV bonus projects can now be created as an expansion of a non-DV renewal project so long as the expansion portion of the project is dedicated to the DV bonus population
  o How the start and end dates are calculated for consolidated grants has been changed
- Domestic Violence (DV) Bonus: $50 million available for new DV Bonus projects:
  o The explicit Housing First requirement has been replaced with a requirement that DV projects demonstrate trauma-informed, victim-center approaches
- CoC Bonus: The CoC Bonus is calculated differently in FY 2019:
  o CoCs are eligible to apply for up to 5 percent of its Final Pro Rata Need (FPRN), or 25 percent of the CoC's Preliminary Pro Rata Need (PPRN) minus its Annual Renewal Demand (ARD), whichever is greater
  o To be eligible, a CoC must demonstrate that it ranks projects based on how they improve system performance
- HUD Policy Priorities: HUD has added two new policy priorities and modified the Housing First policy priority:
  o Policy priorities for employment and for evidence-based practices have been added
  o Housing First policy priority (and Housing First project requirements) now allows communities and projects flexibility to include service participation requirements where they will improve outcomes
- Serving Youth: HUD has clarified that unaccompanied youth 24 and under may be served if they are currently living in "unsafe situations."

- Tier 2 Scoring: HUD has changed how Tier 2 is scored by replacing an explicit Housing First requirement with a "Low Barriers to Entry" requirement (i.e., allowing service requirements)
- New 1-Year Projects: New projects requesting one year of funding can now also request an 18-month contract term to allow for project start-up activities
- Joint TH-RRH Projects: Joint TH-RRH projects can now demonstrate sufficient RRH by:
  - Identifying a budget that has twice as many resources for the RRH portion of the project than the TH portion
  - Having twice as many RRH units at a point in time as TH units, or
  - Showing that the budget and units are appropriate for the population being served
- CoC Scoring Emphasis: HUD has shifted the overall CoC scoring emphasis a little bit more toward the categories for CoC Coordination and System Performance.

HUD's Homeless Policy & Program Priorities

CoCs and Project Applications will be evaluated based on the extent to which they further HUD's policy priorities. The information provided in the policy priorities are not as extensive as previous years; however, upon close read you will find that the goal of ending homelessness remains the target. Policy priorities continue to focus on:

1. **Ending homelessness for all persons**
   - Identify, engage, and effectively serve all persons experiencing homelessness
   - Measure performance based on local data that take into account the challenges faced by all subpopulations (e.g., veterans, youth, families, or CH)
   - Have a comprehensive outreach strategy in place to identify and continuously engage all unsheltered individuals and families
   - Use local data to determine the characteristics of individuals and families with the highest needs and longest experiences of homelessness to develop housing and supportive services tailored to their needs
   - Use the reallocation process to create new projects that improve their overall performance and better respond to their needs.

2. **Creating a systemic response to homelessness**
   - Use system performance measures such as the average length of homeless episodes, rates of return to homelessness, and rates of exit to permanent housing destinations to determine how effectively they are serving homeless people
   - Use Coordinated Entry process to promote participant choice, coordinate homeless assistance and mainstream housing and services to ensure people experiencing homelessness receive assistance quickly, and make homelessness assistance open, inclusive, and transparent.

3. **Strategically allocating and using resources**
   - Use cost, performance, and outcome data to improve how resources are utilized to end homelessness
   - Review project quality, performance, and cost effectiveness
   - Maximize the use of mainstream and other community-based resources when serving persons experiencing homelessness
   - Develop partnerships with Public Housing Authorities (PHAs) to work toward helping CoC

Program participants exit PSH through Housing Choice Vouchers and other available housing
- Develop partnerships with other government, faith, nonprofits resources specializing in mental health, substance abuse, job training, life skills, and similar activities
- Review all projects eligible for renewal in FY 2019 to determine their effectiveness in serving people experiencing homelessness as well as their cost effectiveness.

4. (*New This Year*) **Increasing employment**
- Work with local employment agencies and employers to prioritize training and employment opportunities for people experiencing homelessness
- Promote partnerships with public and private organizations that promote employment.

5. (*Revised This Year*) **Providing flexibility for Housing First & service participation requirements**
- Prioritize rapid placement and stabilization in permanent housing without preconditions
- Provides flexibility for communities and programs to use (or not use) service requirements to promote important outcomes (e.g., employment, increased income, reduced substance abuse, and strengthened social connections).

Who can be Served

Persons served by CoC funded projects must be **"homeless"** under the HUD's final rule on the definition of homelessness under the HEARTH Act. However, different project types have different requirements for homeless categories and eligibility. The definition includes four broad categories of homelessness:

1. **People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution** where they temporarily resided if they were in shelter or a place not meant for human habitation before entering the institution. The only significant change from existing practice is that people will be considered homeless if they are exiting an institution where they resided for up to 90 days (it was previously 30 days), and were homeless immediately prior to entering that institution.

2. **People who are losing their primary nighttime residence, which may include a motel or hotel or a doubled up situation, within 14 days** and lack resources or support networks to remain in housing. HUD had previously allowed people who were being displaced within 7 days to be considered homeless. The regulation also describes specific documentation requirements for this category.

3. **Families with children or unaccompanied youth who are unstably housed and likely to continue in that state**. This is a new category of homelessness, and it applies to families with children or unaccompanied youth (up to age 24) who have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment. New and renewal RRH, Joint TH-RRH, and SSO projects may serve persons in this category only if HUD has approved the CoC to do so; new and renewal PSH projects may not serve persons in this category.

4. **People who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking**, **or other dangerous or life-threatening situations** related to violence; have no other residence; and lack the resources or support networks to obtain other permanent housing.

For information HUD requirements for documenting "homeless" status, please see HUD's homeless status guidance available at: https://www.hudexchange.info.

Unaccompanied Youth

(*New this year*) any youth-serving provider funded under this NOFA may serve unaccompanied youth aged 24 and under (or families headed by youth aged 24 and under) who have an unsafe primary nighttime residence and no safe alternative to that residence. 3rd party documentation of homelessness cannot be required. HUD interprets "living in unsafe situations" as having an unsafe primary nighttime residence and no safe alternative to that residence. These youth-related requirements supersede any conflicting requirements.

Also, **YHDP projects** renewing for the first time in the FY 2019 CoC Program Competition must serve youth experiencing homelessness, including unaccompanied and pregnant youth, where no member of the household is older than 24.

Chronically Homeless

In addition to meeting the definition of homeless, some projects must serve persons who meet the more specific definition of "**chronically homeless**." These projects include new permanent supportive housing (PSH) projects, renewal PSH projects that were originally funded under chronic homelessness initiatives, and any other PSH project that has committed in recent years to targeting and/or prioritizing chronically homeless.

A homeless individual, or a family with an adult head of household (of if no adult, a minor head of household) with a disability who:
- Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; AND
- Has been homeless in such place for at least 12 months OR on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights.

Stays in institutional care facilities for fewer than 90 days will not constitute as a break in homelessness, but are included in the 12-month total.

Some Types of People who are not Considered Homeless

People in the following situations are NOT homeless:
- Paying excessive amount for housing, housing is substandard, or the housing is crowded;
- Living with relatives or friends;
- Living in a Board and Care, Adult Congregate Living Facility, or similar place;
- Being discharged from an institution (after a stay of 90 consecutive days or more); or
- Utilizing Housing Choice Vouchers, except Katrina evacuees that received Katrina
- Disaster Housing Assistance Program (KDHAP) Housing Choice Vouchers.

Eligible Project Applicants

Eligible project applicants for the CoC Program Competition are **nonprofit organizations, States, local**

governments, and instrumentalities of State and local governments, and public housing agencies. For-profit entities are not eligible to apply for grants, or to be subrecipients of grant funds.

Eligible CoC Program Components

The CoC program includes the following four project components eligible under the 2019 CoC NOFA:

Permanent housing (PH) is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. The CoC Program may fund two types of permanent housing: (1) **permanent supportive housing** (PSH), which is permanent housing with indefinite leasing or rental assistance paired with services to help homeless people with disabilities achieve housing stability; and (b) **rapid re-housing** (RRH), a model that emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless people as rapidly as possible into permanent housing.

Transitional housing (TH) is a project component that may be used to cover the costs of up to 24 months of housing with accompanying support services, providing a period of stability to enable homeless people to transition successfully to and maintain permanent housing within 24 months of program entry. Program participants must have a lease or occupancy agreement in place when residing in transitional housing. Note: In 2019, HUD is allowing a **Joint TH and RRH component project type**.

Supportive services only (SSO) is a program component limited to recipients and subrecipients providing services to individuals and families not residing in housing operated by the recipient. SSO recipients and subrecipients may use the funds to conduct outreach to sheltered and unsheltered homeless persons, link clients with housing or other necessary services, and provide ongoing support. SSO projects may be offered in a structure or structures at one central site, or in multiple buildings at scattered sites where services are delivered. Projects may also be operated independent of a building (e.g., street outreach) and in a variety of community-based settings, including in homeless programs operated by other agencies. Note: In 2019, the only new SSO projects allowed are **Coordinated Entry** Projects created through reallocation and/or bonus funding.

Homeless Management Information System Funds under this component may be used only by HMIS leads for leasing a structure in which the HMIS operates, for operating the structure in which the HMIS is housed, and/or for covering other costs related to establishing, operating, and customizing a CoC's HMIS. Note: In 2018, reallocation and/or bonus funding can be used for a new dedicated HMIS project.

Eligible Cost Types

CoC Program funding can only be used to support eligible costs listed in the CoC Interim Rule. Not all costs are eligible in each program component or project type. The eligible costs are summarized below. For further information, please see the CoC Interim Rule and CoC Program Introductory Guide at: https://www.hudexchange.info.

Acquisition of real property is an eligible cost category under the PH, TH, and SSO program components. Grant funds may be used for up to 100 percent of the cost of purchasing property for the purpose of providing permanent Housing, transitional housing, and supportive services only activities.

Rehabilitation of structures is an eligible cost category under the PH, TH, and SSO program components. Eligible rehabilitation costs include installing cost-saving energy measures and bringing a structure up to health and safety standards. Rehabilitation on leased properties is ineligible.

New construction of structures is eligible under the PH and TH program components. New construction may include building entirely new facilities, constructing an addition to an existing structure that increases the floor area by 100 percent or more, and the cost of land for construction. Grant funds may be used for up to 100 percent of costs (as long as the match requirement is met through other means).

Leasing is an eligible cost category under the PH, TH, SSO, and HMIS program components. Funds may be used to lease individual units or all or part of structures. Rents must be reasonable and, in the case of individual units, the rent paid may not exceed HUD-determined fair market rents. Leasing funds may not be used for units or structures owned by the recipient, subrecipient, or their parent organization. When leasing funds are used to pay rent on units, the lease must be between the recipient or the subrecipient and the landowner, with a sublease or occupancy agreement with the program participant. The recipient may charge the program participant an occupancy charge consistent with the interim CoC rule.

Rental assistance is an eligible cost category under the PH and TH program components and may be tenant-based (TBRA), sponsor-based (SBRA), or project-based (PBRA), depending upon the component type. Rental assistance may be short-term for up to 3 months; medium-term for 4 to 24 months; or long-term for more than 24 months. The length of assistance depends upon the component type under which the cost is funded. Recipients must serve as many program participants as shown in their funding application to HUD, but, if the amount reserved for the term of the grant exceeds the amount needed to pay actual costs, the excess funds may be used to cover property damage, rent increases, or the rental needs of a greater number of program participants. When rental assistance funds are used to pay rent on units, the lease must be between the program participant and the landowner.

Supportive services are eligible costs under the PH, TH, and SSO program components, including Coordinated Entry. All eligible services types are listed in the box, and any cost not listed is ineligible. As in the past, services must be offered to residents of PSH and TH for the full period of their residence. RRH programs must require program participants to meet with a case manager at least monthly. Services may be provided to formerly homeless individuals for up to six months after their exit from homelessness, including the six months following exit from a transitional housing project. Eligible costs include the cost of providing services, the salary and benefits of staff providing services, and materials and supplies used in providing services.

Eligible Types of Services
. Annual assessment of service needs
· Assistance with moving costs
· Case management
· Child care operations or vouchers
· Education services
· Employment assistance and job training
· Food (meals or groceries)
· Housing search and counseling
· Legal services
· Life skills training
· Outpatient mental health services
· Outpatient health services
· Outreach services
· Outpatient substance abuse treatment
· Transportation
· Utility deposits

Operating costs are eligible under the PH, TH, and HMIS program components. Funds may be used to pay the day-to-day operating costs in a single structure or individual housing units, including maintenance (such as scheduled replacement of major systems), repair, building security (when CoC Program funds pay for more than 50 percent of the facility by unit or area), electricity, gas, water, furniture, equipment, property insurance, and taxes. These costs may not be combined with rental assistance costs within the same structure.

HMIS Costs related to contributing client data to or maintaining data in the CoC's HMIS or a comparable database for victim services providers or legal services providers are eligible costs under the PH, TH, SSO, and HMIS program components. Eligible HMIS costs include hardware, equipment and software costs; training and overhead; and HMIS-related staffing costs.

Project Administration   These costs include expenses related to the overall administration of the grant, such as management, coordination, monitoring, and evaluation activities and environmental review.

Indirect Costs

Indirect Costs (also known as "facilities and administrative costs" defined at 2 CFR 200.56) are eligible under the CoC Program for all project types, and if the applicant does not have an approved federally negotiated indirect cost rate, the applicant may use a *de minimus* rate of 10 percent of modified total direct costs. If a renewal project decides to request indirect costs, it must carve the amount out of other program costs.

CoC Renewal Funding

Projects that have existing CoC grants that are expiring can apply for a continuation (renewal) grant under the following parameters.

- Which Grants Can be Renewed: To apply for renewal funding, the existing grant must be expiring in the calendar year 2020 (January 1 – December 31, 2020). A grant agreement for the project being renewed must be in place no later than December 31, 2019
- Applicants That Can Renew: The applicant must be the same entity that signed the expiring grant agreement with HUD
- Activities That Can Be Renewed: A project can only request renewal of term activities:
    - Leasing
    - Rental assistance
    - Operations
    - Supportive services
    - HMIS
    - Project administration
- Amount That Can be Renewed (GIW): A project's request cannot exceed the Annual Renewal Amount for the project approved by HUD in the Grant Inventory Worksheet (GIW)
- First-Time S+C Renewals: S+C projects renewing for the first time, can request more units than the original grant if the units are documented with leases and approved in advance by HUD through the CoC Registration and GIW process
- FMR issues: Eligible renewal projects requesting rental assistance are permitted to request a per-unit amount less than the Fair Market Rent (FMR), based on the actual rent costs per unit (but not more than). This will help to reduce the number of projects receiving rental assistance that have large balances of unspent funds remaining at the end of the operating year. Renewal project applicants must ensure that the amount requested will be sufficient to cover all eligible costs, as HUD cannot provide funds beyond what is awarded through the competition. HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the Fair Market Rents (FMR). All adjustments will be made prior to award announcement.

- Renewal term: **1 year for all renewal projects**.

Renewing PSH and DedicatedPLUS:
A renewal project that is PSH 100% dedicated to chronically homeless people may either become a DedicatedPLUS project or may continue to dedicate 100 percent of its beds to chronically homeless individuals and families. If a renewal project that has 100 percent of its beds dedicated to chronically homeless individuals and families elects to become a DedicatedPLUS project, the project will be required to adhere to all fair housing requirements.

DedicatedPLUS Projects:
A DedicatedPLUS project is defined as a project where 100 percent of the beds are dedicated to serve individuals with disabilities and families in which one adult or child has a disability, including unaccompanied homeless youth, that at intake are:
- Experiencing chronic homelessness
- Residing in a TH project that will be eliminated and meets the definition of chronically homeless in effect at the time in which the individual or family entered the TH project
- Residing in a place not meant for human habitation, emergency shelter, or safe haven, but the individuals or families experiencing chronic homelessness had been admitted and enrolled in a PH project within the last year and were unable to maintain a housing placement
- Residing in TH funded by a Joint TH and PH-RRH component project and who were experiencing chronic homelessness prior to entering the project
- Residing and has resided in a place not meant for human habitation, a safe haven, or emergency shelter for at least 12 months in the last 3 years, but has not done so on 4 separate occasions OR
- Receiving assistance through a Department of Veterans Affairs (VA)-funded homeless assistance program and met one of the above criteria at initial intake to the VA system.

Consolidating Renewal Projects:
Eligible renewal project applicants may consolidate up to four eligible renewal projects into one project application during the application process. This means that a CoC Program recipient no longer must wait for a grant agreement amendment to be executed to consolidate two or more grants before it can apply for a single consolidated project in the CoC Program Competition. The projects being combined during a grant consolidation will continue uninterrupted.

To be eligible for consolidation, the projects must have the same recipient and be for the same component; and will be funded in this competition only with FY 2019 funds (meaning no funds recaptured from prior years will be awarded to the project). HUD will not permit projects with outstanding problems, such as monitoring findings or financial management issues, to consolidate. HUD will not permit a transitional housing and a permanent housing project to consolidate to form a Joint TH and PH-RRH project and will not permit a transition grant to be consolidated with any other project.

To apply for a consolidated grant, applicants must submit separate renewal project applications in e-snaps for each of the grants that are proposed to be consolidated, and an application for the new consolidated grant with the combined budget and information of all grants proposed for consolidation. Project applications for the grants that are proposed to be consolidated will be ranked, and if all those grants are selected, HUD will award the single consolidated grant. If one of the grants proposed to be consolidated is found to be ineligible for consolidation or is not selected, HUD will award all grants that are eligible for renewal and selected as separate grants.

A Note About Renewal Threshold Requirement: HUD assumes renewal projects meet project eligibility and quality threshold requirements because of previously approved grant applications, unless information to the contrary is received (e.g., monitoring findings, results from investigations by the Office of Inspector General, the recipient routinely does not draw down funds from LOCCS at least once per quarter, or consistently late APRs.). Eligibility threshold is determined on a pass/fail basis, and if standards are not met, the project will be rejected from the competition. Please see the 2019 CoC NOFA for further information regarding how renewal projects are assessed.

HUD reserves the right to reduce or reject a funding from the project applicant for the following:
- Outstanding obligation that is in arrears or a payment schedule has not been agreed upon
- Audit finding(s) for which a response is overdue or unsatisfactory
- History of inadequate financial management accounting practices
- Evidence of untimely expenditures on prior award
- History of other major capacity issues that have significantly affected the operation of the project and its performance
- History of not reimbursing subrecipients for eligible costs timely, or at least quarterly
- History of serving ineligible program participants, expending funds on ineligible costs, or failing to expend funds within statutorily established timeframes.

Creating New Projects

In 2019, CoCs may submit new projects created through (1) reallocation, (2) new project bonus, (3) combination of reallocation and new project bonus, and (4) new DV Bonus projects. Because new project applications may be created through the reallocation or bonus processes, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as reallocation or bonus, HUD may reclassify the project(s) as either reallocation or bonus if the CoC exceeded either its reallocation or bonus amount. If a project applicant uses both reallocation and bonus amounts to create a single new project but did not have sufficient amounts available from either source, HUD will reduce the project to the amount available, if any.

The following chart summarizes allowable new project types:

Eligible New Projects from Reallocation, CoC Bonus, or Combination Funding	Eligible DV Bonus Projects
1. New PSH projects that will serve 100 percent chronically homeless families and individuals 2. New PSH projects that will serve the DedicatedPLUS population 3. New RRH projects that will serve individuals and families, including unaccompanied youth 4. Joint TH and RRH projects 5. New CE project 6. New HMIS project.	1. RRH projects demonstrating trauma-informed, victim-centered approaches 2. Joint TH and RRH projects projects demonstrating trauma-informed, victim-centered approaches 3. CE projects that better equip CE to meet the needs of DV survivors (e.g., to implement policies and procedures that are demonstrating trauma-informed and victim-centered or to better coordinate referrals between the CoC's CE system and DV CE system).

New Project Threshold Requirements

For new projects, the review process considers applicant and subrecipient eligibility and capacity, project eligibility, and project quality as part of the threshold review. Project Eligibility Threshold: HUD will review eligibility threshold requirements on a pass/fail standard, and if standards are not met, the project will be rejected from the competition.

Applicants and subrecipients must:
- Be eligible under the CoC Program
- Demonstrate financial and management capacity and experience to carry out the project and to administer Federal funds
- Submit required certifications
- Propose an eligible population for the project type, as designated by the CoC Program
- Show that the project is cost-effective, with costs not deviating substantially from the norm in that locale for similar project activities
- Agree to participate in HMIS (except for victim service providers who must use a comparable database).

Project Quality Threshold: HUD will review all new project applications to determine if they meet project quality threshold requirements with clear and convincing evidence. The housing and services proposed must be appropriate to the needs of the program participants and the community.
- For new PSH or RRH projects, applications must receive at least 3 out of 4 possible points, and must meet the 3rd point, to be funded. Quality threshold factors include:
  1. Whether the type of housing, number, and configuration of units will fit the needs of the program participants
  2. Whether the type of the supportive services offered (regardless of funding source) will ensure that participants obtain or retain permanent housing
  3. Whether the plan to connect clients to benefits meets program participant needs
  4. Whether participants are assisted in obtaining and remaining permanent housing in a manner that fits their needs.
- For new Joint TH and RRH projects, applications must receive at least 4 out of 6 possible points, and must meet the 4th point, to be funded. Quality threshold factors include:
  1. Whether the type of housing, number, and configuration of units will fit the needs of the program participants
  2. The proposed project will provide enough rapid rehousing assistance to ensure that at any given time a program participant may move from transitional housing to permanent housing. This may be demonstrated by identifying a budget that has twice as many resources for the rapid rehousing portion of the project than the TH portion, by having twice as many PH-RRH units at a point in time as TH units, or by demonstrating that the budget and units are appropriate for the population being served by the project
  3. Whether the type of the supportive services offered (regardless of funding source) will ensure that participants obtain or retain permanent housing
  4. Whether the plan to connect clients to benefits meets program participant needs
  5. Whether participants are assisted in obtaining and remaining permanent housing in a manner that fits their needs
  6. Whether the project has low barriers to entry and prioritizes rapid placement and stabilization in housing.

- For new SSO projects for centralized or coordinated assessment systems, applications must receive at least 3 out of 5 possible points, and must meet the 5th point, to be funded. Quality threshold factors include:
  1. Whether the system is easily accessible to all in the CoC's geography who are seeking information about homelessness assistance
  2. Whether the advertising strategy is designed to reach persons with the highest barriers
  3. Whether there is a standardized assessment process
  4. Whether the project ensures participants are directed to housing/services that fit their needs
  5. Whether the plan to connect clients to benefits meets program participant needs.

Other threshold requirements:
- Project applicants and potential subrecipients must have satisfactory capacity, drawdowns, and performance for existing grant(s), as evidenced by timely reimbursement of subrecipients, regular drawdowns, and timely resolution of any monitoring findings
- For expansion projects, project applicants must clearly articulate the part of the project that is being expanded. Additionally, the project applicants must clearly demonstrate that they are not replacing other funding sources
- Project applicants must demonstrate they will be able to meet all timeliness standards
- HUD reserves the right to deny the funding request for a new project, if the request is made by an existing recipient that HUD finds to have significant issues related to capacity, performance, or unresolved audit/monitoring finding related to one or more existing grants. Additionally, HUD reserves the right to withdraw funds if no APR is submitted on the prior grant.

More About Reallocation, CoC Bonus, and Combined Projects

- $150,425 is the maximum CoC bonus amount this year, but again this amount can be combined with reallocated funds, if available, to form a larger project.
- The availability of reallocated funds in any amount is not guaranteed and depends upon whether the HAP Board reallocated funds from one or more renewals for performance reasons or if reallocation would better end homelessness.
- Reallocated, CoC bonus, and combination projects must be ranked and tiered with other projects; there is no separate competition.

PSH bonus and/or reallocation projects:
- May use grant funds for:
  o Acquisition
  o Rehabilitation
  o New Construction
  o Leasing
  o Operations
  o Rental Assistance
  o Supportive Services
  o HMIS
  o Administration
- Must be fully dedicated to (100%) to chronically homeless individuals and families or to the populations allowed by the DedicatedPLUS project type

- Should use a Housing First approach. Housing First is a model of housing assistance that is offered without preconditions (such as sobriety or a minimum income threshold). Service participation requirements are now allowed. Rapid placement and stabilization in permanent housing are primary goals
- May be single site or scattered site
- Services must be offered based on residents needs
- A tenant lease is required, must be for at least one year, must be renewable, and terminable only for cause.

RRH bonus and/or reallocation projects:
- May use grant funds for:
    o Short term (up to 3 months) and/or medium-term (3-24 months) tenant-based rental assistance (must be at full FMR)
    o Supportive services
    o HMIS
    o Administration
- May serve homeless individuals and families, including unaccompanied youth
- Lease is required; must be renewable, for a term of at least one year (regardless of the length of assistance provided), and terminable only for cause.
- Project must:
    o Limit rental assistance to no more than 24 months per household
    o Limit services to no more than 6 months after rental assistance stops
    o Re-evaluate at least once per year whether the project participant continues to lack the resources and support networks necessary to retain housing without CoC assistance
    o Offer supportive services (may include any eligible CoC Program supportive service). Project participants should have access to a wide array of supportive services designed to help them retain stable, long-term housing
    o Require project participants to meet with a case manager at least monthly.
- Project may (in line with written RRH program standards adopted by the HAP):
    o Set a maximum amount or percentage of rental assistance that a project participant may receive
    o Set a maximum number of months (up to 24 months) that a project participant may receive rental assistance
    o Set a maximum number of times that a participant may receive rental assistance
    o Require project participants to share in the costs of rent.

Joint TH and RRH bonus and/or reallocation projects:
- May use grant funds for:
    o Leasing of a structure or units
    o Operating costs to provide transitional housing
    o Short or medium-term tenant-based rental assistance on behalf of program participants to pay for the RRH portion of the project
    o Supportive services
    o HMIS
    o Project administrative costs
- May serve homeless families and/or individuals
- Must use Housing First

- Must be able to provide both components, including the units supported by the TH component and the rental assistance and services provided through the RRH component, to all participants
- A participant may choose to receive only the TH unit or the assistance provided through the RRH component, but the project must make both types of assistance available
- Must provide enough rapid rehousing assistance to ensure that at any given time a program participant may move from transitional housing to permanent housing. This may be demonstrated by identifying a budget that has twice as many resources for the rapid rehousing portion of the project than the TH portion, by having twice as many PH-RRH units at a point in time as TH units, or by demonstrating that the budget and units are appropriate for the population being served by the project
- Must limit total assistance to 24 months.

HMIS bonus and/or reallocation projects:
- Grant funds may be used for: HMIS and Administration
- The CoC's HMIS Lead Agency is the only agency that can apply for this funding.

CE bonus and/or reallocation projects:
- Coordinated entry is defined to mean a centralized or coordinated process designed to coordinate program participant intake, assessment, and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool
- Grant funds may be used for: Supportive services and Administration.

Transitional Grants

Applicants may transition renewal projects from one CoC Program component to another (e.g., TH to RRH, RRH to PSH) during the competition. To be eligible to receive a transition grant, the renewal project applicant must have the consent of its CoC. To create a transition grant, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant.

For a new project to be considered a transition grant, the applicant for the new project must be the same recipient for the eligible renewal grant(s) being eliminated, and the applicant must provide the grant number(s) of the projects being eliminated to create the new project and attach a copy of the most recently awarded project application (e.g., if the project was last funded in the FY 2018 CoC Program Competition, a copy of the FY 2018 CoC Program Competition project application must be attached to the project application).

New Projects Created Through Expansion of Existing Projects

HUD will allow applicants to apply for a new expansion project under the reallocation process, new CoC bonus, and new DV bonus to expand and eligible renewal project by adding units or beds, persons served, services provide to existing participants, or to add additional activities in the case of HMIS or CE projects. For the new expansion project to be selected for conditional award the renewal project application must also be selected for conditional award. Expansion requests may only be for a one-year term and HUD will not fund capital development activities.

If both the new expansion project and the renewal it expands are selected for funding, one grant agreement incorporating both project applications will be executed. If the renewal project application is not conditionally selected for funding, the expansion project application will not be selected.

(New this year) project applicants may use the DV bonus to expand an existing renewal project that is not currently dedicated to serving survivors of domestic violence, dating violence, or stalking that meet the definition of homeless in order to dedicate additional beds, units, persons served, or services provided to existing program participants to this population.

To apply for an expansion grant, project applicants must submit separate renewal and new project applications and a renewal application that includes the information from the renewal new project application that combines the activities, and budgets into one renewal project application. While the renewal and new projects will be ranked by the CoC, the combined expansion project will not be ranked and, if selected for conditional award, will take the ranked position of the stand-alone renewal project, and the separate new project will be removed from the ranking resulting in project applications below to slide up one ranked position. However, if the combined renewal expansion project is also part of a consolidation project application, HUD will follow the ranking process for consolidated projects outlined in Section II.B.5 and if the combined expansion and consolidation is selected for conditional award, the ranked position of the stand-alone renewal project and the new project will be removed from the ranking, resulting in project applications below to slide up. If HUD determines the combined expansion project is ineligible, HUD will review the renewal and new project applications separately as these projects will retain their ranked position on the CoC Project listings

Additional New Project Design and Implementation Issues

Funding Levels and Adjustments
- New project applications must request the full FMR amount per unit
- HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the Fair Market Rents (FMR). All adjustments will be made prior to award announcement
- If the recipient has a subrecipient, it is required to share at least 50% of project administrative funds with its subrecipient(s).

Timeliness
- Proof of site control, match, environmental review, and the documentation of financial feasibility must be completed within 12 months of the announcement of the award, or 24 months in the case of funds for acquisition, rehabilitation, or new construction. The 12-month deadline may be extended by HUD for up to 12 additional months upon a showing of compelling reasons for delay due to factors beyond the control of the recipient or subrecipient
- For recipients of funds for rehabilitation or new construction:
  1. Construction activities must begin within 9 months of the later of signing of the grant agreement or of signing an addendum to the grant agreement authorizing use of grant funds for the project.
  2. Construction activities must be completed within 24 months of signing the grant agreement.
  3. Activities that cannot begin until after construction activities are completed must begin within 3 months of the date that construction activities are completed
- In order to expend funds within statutorily required deadlines, applicants funded for new sponsor-based and project-based rental assistance must execute the grant agreement and begin

providing rental assistance within 2 years. However, HUD strongly encourages all rental assistance to begin within 12 months of award. Applicants unable to begin within 12 months should consult with the local HUD CPD Field Office.

<u>New Project Grant Terms</u>
It usually makes sense to for new and renewal projects apply for **1 year** renewable yearly to maximize funding. However, the following the following terms were allowable under the 2018 CoC NOFA:

New Projects can request 1, 2, 3, 4, 5, or 15 year grant terms, with the following exceptions:
1. Any new projects that request tenant-based rental assistance may request a **1-year, 2-year, 3-year, 4-year, or 5-year** grant term.
2. Any new project application that includes leasing could only request **up to a 3-year** grant term.
3. Any new projects requesting project-based rental assistance or sponsor-based rental assistance, or operating costs could request up to a 15-year grant term, but request up to **5 years** of funds.
4. Any of the following new projects could request **1-year, 2-year, 3-year, 4-year, or 5-year** grant terms: operating costs, supportive services only, HMIS, and project administration.
5. Any new project applications that requested new construction, acquisition, or rehabilitation had to request a minimum of a **3-year grant term and could request up to a 5-year grant** terms.
6. If an applicant requested funds for new construction, acquisition, or rehabilitation <u>in addition to</u> requesting funds for operating, supportive services, or HMIS, the term had to be **3 years plus the time** necessary to acquire the property, complete construction, and begin operating the project
7. Expansion proposals are limited to **1 year**.
8. (*New this year*) HUD will allow new projects that request a **1 year** of funding to request a longer initial grant term not to exceed 18 months. HUD has determined that most new projects requesting 1 year of funding normally take approximately 3 to 6 months to begin fully operating the new project (e.g., hiring staff, developing partnerships with landowners if leasing or renting). Therefore, a new project requesting 1 year of funding may request a grant term of 12 months to 18 months.

Match Requirements

All eligible funding costs, except leasing, must be matched with no less than **a 25 percent cash or in-kind contribution**. **No match is required for leasing**. The match requirements apply to project administration funds, CoC planning costs, and UFA costs, along with the traditional expenses—operations, rental assistance, supportive services, and HMIS.

<u>Cash match</u>: A recipient or subrecipient may use funds from any source, including any other federal sources (excluding CoC program funds), as well as State, local, and private sources, provided that funds from the source are not statutorily prohibited to be used as a match. (The recipient must ensure that the rules governing match funds allow them to be match for the CoC Program.) The cash must be used for activities that are eligible under the CoC Interim Rule.
- NOTE: **Program income CAN be used as match**.
- Funds from other federal programs (e.g., HUD VASH) are eligible sources of match and are considered government sources. Project applicants are encouraged to include funds from these sources, whenever possible.

<u>In-kind Match</u>: the recipient or subrecipient may use the value of property, equipment, goods, or services contributed to the project, provided that, if the recipient or subrecipient had to pay for such

items with grant funds, the costs would have been eligible. If third-party services are to be used as a match, the recipient or subrecipient and the third-party service provider that will deliver the services must enter into a memorandum of understanding (MOU)—before the grant is executed—documenting that the third party will provide such services and value towards the project.

- Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization
- The MOU must establish the unconditional commitment, except for selection to receive a grant, by the third party to provide services, the specific service to be provided, the profession of the persons providing the service, and the hourly cost of the service to be provided.

*Electronic Application (*e-snaps*)*

The following e-snaps information is a just a brief summary. Project applicants should rely on HUD's very detailed e-snaps materials as authoritative on e-snaps matters.

CoCs and applicants are <u>required</u> to apply for CoC funds electronically through HUD's *e-snaps* system. Santa Cruz County projects must participate in the Santa Cruz CoC application through *e-snaps*. The e-snaps online grant application and management system, training materials, Frequently Asked Questions, and additional resources are available at: https://www.hudexchange.info.

Questions may be submitted to HUD through the *e-snaps* Virtual Helpdesk also at: https://www.hudexchange.info.

E-snaps can be directly accessed at: https://esnaps.hud.gov/grantium/frontOffice.jsf

In essence, applicants will:

1. <u>Create a User Profile</u> (new users only): First, create a user name and password
2. <u>Project Applicant Profile</u>: Second, fill out and submit a Project Applicant Profile form AND
3. <u>Project Application</u>: Finally, register for, fill out and submit a Project Application form for each project and provide applicable attachments.

The CoC lead staff will have access in *e-snaps* to each Project Application in order to review the applications. Any changes needed will be returned to applicants for correction. CoC lead staff will not be able to directly edit Project Applications.

In 2019, the HAP Board must approve (or reject), rank, and place into Tier 1 or Tier 2 all projects correctly submitted in e-snaps. This includes CoC bonus and DV bonus projects. If not correctly submitted, projects cannot be approved or ranked in e-snaps and thus cannot be funded.

Applicants using e-snaps must have a valid **DUNS** number and up-to-date federal **System for Award Management (SAM)** registration, formerly the Central Contractor Registry (CCR).

Again, only basic information is about e-snaps (subject to change and correction) is provided above. Therefore, it is critical that you access and review e-snaps materials at: https://www.hudexchange.info.

The Santa Cruz County Homeless Action Partnership's CoC Consultant will be available to answer

questions about e-snaps at tonygardnerconsulting@yahoo.com. ***Before contacting the consultant, please attempt to answer your own question by reading the applicable e-snaps information or training materials.***

Use of Energy Star

The HAP fully supports HUD's policy to promote energy-efficient housing. All McKinney-Vento CoC-funded projects are encouraged to purchase and use Energy Star labeled products. Applicants constructing, rehabilitating, or maintaining housing or community facilities are encouraged to promote energy efficiency in design and operations. They are urged especially to purchase and use products that display the Energy Star label. Applicants providing housing assistance or counseling services are encouraged to promote Energy Star materials and practices, as well as buildings constructed to Energy Star standards, to both homebuyers and renters. Applicants are encouraged to undertake program activities that include developing Energy Star promotional and information materials, providing outreach to low- and moderate-income renters and buyers on the benefits and savings when using Energy Star products and appliances, utilizing Energy Star-designated products in the construction or rehabilitation of housing units, and replacing worn products or facilities such as light bulbs, water heaters, furnaces, etc., with Energy Star products to reduce operating costs. Communities and developers are encouraged to promote the designation of community buildings and homes as Energy Star compliant. For further information about Energy Star, please go to http://www.energystar.gov/.

LOCAL SANTA CRUZ COUNTY 2019 CoC PROJECT EVALUATION PROCESS

Role of the Santa Cruz County Homeless Action Partnership (HAP)

Applicants for new and/or renewal CoC funding in 2018 must participate in the local consolidated application being coordinated by the Santa Cruz HAP. The process includes applying for funds, providing information as needed for the consolidated application, and participating in planning meetings. The key local deadlines and requirements are listed in the attached CoC Process Timeline. Please note that the dates and requirements are subject to change. The best way to keep track of such changes is to attend all the meetings; however, we will make our best effort to keep everyone informed! Technical assistance is available from the CoC Consultant at tonygardnerconsulting@yahoo.com.

Types of Projects Encouraged

All eligible projects are encouraged to apply for CoC funds in the local competition. Based upon HUD priorities and Santa Cruz CoC priorities the following proposal types are being encouraged:

Renewal Proposals:
* Renewal of existing CoC and YHDP projects (those expiring in 2020) that are high performing and are an effective use of funds for reducing homelessness.

Reallocation Proposals:
* Voluntary or transitional reallocation of TH projects to (1) new PSH exclusively targeted to CH with emphasis on the longest histories of homelessness and most severe needs,[1] (2) new DedicatedPLUS projects, (3) new Joint TH and RRH projects, (4) new RRH for homeless individuals or families, including unaccompanied youth, and (4) expansion CE or HMIS proposals to the extent justified by unmet operational costs for those programs
* Other proposals requesting reallocation of funds for new PSH exclusively targeted to CH with emphasis on the longest histories of homelessness and most severe needs, new DedicatedPLUS projects, new Joint TH and RRH projects, or new RRH for homeless individuals or families, including unaccompanied youth
* Proposals requesting reallocation of funds for expansion of coordinated entry and HMIS projects to the extent justified by unmet operational costs for those programs.

New Project Bonus Proposals
* New PSH serving exclusively CH individuals and families with emphasis on the longest histories of homelessness and most severe needs
* New PSH DedicatedPLUS projects
* New Joint TH and RRH projects
* New RRH for homeless individuals or families, including unaccompanied youth
* Proposals requesting reallocation of funds for expansion of coordinated entry and HMIS projects to the extent justified by unmet operational costs for those programs.

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[1] See CPD Notice 14-012 on prioritizing persons with experiencing chronic homelessness for more details at: https://www.hudexchange.info/resources/documents/Notice-CPD-14-012-Prioritizing-Persons-Experiencing-Chronic-Homelessness-in-PSH-and-Recordkeeping-Requirements.pdf. The CoC has adopted this policy.

DV Bonus Proposals
- RRH projects demonstrating trauma-informed, victim-centered approaches
- Joint TH and RRH projects demonstrating trauma-informed, victim-centered approaches
- CE project that better equips CE to meet the needs of DV survivors (e.g., to implement policies and procedures that are demonstrating trauma-informed and victim-centered or to better coordinate referrals between the CoC's CE system and DV CE system).

The following types of projects are <u>not eligible</u> for CoCs like ours under HUD's rules:
- Emergency shelter
- Homelessness prevention
- New transitional housing
- New supportive services only.

Notice Regarding Potential Reallocation of Funds

Please be aware that the HAP will review all renewal grants and may reallocate funds if it finds that one or more renewal project is under performing, obsolete, or ineffective, or that reallocation would reduce homelessness. See above for the types of projects that are eligible to receive reallocated funds.

Encouragement of Voluntary or Transitional Reallocation to Better Align the CoC

In order to encourage projects to voluntarily align themselves with HUD priorities and local priorities under *All In: Toward a Home for Every Santa Cruz County Resident*, existing transitional housing projects, or other projects components that are no longer needed, that no longer match the agency's mission, or that are underperforming, wishing to convert their project to one of the eligible new reallocation project types described above, will be given priority by the HAP Governance Board in accessing the funds reallocated from their existing project. If desired, such projects may use the transitional grant procedure allowed this year under the 2019 CoC NOFA.

Any such project must complete a new project application as part of the local competition and will be scored on the basis of that application.

Specific Methods of Evaluating Proposals From Victim Service Providers

The HAP encourages applications from victim service providers and other providers for DV bonus projects and other projects that will help meet the housing, safety, and other needs of survivors of domestic violence, dating violence, and stalking. The following specific evaluation methods apply to proposals from victim service providers:

Renewal Proposals:
- <u>Use of comparable database</u>: Victim service providers are prohibited from entering data into HMIS, and instead must use a comparable database that meets HMIS requirements. Therefore, all relevant performance and data questions in the local supplemental application and the HUD e-snaps application must be answered using aggregate (non-identifiable) data from a comparable database.

- Addressing safety needs: The project quality, readiness, and appropriateness section of the local supplemental application and the project description section of HUD e-snaps application must include a description of how the project will improve the safety of participants, and the performance metrics section of local supplemental application must propose at least one relevant measure of the degree of participant safety.

New Project Proposals
- Use of comparable database: Victim service providers are prohibited from entering data into HMIS, and instead must use a comparable database that meets HMIS requirements. Therefore, victim service providers proposing new projects must agree to use a comparable database and to provide the CoC with aggregate (non-identifiable) data from the comparable database.
- Addressing safety needs: The project quality, readiness, and appropriateness section of the local supplemental application and the project description section of HUD e-snaps application must include a description of how the project will improve the safety of participants, and the program goals to be measured annually section of local supplemental application must propose at least one relevant measure of the degree of participant safety.

Encouragement of New Applicants and Technical Assistance for Applicants

The HAP is open to and encourages applications from entities that have not previously been awarded CoC funds. Any prospective or new applicants are requested to contact at tonygardnerconsulting@yahoo.com to learn more about the CoC application goals, requirements and process. In addition, prospective and new applicants will be invited to participate in all of the process steps below, including the Applicant Technical Assistance Session and on-call technical assistance being made available to all applicants.

Basic Local Evaluation Process Steps, Local Deadlines, Decision Minutes, Notice to Applicants, and Website Posting of Priority Listings

- CoC staff issue an internal (Santa Cruz County) notice of funding with an application timeline specifying key requirements, criteria including system performance measures, dates, and deadlines.
- CoC Consultant holds a Technical Assistance Session to brief all prospective, new, and existing applicants about the requirements and process and to make sure every applicant has the necessary information and evaluation and application-related materials to apply.
- CoC Consultant furnishes on-going technical assistance to all applicants e-mail regarding technical requirements and *e-snaps*.
- The CoC requires that local Project Proposals using HAP-created evaluation forms with required attachments (such as renewal APRs) be submitted along with e-snaps applications for review and ranking by the HAP Board (at least 30 days before the HUD deadline).
- The HAP Board meets to approve or reject, score, rank, and place in Tier 1 or Tier 2 renewal and new project applications (including CoC and DV bonus projects), and to hear applicant presentations.
- The CoC provides notice to applicants regarding project approval or rejection, rank order, tier placement, and any reduction (at least 15 days before the HUD deadline). Minutes of the decisions will be made available to all CoC Members, and will posted online with the Project Priority listings.

- The CoC requires that complete and accurate Project Applications be submitted in *e-snaps* with all HUD-required forms (CoC staff will conduct a thorough technical review of the Project Applications and may amend them back in e-snaps for correction and re-submission).
- The Collaborative Applicant posts the CoC Application and Project Priorities submission online for public review (at least two days before the HUD deadline).
- The Collaborative Applicant submits the final 2019 CoC application in e-snaps to HUD, including the CoC Application, Project Applications, and Project Priority Listings.

Please see the attached 2019 CoC Process Timeline for further details about the process steps.

HAP Board Rating and Ranking and Publicly Announced Objective Criteria

HUD requires that the community review, approve (or reject), rank, and place into Tiers 1 and 2 (if applicable) all projects submitted (including CoC and DV bonus projects, but not including the CoC planning project, which is not ranked). As in previous years, this process will be carried out by the HAP Board with members selected for (1) lack of conflict of interest, (2) knowledge of the community and homelessness issues, and (3) representative of varied geographic, subpopulation, and sector interests.

HAP Board members will engage in a fair, objective decision process that may include the following:

1. Signing the HAP Board's No Conflict of Interest Policy and recusal in any cases of conflict.
2. Reviewing, rating, and evaluating local projects using previously publicly announced objective criteria that include system performance measures (please see the accompanying Review Criteria sheet for further details).
3. The local applications and Evaluation Criteria will include project HMIS data used to measure project and system performance in line with national HEARTH Act performance objectives.
4. Proposal question and answer with applicants (if needed).
5. Discussion of the local applications in the context of local strategic plan and HUD priorities and needs, performance metrics, etc.
6. Vote on the approval (or rejection), rank order, and tier placement (if applicable) of each new and renewal project (including bonus projects). The majority voting process is detailed in the HAP CoC Charter.
7. As mentioned above, all applicants will receive notice regarding project approval (or rejection), rank order, Tier placement, and any reduction (at least 15 days before the HUD deadline). Minutes of the rating and ranking decisions, and bonus selection, will be made available to all CoC Members, and will posted online with the Project Priority listings (at least two days before the HUD deadline).

Deadlines and Proposal Requirements

Please see the attached Process Timeline and Local Proposal Instructions/Checklist.

On-Call Technical Assistance: New and Existing Applicants

If you need on-call technical assistance please don't hesitate to contact the HAP CoC Consultant at tonygardnerconsulting@yahoo.com.

Resource Information

- 2019 CoC NOFA: https://www.hudexchange.info/programs/e-snaps/fy-2019-coc-program-nofa-coc-program-competition/#nofa-and-notices
- CoC Program Interim Rule (24 CFR part 578): https://www.hudexchange.info/resource/2035/coc-program-interim-rule-formatted-version
- E-snaps application system: https://esnaps.hud.gov
- HUD Websites:
  - www.hud.gov
  - www.hudexchange.info
- Funding Application: https://www.hudexchange.info/programs/e-snaps/
- Training and Resources: www.hudexchange.info/homelessness-assistance/
- Code of Conduct for HUD Grant Programs: www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conduct
- HUD Exchange Ask A Question (AAQ): https://www.hudexchange.info/program-support/myquestion/
- Listserv: www.hudexchange.info/mailinglist
- HAP CoC Webpage maintained by CTA: https://ctagroup.org/santa-cruz-hmis/hap-2019/
- HAP CoC Webpage maintained by County Planning: https://www.sccoplanning.com/PlanningHome/Housing/County-WideHomelessPrograms.aspx

Attachments:

1. Local CoC Process Timeline
2. Local Objective Project Rating and Scoring Criteria
3. Local Proposal Instructions and Checklist

ATTACHMENTS

Local CoC Process Timeline

Each year, the Homeless Action Partnership (HAP) administers the Continuum of Care (CoC) Program Competition for HUD funds. This calendar serves as a guide for CoC applicants who are considering applying for new or renewal funds from HUD. Please note that the dates are tentative and may change. Please contact Rayne Marr at ingrid.trejo@santacruzcounty.us or HAP CoC Consultant at tonygardnerconsulting@yahoo.com with questions.

Step	Date
HUD releases 2019 CoC NOFA & E-snaps Applications	**July 3**
HAP issues initial local notice of HUD funding available	July 5
Technical assistance available from CoC Consultant	Ongoing
HAP releases public notice of local CoC review/application process and materials	**July 11**
Applicant TA Session to review HUD and local requirements & Santa Cruz County local application	**July 24, 10:30-12:00**, Location: United Way, 4450 Capitola Rd., Capitola
Deadline for applicants to submit local supplemental application materials (via e-mail) and HUD applications (via e-snaps) (at least 30 days before HUD deadline)	**August 26, 5 pm** submit local supplemental applications to ingrid.trejo@santacruzcounty.us and tonygardnerconsulting@yahoo.com. Submit HUD e-snaps application at https://www.hudexchange.info
HAP meeting (includes work on CoC Application issues)	**August 28, 10:30-12:30**, Location: TBD
CoC Board meeting to evaluate, approve or reject, and rank/tier CoC projects	**September 11, 1:00-3:00**, Location: CAO Sequoia Room, 701 Ocean St., 5th Floor, Santa Cruz
Written approvals/denials/reductions with explanation sent to applicants (at least 15 days before HUD deadline)	September 13
Applicant appeals period	September 13 - September 17 submit written appeals to applications to ingrid.trejo@santacruzcounty.us and tonygardnerconsulting@yahoo.com.
Deadline for HAP to send appeals decisions	September 20 (appellants to receive written e-mailed decision with explanation)
Project Priorities List finalized	September 24
BOS approval of CoC application	September 24
Deadline for HAP to post CoC Application on website and to notify community members it is a available	September 27 (2 days before HUD deadline)
HUD deadline for submission of consolidated CoC Application in e-snaps	**September 30 4:59 PST**

Local Objective Project Rating and Scoring Criteria – 100 Points Possible

The following objective rating and scoring criteria are aligned with the priorities of *All In: Toward a Home for Every Santa Cruz County Resident*. They were developed by the HAP for use by the HAP Board in rating and ranking new and renewal proposals CoC funds. Each Local Project Proposal will be scored using the following publicly announced objective criteria. The HAP Board will use the scores to help determine whether each proposal is approved (or rejected), its rank order, and whether it is placed in Tier 1 or Tier 2 (if applicable), or is selected for the CoC bonus or DV bonus (if applicable). Each scoring criterion relates to a particular question in the Local Project Proposal Form (new and renewal).

1. **Housing/Project Type (5 points possible)**
    5 points, including –
        5 points for:
            (a) Renewal projects of the following types:
                a. PSH serving 100% chronically homeless persons with emphasis on the longest histories of homelessness and most severe needs
                b. PSH serving 100% chronically homeless persons that choose to transition to the new DedicatedPLUS project type
                c. RRH for homeless individuals or families, including unaccompanied youth
                d. CE projects.
            (b) New projects of the following types proposing to use funds reallocated (including voluntary or transitional reallocations) from renewals and/or new project bonus funds:
                a. PSH serving 100% chronically homeless persons with emphasis on the longest histories of homelessness and most severe needs
                b. PSH of the new DedicatedPLUS project type
                c. Joint TH and RRH projects
                d. RRH for homeless individuals or families, including unaccompanied youth
                e. Expansion of CE or HMIS to the extent justified by unmet operational costs for these programs.
            (c) New DV bonus projects of the following types:
                a. RRH projects that must follow a Housing First approach
                b. Joint TH and RRH projects that must follow a Housing First approach
                c. CE project to implement policies, procedures, and practices that equip the CoC's Coordinated Entry to better meet the needs of survivors of domestic violence, dating violence, sexual assault, or stalking.
        2.5 points for:
            (a) Renewal projects of the following types:
                a. TH projects
                b. PSH projects that are not dedicated 100% to chronically homeless persons with the longest histories of homelessness and most severe needs or are not DedicatedPLUS projects
                c. HMIS projects.
            (b) New projects of the following types proposing to use funds reallocated from renewals or PH bonus funds:

a. PSH projects that are <u>not</u> dedicated 100% to chronically homeless persons with the longest histories of homelessness and most severe needs or are not DedicatedPLUS projects.

      0 points for:
           – All other projects.

*Where to look on the <u>renewal application</u>: **Application Question 3** (staff have totaled points for you)*
*Where to look on the <u>new project application</u>: **Application Question 3** (staff have totaled points for you)*

2. Consistency with the Strategic Priorities and Action Strategies of the Strategic Plan, *All In* (15 points possible)
How does your proposed project help meet the strategic priorities and actions strategies of *All In: Toward a Home for Every Santa Cruz County Resident*? Please identify strategic priorities and action strategies (and any other plan goals) the project will address will address.

*Where to look on the <u>renewal application</u>: **Application Question 10***
*Where to look on the <u>new project application</u>: **Application Question 9***

3. Project Quality, Readiness & Appropriateness (5 points possible)
Explain how your project's design and mix of services and/or housing are appropriate for serving the population it intends to serve. How are the project's budget, staffing, and administrative structure realistic for the proposed program? *<u>Victim service providers only</u>: How will the project increase the safety of project participants?*

*Where to look on the <u>renewal application</u>: **Application Question 11***
*Where to look on the <u>new project application</u>: **Application Question 10***

4. Program Goals, Design, HMIS (or comparable database) Performance Metrics (20 points possible)
HMIS projects and first-year projects without a full year of APR data will automatically get 12 points.
<u>For Renewal Projects</u>: Please provide the performance metric information requested from your last HMIS-generated APR (or comparable database for victim service providers) relating to these questions:
Housing Stability: (7 points)
- For PSH, did you meet the standard in helping leavers and stayers combined retain permanent housing for 7 months or more? HUD and CoC Performance Standard **– at least 80%**
- For transitional housing and RRH, did you meet the standard in helping leavers find and move into permanent housing? HUD and CoC Performance Standard **– at least 80%**

Income: (5 points - 2.5 pts. per question)
- For all projects except HMIS, did you meet the standard in helping leavers and stayers combined maintain or increase income from employment AND non-cash benefits from mainstream sources? CoC Performance Standard **– at least 75%**
- For all projects except HMIS, did you meet the standard in helping ADULT leavers and stayers combined maintain or increase income from employment ONLY? CoC Performance Standard **– at least 25%**

Non-Cash Mainstream Benefits: (2 points)
- For all projects except HMIS, did you meet the standard in helping leavers and stayers combined maintain or increase at least one source of non-cash benefits? CoC Performance Standard **– at least 50%**

Program Occupancy: (2 points)

- For all projects except HMIS, did you meet the standard in ensuring that average program occupancy met CoC standard. CoC Performance Standard **– at least 90% for the year**

Returns to Homelessness: (2 points)
- For all projects except HMIS, did you meet the standard in ensuring that leavers did not exit to non-permanent destinations (e.g., shelters, transitional housing, hotels, motels, and the streets)? CoC Performance Standard **– no more than 20%**

Length of Stay: (2 points)
- For PSH only, did you meet the standard by <u>increasing</u> the annual average LOS in permanent housing for leavers and stayers combined? **– higher LOS average than previous APR year**
- For TH and RRH only, did you meet the standard by <u>decreasing</u> the annual average LOS in TH or RRH for leavers? **– lower LOS average than previous APR year**

Victim Service Providers only - Safety: (not scored this year):
- *Please propose at least one relevant measure of the degree of participant safety that you will commit to using in the future.*

Renewal applicants get full points for each measure if they met the performance target, half points if they missed the target by 10% points or less, and 0 points if they missed the target by 10% points more.

<u>For New Housing Projects Only</u>: Please briefly identify:
- Your program goals to be measured annually in the HUD Annual Performance Report (APR);
- Where your homeless participants will come from;
- Your outreach plan to bring participants in;
- The types and frequency of services participants will receive;
- How participants will be helped to obtain and remain in permanent housing; and
- How participants will be helped to increase their employment and income and live independently.
- *Victim Service Providers only - Please propose at least one relevant measure of the degree of participant safety that you will commit to using in the future.*

<u>For New Coordinated Entry Projects Only</u>: Please briefly identify:
- The geographic accessibility of the proposed system for all persons within the CoC's geographic area who are seeking information regarding homeless assistance;
- The strategy for advertising the project that is designed specifically to reach homeless persons with the highest barriers within the CoC's geographic area;
- The standardized assessment process proposed (or the process to choose a standardized assessment system); and,
- Whether/how the system will ensure that program participants are directed to the appropriate housing and services to fit their needs.

*Where to look on the <u>renewal application</u>: **Application Question 12***
*Where to look on the <u>new project application</u>: **Application Question 11***
(Note that the new project application (permanent supportive housing, rapid re-housing, coordinated entry or HMIS) focuses on goals and design; renewal application looks at performance and outcomes)

5. Housing First Emphasis and Severity of Needs (10 points possible)
As the question is not applicable to HMIS, HMIS projects will automatically get 8 points.
Serving People with the Highest Barriers to Housing (6 points):
To what extent does your project embrace the following Housing First approaches?

1. Does the project prioritize client selection based on duration of homelessness and vulnerability?
2. Does the project accept all clients regardless of substance use history, or current use?
3. Does the project accept clients who are diagnosed with, or show symptoms of, a mental illness?
4. Does the project accept clients regardless of criminal history?
5. Does the project accept clients regardless of income or financial resources?
6. Does the project use a harm-reduction model for drugs and/or alcohol use?

Each "yes" response receives 1 point; each "no" response receives 0 points.

Removing Barriers to Housing (4 points)
To what extent does your project eliminate the following barriers to housing?
1. Must have minimum income
2. Must have current employment
3. Must have state issued photo id
4. Must show sobriety (drugs or alcohol)
5. No presenting of symptoms of mental illness
6. Must have transportation
7. Must have specific disabling condition (e.g., MH, SA, HIV/AIDS)
8. Must show use medication

Each non-checked ("no") response receives 1/2 point; each checked ("yes") response receives 0 points.

Where to look on the renewal application: **Application Question 13**
Where to look on the new project application: **Application Question 12**

6. Agency/Collaborative Capacity (10 points possible)

Briefly explain the type and length of experience of all organizations involved in implementing the proposed project, including the project sponsor, housing and supportive service providers, and any key subcontractors. Describe experience directly related to their role in the proposed project as well as their overall experience working with homeless people. For projects contracting for and overseeing the construction or rehabilitation of housing, leasing housing, or administering rental assistance, describe experience, as applicable.

Where to look on the renewal application: **Application Question 14**
Where to look on the new project application: **Application Question 13**

7. Budget and Cost Effectiveness (10 points possible)

Does your project comparatively "deliver" enough per person given its costs? Please explain how your costs per person are all necessary and reasonable. For new permanent housing projects only: Does the budget help meet the CoC goal of emphasizing *housing activities* (percentage of HUD new project dollars requested for housing activities [leasing and operations] versus *services activities* [case management] not including admin?

Where to look on the renewal application: **Application Question 15**
Where to look on the new project application: **Application Question 14**

9. Addresses Chronic Homeless Population (10 points possible)

HUD defines chronically homeless as:
(1) An individual who: (i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and (ii) Has been homeless and living or residing in a place not meant for

human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability; (2) An individual who has been residing in an institutional care facility for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or (3) A family with a head of household who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

Points will be for the percentage of clients to be served who are homeless under HUD's definition as follows:
> 10 points – 100% served are chronically homeless (note: PH bonus projects must serve 100% chronically homeless)
> 7.5 points – 70-99%
> 5 points – 50-69%
> 2.5 points – 25-49%
> 1 point – 1-24%
> 0 points – 0%.

*Where to look on the renewal application: **Application Question 16***
*Where to look on the new project application: **Application Question 15***
(staff have already totaled these points for you)

10. Mainstream Resources (10 points possible)

Please check each strategy your program uses to help clients access federal mainstream benefits, including Medicaid; State Children's Health Insurance Program; TANF (CalWORKS); Food Stamps; SSI; Workforce Investment Act; *Employment Income*; Welfare to Work Grant Programs; and, Veterans Health Care. Points will be allocated as follows:
> 10 points – 7 - 8 strategies used
> 8 points – 5 - 6 strategies used
> 6 point – 3 - 4 strategies used
> 4 points – 2 strategies used
> 2 point – 1 strategy used
> 0 points – 0 strategies used.

*Where to look on the renewal application: **Application Question 17***
*Where to look on the new project application: **Application Question 16***
 (staff have already totaled these points for you)

11. Community Collaboration and Participation (5 points possible) *Please note: There is no need to submit a narrative response. Sub-scores will be determined by HAP staff based upon appropriate HAP and documentation for the period from September 19, 2018 to the present time.*

Does the applicant agency participate in Homeless Action Partnership activities mandated by HUD, as follows?
1. HAP meeting participation: 3 points possible
   a. 0 points: Agency attends 0% to 24% of full HAP meetings.
   b. 1 point: Agency attends 25% to 49% of full HAP meetings.
   c. 2 points: Agency attends 50% to 74% of full HAP meetings

d. 3 points: Agency attends 75% to 100% of full HAP meetings.
2. HMIS participation: 2 points possible
   a. 0 points: No data submitted to HMIS
   b. 1 point: Has data in HMIS for some (less than 100%) of housing programs listed in the homeless housing inventory
   c. 2 points: Has data in HMIS for all (100%) of housing programs listed in the homeless housing inventory.

*Where to look on the <u>renewal and new applications</u>: **No question/response on the applications** (staff have already totaled these points for you using relevant data on the applicant's HAP and HMIS participation)*

Local Evaluation/Application Instructions and Checklist

1. LOCAL PROJECT PROPOSAL

Deadline: **Monday, August 26, 5 pm**
Submit via e-mail (no paper copies) to: **tonygardnerconsulting@yahoo.com &
ingrid.trejo@santacruzcounty.us**

☐ Completed Local Evaluation/Application for your type of project: (1) renewal project, or (2) new
project.
   Local Attachments:
   ☐ Most recently completed CoC Annual Progress Report (APR) *(renewal projects only)*
   ☐ Any HUD Letters with HUD Monitoring Findings, dated 1/1/17 or later, relating to your
   project including follow correspondence *(renewal projects only)*
   ☐ Latest Independent Audit, only if available *(all projects)*
   ☐ Summary of any agency client surveys or focus groups conducted in the previous two
   program years, only if available *(all projects)*
   ☐ Match letters, need not be submitted but must available for HUD review.

2. HUD ELECTRONIC APPLICATION (E-SNAPS)
Deadline: **Monday, August 26, 5 pm**
Submit via e-snaps**:** https://esnaps.hud.gov/grantium/frontOffice.jsf **(No need to submit paper or e-
mail to Tony & Ingrid)**

☐ Project Application, including all required charts, narratives, certifications, and attachments.

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Please contact the HAP CoC Consultant at tonygardnerconsulting@yahoo.com if you have any questions.