

# **COUNTY OF SAN LUIS OBISPO**

## **REQUEST FOR PROPOSALS**

### **FY 2022 HUD CONTINUUM OF CARE PROGRAM COMPETITION**

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San Luis Obispo County  
Department of Social Services  
August 12, 2022

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## Overview

On August 1, 2022 the U.S. Department of Housing and Urban Development (HUD) released the Notice of Funding Opportunity (NOFO) for Fiscal Year (FY) 2022 Continuum of Care (CoC) Program Competition. The NOFO can be found at

[https://www.hud.gov/program\\_offices/comm\\_planning/coc/competition](https://www.hud.gov/program_offices/comm_planning/coc/competition)

The County of San Luis Obispo is requesting proposals for the FY 2022 Continuum of Care Program competition administered by HUD, and will be accepting applications for renewal projects, as well as new bonus funding projects.

The Continuum of Care (CoC) Program (24 CFR part 578) is designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, states, Indian Tribes or tribally designated housing entities (THDEs) as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103), and local governments to quickly rehouse homeless individuals, families, persons fleeing domestic violence, dating violence, sexual assault, and stalking, and youth while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs by homeless individuals and families; and to optimize self-sufficiency among those experiencing homelessness.

Any group or organization wishing to apply for grant funding must submit an application for a project meeting the criteria established by HUD for the CoC program. The competition is open both to applicants seeking to renew existing funding as well as new applicants seeking funding for eligible activities.

If you are interested in learning more about the local CoC Competition and how to apply, please participate in the online FY 2022 CoC Informational Meeting on Friday, August 19th from 10:00-11:30 a.m. Interested persons may attend the informational meeting via Zoom or by phone.

Zoom Link for informational meeting:

<https://us06web.zoom.us/j/88284318456?pwd=YnNpQlI2UEJqL1R6R0VNYjhtMlJxZz09>

Or call in (audio only):

+1 669 444 9171

Meeting ID: 882 8431 8456

Passcode: 668609

**Applications are due Wednesday, August 31st at 5pm.** Applications must be submitted online through the U.S. Department of Housing and Urban Development's e-snaps electronic portal. Information on how to create an e-snaps account and submit an application are below.

**Applicants must contact HUD CoC Program Manager, George Solis, via email at [gdsolis@co.slo.ca.us](mailto:gdsolis@co.slo.ca.us) to become a registrant under the County of San Luis Obispo in e-snaps to submit an application.**

**Please reach out as soon as you know your organization will apply.**

## **FY 2022 Available Funding**

<b>Estimated ARD</b>	<b>Tier 1 (Renewal Projects)</b>	<b>CoC Bonus (New Projects)</b>	<b>DV Bonus (New Projects)</b>
<b>\$1,066,837</b>	<b>\$1,013,495</b>	<b>\$72,585*</b>	<b>\$145,170</b>

\*The Bonus amount is based on the Estimated ARD. County staff will update the RFP if the Final Pro Rata Need adjusts the amount available for Bonus projects.

**Estimated ARD:** Estimated Annual Renewal Demand – The total amount of all the CoC’s projects that will be eligible for renewal projects in the FY 2022 Competition, before any required adjustments to funding for leasing, rental assistance, and operating Budget Line Items (BLIs) based on FMR changes.

**Bonus Project:** A CoC is eligible to apply for up to 5 percent of its Final Pro Rata Need (FPRN). New projects created through the CoC Bonus must meet the project eligibility and project quality threshold requirements established by HUD in Sections V.C.4.b and c of the NOFO. To be eligible to receive a CoC Bonus Project, the CoC must demonstrate its CoC ranks projects based on how they improve system performance as outlined in Section VIIB.2.b of the NOFO.

**DV Bonus:** A DV Bonus is a new project that is dedicated to survivors of domestic violence, dating violence, sexual assault, or stalking who qualify under paragraph (4) of the definition of homeless at 24 CFR 578.3. New DV Bonus Projects are subject to the limitation on new projects in Section II.B.1.a of the NOFO. A CoC may apply for up to 10 percent of its Preliminary Pro Rata Need (PPRN) to create a new DV Bonus projects(s); however the amount is limited to a:

1. minimum of \$50,000 if 10 percent of the CoC’s PPRN is less than \$50,000; or
2. maximum of \$145,170 which is the allocation for the San Luis Obispo CoC as noted in the box above.

## **The Program**

The Continuum of Care program, authorized by the McKinney-Vento Homeless Assistance Act, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of

2009 is administered by the U.S. Department of Housing and Urban Development (HUD). The Continuum of Care program seeks to:

- Promote a communitywide commitment to the goal of ending homelessness;
- End homelessness by providing funding for efforts to quickly re-house homeless individuals and families while minimizing the trauma and dislocation caused to homeless persons 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.

The Continuum of Care program provides grants to recipient agencies representing local Continuums of Care (CoCs). The County of San Luis Obispo is the recipient agency for the San Luis Obispo County Continuum of Care. The County is issuing this Request for Proposals to agencies interested in providing eligible services consistent with the regulations, guidance and priorities established by HUD. The CoC regulations may be obtained at:

<https://www.hudexchange.info/resources/documents/CoCProgramInterimRule.pdf>.

## **HUD's Homeless Policy Priorities**

- Ending homelessness for all persons** - To end homelessness, CoCs should identify, engage, and effectively serve all persons experiencing homelessness. CoCs should measure their performance based on local data that consider the challenges faced by all subpopulations experiencing homelessness in the geographic area (e.g., veterans, youth, families, those experiencing chronic homelessness, and people with disabilities, including those living with HIV/AIDS). CoCs should partner with housing, health care, and supportive services providers to expand housing options, such as permanent supportive housing, housing subsidies, and rapid rehousing. Additionally, CoCs should 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.
- Using a Housing First approach** - Housing First prioritizes rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions. CoC Program funded projects should help individuals and families move quickly into permanent housing, and CoCs should measure and help projects reduce the length of time people experience homelessness. Additionally, CoCs should engage landlords and property owners to identify housing units available for rapid rehousing and permanent supportive housing participants, remove barriers to entry, and adopt client-centered service methods. HUD encourages CoCs to assess how well Housing First approaches are being implemented in their communities.

- c. **Reducing Unsheltered Homelessness** - In recent years, the number of people experiencing unsheltered homelessness has risen significantly, including a rising number of encampments in many communities across the country. People living unsheltered have extremely high rates of physical and mental illness and substance use disorders. CoCs should explore all available resources, including CoC and ESG funded assistance, housing subsidies, and supportive services to provide permanent housing options for people who are unsheltered.
- d. **Improving System Performance** - CoCs should be using system performance measures (e.g., average length of homeless episodes, rates of return to homelessness, rates of exit to permanent housing destinations) to determine how effectively they are serving people experiencing homelessness. Additionally, CoCs should use their 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. CoCs should review all projects eligible for renewal in FY 2022 to determine their effectiveness in serving people experiencing homelessness, including cost-effectiveness. CoCs should also look for opportunities to implement continuous quality improvement and other process improvement strategies. HUD recognized the effects of COVID-19 on CoC performance and data quality and reduced the points available for rating factors related to system performance in the FY 2021 CoC NOFO. The FY 2022 CoC NOFO significantly increases the points available for system performance rating factors.
- e. **Partnering with Housing, Health, and Service Agencies** - Using cost performance and outcome data, CoCs should improve how all available resources are utilized to end homelessness. This is especially important as the CARES Act and American Rescue Plan have provided significant new resources to help end homelessness. HUD encourages CoCs to maximize the use of mainstream and other community-based resources when serving persons experiencing homelessness and should:
- a. Work closely with public and private healthcare organizations and assist program participants to receive primary care, receive housing-related services, and obtain medical insurance to address healthcare needs. This includes developing close partnerships with public health agencies to analyze data and design approaches that reduce homelessness, improve the health of people experiencing homelessness, and prevent and address disease outbreaks, including HIV/AIDS.
  - b. Partner closely with PHAs and state and local housing organizations to utilize coordinated entry, develop housing units, and provide housing subsidies to people experiencing homelessness. These partnerships can also help CoC Program participants exit permanent supportive housing through Housing Choice Vouchers and other available housing options. CoCs and PHAs should especially work together to implement targeted programs such as Emergency Housing Vouchers, HUD-VASH,

Mainstream Vouchers, Family Unification Program (FUP) Vouchers, and other housing voucher programs targeted to people experiencing homelessness. CoCs should coordinate with their state and local housing agencies on the utilization of new HOME program resources provided through the Homelessness Assistance and Supportive Services Program that was created through the American Rescue Plan.

- c. Partner with local workforce development centers to improve employment opportunities; and
- d. Work with tribal organizations to ensure that tribal members can access CoC-funded assistance when a CoC's geographic area borders a tribal area.
- f. **Racial Equity** - In nearly every community, Black, Indigenous, and other people of color are substantially overrepresented in the homeless population. HUD is emphasizing system and program changes to address racial equity within CoCs. Responses to preventing and ending homelessness should address racial inequities to ensure successful outcomes for all persons experiencing homelessness using proven approaches, such as: developing a coordinated community response created in partnership with a racially diverse set of stakeholders and people experiencing homelessness and partnering with organizations with experience serving underserved populations. CoCs should review local policies, procedures, and processes with attention to identifying barriers that result in racial disparities, and taking steps to eliminate barriers to improve racial equity and to address disparities.
- g. **Improving Assistance to LGBTQ+ Individuals** - Discrimination on the basis of gender identity or sexual orientation manifests differently for different individuals and often overlaps with other forms of prohibited discrimination. CoCs should address the needs of LGBTQ+, transgender, gender non-conforming, and non-binary individuals and families in their planning processes. Additionally, when considering which projects to select in their local competition to be included in their application to HUD, CoCs should ensure privacy, respect, safety, and access regardless of gender identity or sexual orientation in projects. CoCs should also consider partnering with organizations with expertise in serving LGBTQ+ populations
- h. **Persons with Lived Experience** - HUD is encouraging CoCs to include in the local planning process people who are currently experiencing or have formerly experienced homelessness. People with lived experience should determine how local policies may need to be revised and updated to improve the effectiveness of homelessness assistance programs, including participating in planning and oversight activities and developing local competition processes. CoC leaders and stakeholders should also prioritize hiring people who have experienced homelessness in areas where their expertise is needed (e.g. peer outreach and support).
- i. **Increasing Affordable Housing Supply** - The lack of affordable housing is the main driver of homelessness. CoCs play a critical role in educating local leaders and stakeholders about the importance of increasing the supply of affordable housing and the specific consequences of the continued lack of affordable housing. CoCs should be communicating

with jurisdiction leaders, including for the development of Consolidated Plans, about the harmful effects of the lack of affordable housing, and they should engage local leaders about steps such as zoning and land use reform that would increase the supply of affordable housing. The FY2022 CoC NOFO awards points to CoCs that take steps to engage local leaders about increasing affordable housing supply.

## **Eligible Activities**

Continuum of Care funds may be used to pay for the eligible costs listed in § 578.39 through §578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; and Homelessness Management Information System (HMIS).

All subrecipients, except agencies proposing projects to serve victims of domestic violence, will be required to enter client data into the San Luis Obispo County Continuum of Care HMIS, a secure, web-based data system used by the County to report de-identified, aggregate data as required by HUD or as needed for local management of the CoC. All subrecipients must agree to abide by the standards required by HUD for HMIS (HMIS Data Standards Manual - <https://www.hudexchange.info/resource/3824/hmis-data-dictionary/>).

Although grant funds may be used by recipients and subrecipients in all components for the eligible costs of contributing data to the HMIS, only HMIS Leads may use grant funds for an HMIS component. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in § 578.87(c).

### **Eligible components:**

- a. *Permanent housing (PH)*. Permanent housing is community-based housing, the purpose of which is to provide housing without a designated length of stay. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services. PH includes:
  - a. *Permanent supportive housing for persons with disabilities (PSH)*. PSH can only provide assistance to individuals with disabilities and families in which one adult or child has a disability. Supportive services designed to meet the needs of the program participants must be made available to the program participants.
  - b. *Rapid rehousing*. Continuum of Care funds may provide supportive services, as set forth in § 578.53, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in § 578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing. When providing short-term and/or medium-term

rental assistance to program participants, the rental assistance is subject to § 578.51(a)(1), but not § 578.51(a)(1)(i) and (ii); (a)(2); (c) and (f) through (i); and (l)(1).

- b. *Transitional Housing (TH)*. Transitional housing facilitates the movement of homeless individuals and families to PH within 24 months of entering TH. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services.
- c. *Supportive Services Only (SSO)*. Funds may be used for acquisition, rehabilitation, relocation costs, or leasing of a facility from which supportive services will be provided, and supportive services to unsheltered and sheltered homeless persons for whom the recipient or subrecipient is not providing housing or housing assistance. SSO includes street outreach.
- d. *HMIS*. Funds may be used by HMIS Leads to lease a structure in which the HMIS is operated or as operating funds to operate a structure in which the HMIS is operated, and for other costs eligible in § 578.57.

**Uses of Assistance.** Funds are available to pay for the eligible costs listed in § 578.39 through § 578.63 when used to:

- a. Establish new housing or new facilities to provide supportive services
- b. Expand existing housing and facilities in order to increase the number of homeless persons served
- c. Bring existing housing and facilities into compliance with State and local government health and safety standards
- d. Provide supportive services for residents of supportive housing or for homeless persons not residing in supportive housing
- e. Continue funding permanent housing when the recipient has received funding under this part for leasing, supportive services, operating costs, or rental assistance
- f. Establish and operate an HMIS or compatible database
- g. Establish and carry out a Continuum of Care planning process and operate a CoC

**Participant Eligibility** - Projects funded through the NOFO must have the following eligibility criteria for program participants. References to paragraphs of the definition of homeless refer to the paragraphs listed under the definition of "homeless" in 24 CFR 578.3. All projects must participate in coordinated entry, and the selection of program participants must be consistent with the CoC's coordinated entry process. As provided by the Consolidated Appropriations Act, 2022, youth aged 24 and under must not be required to provide third-party documentation that they meet the homeless definition in 24 CFR 578.3 as a condition for receiving services funded under this

NOFO. Additionally, any youth-serving provider funded under this NOFO may serve unaccompanied youth aged 24 and under (or families headed by youth aged 24 and under) who are living in unsafe situations. HUD interprets “youth-serving provider” as a private nonprofit organization whose primary mission is to provide services to youth aged 24 and under and families headed by youth aged 24 and under. 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 under this NOFO or the Rule.

a. Renewal Projects

- a. Permanent housing-permanent supportive housing (PH-PSH) renewal projects must serve one of the following:
  - (i) Program participants who are eligible for assistance under the project's current grant agreement;
  - (ii) Persons eligible to be served by DedicatedPLUS projects as described in Section III.B.2.g of the NOFO where all units funded by this project must be used to serve program participants who meet the qualifications for DedicatedPLUS; Or
  - (iii) Persons experiencing chronic homelessness at the time they initially enrolled in the project.
- b. PH-RRH, Joint TH/PH-RRH component, transitional housing (TH), and SSO projects may serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3. Additionally, these projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).

b. New Projects

- a. New PH-PSH projects must serve one of the following:
  - (i) persons eligible to be served by DedicatedPLUS projects as described in Section III.B.2.g of the NOFO in which case all units funded by the project must be used to serve program participants who meet the qualifications for DedicatedPLUS; or
  - (ii) Persons experiencing chronic homelessness at the time they initially enroll in the project.
- b. New PH-RRH, Joint TH/PH-RRH, and SSO-CE projects may serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3. Additionally, these projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).

- c. New DV Bonus projects (RRH, Joint TH/PH-RRH, and SSO-CE) must serve survivors of domestic violence, dating violence, sexual assault, or stalking who qualify as homeless under paragraph (4) of 24 CFR 578.3.

## **CoC Program Specific Requirements**

- a. **Participative Planning and Implementation.** Applicants must identify the steps they will take to ensure that traditionally marginalized populations (such as racial and ethnic minorities and persons with disabilities) will be able to meaningfully participate in the planning process. The applicant must identify the specific populations that it will include, identify community organizations that represent these populations, and describe how these populations will be included in the planning process. For capital investment projects, grantees should commit to and demonstrate plans to employ low-income and very low-income persons and/or utilize Section 3 businesses at levels beyond those required by Section 3. In seeking public participation, applicants and recipients must ensure that all communications are provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 and, as applicable, the Americans with Disabilities Act. In addition, Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d and Executive Order 13166 require that grantees take reasonable steps to ensure meaningful access to services, programs, and activities by persons with Limited English Proficiency (LEP persons).
- b. **Eligible Project Applicants** (McKinney-Vento Act, 24 CFR 578.15, 24 CFR 5.100). Eligible project applicants for the CoC Program Competition are found at 24 CFR 578.15 and in the Act and include nonprofit organizations, states, local governments, instrumentalities of state and local governments, Indian Tribes and TDHE (as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103) (TDHEs)). Public housing agencies, as such term is defined in 24 CFR 5.100, are eligible without limitation or exclusion. For-profit entities are ineligible to apply for grants or to be subrecipients of grant funds.
- c. **Renewal Projects.** Awards made under the CoC Program are eligible for renewal with FY 2022 funds if they are currently in operation and have an executed grant agreement that is dated no later than December 31, 2022 and expire in CY 2023 (the period from January 1, 2023 through December 31, 2023). Projects renewed under the FY 2022 CoC Program Competition NOFO are renewable as set forth in 24 CFR 578.33 to continue ongoing leasing, operating, supportive services, rental assistance, HMIS, and project administrative costs. Grant agreements for FY 2021 funds must be executed by December 31, 2022 to be eligible

for renewal. If a project application is not executed by December 31, 2022, HUD will withdraw any funds conditionally awarded for FY 2022.

**d. Renewal and Replacement Grant Terms.**

- a. Except as provided below, all CoC Program renewal are limited to a 1-year grant term and one year of funding. The grant term may be extended consistent with 2 CFR 200.308 and 2 CFR 200.309.
- b. Any renewal PH project that receives project-based rental assistance or operating costs may request up to a 15-year grant term; however, project applicants may only request one year of funding. The grant term may be extended consistent with 2 CFR 200.308 and 2 CFR 200.309. Project applicants must apply for the additional funds as a renewal project application prior to the anniversary of the first expenditure of grant funds by which date the grant funds should have been expended or, if the date upon which funds must be expended has been extended by HUD, the date upon which the extension ends. CoC Program funds are not guaranteed past the 1-year of renewal funding if conditionally awarded.

**e. New Projects.**

- a. CoCs may submit new projects created through reallocation, CoC Bonus, or a combination of reallocation and CoC Bonus, new DV Bonus projects, CoC planning project, and if applicable, UFA Costs project.
- b. To expend funds within statutorily required deadlines, applicants funded for 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 that are unable to begin rental assistance within the 12-month period should consult with the local HUD CPD field office.
- c. HUD will review project subrecipient eligibility as part of the project quality threshold review process. Project applicants are required to submit documentation of the subrecipient's eligibility with the project application.
- d. Any youth-serving provider funded under the NOFO 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.
- e. Per the Consolidated Appropriations Act, 2022, to receive funding for a new project, except those created through reallocation, the CoC must demonstrate that projects are evaluated and ranked based on the degree to which they improve the CoC's system performance.

- f. **New Project Grant Terms.** The initial grant term for new project applications may be 1-year, 2-years, 3-years, 4-years, 5-years, or 15-years. The grant term may be extended consistent with 2 CFR 200.308 and 2 CFR 200.309. However, the following exceptions apply.
- a. HUD will allow new projects to request 1 year of funding with 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 that will allow for the additional start-up process. Any new projects requesting capital costs (i.e., new construction, acquisition, or rehabilitation) are not eligible for 1-year requests. See (g) for further information on new projects requesting capital costs.
  - b. Any new expansion project that is submitted to expand an eligible renewal CoC Program-funded project may only request a 1-year grant term, regardless of the project type.
  - c. Any new project that requests tenant-based rental assistance may request a 1-year, 2-year, 3-year, 4-year, or 5-year grant term.
  - d. Any new project that requests leasing costs-either leasing costs only or leasing costs plus other costs (e.g., supportive services, HMIS) may request up to a 3-year grant term.
  - e. Any new project that requests project-based rental assistance or sponsor-based rental assistance, or operating costs may request up to a 15-year grant term; however, the project applicant may only request up to 5 years of funds. Funding for the remainder of the term is subject to availability. Applicants must apply for additional funds through a renewal project application in the competition held in the calendar year prior to the anniversary of the first expenditure of grant funds, or if the grant term has been extended by HUD, the date upon which the extension ends. CoC Program funds are not guaranteed past the initial 5-year grant term, if conditionally awarded.
  - f. Any new project that requests operating costs, supportive services only, HMIS, and project administrative costs may request 1-year, 2-year, 3-year, 4-year, or 5-year grant terms with funding for the same number of years.
  - g. Any new project that requests new construction, acquisition, or rehabilitation must request a minimum of a 3-year grant term and may request up to a 5-year grant term. Any new projects requesting capital costs (i.e., new construction, acquisition, or rehabilitation) are not eligible for 1-year requests. If 1-year of funding is

requested for new projects with capital costs, HUD will increase the grant term to 3-years and the new project will be required to spend the funds requested over a 3-year period, assuming the project is conditionally selected for award.

- h. If an applicant requests funds for new construction, acquisition, or rehabilitation in addition to requesting funds for operating, supportive services, or HMIS, the funding will be for the 3-years to 5-years requested, and the grant term will be 3-years to 5-years plus the time necessary to acquire the property, complete construction, and begin operating the project. HUD will require recordation of a HUD-approved use and repayment covenant before funds can be drawn down (the form can be obtained from the local HUD CPD field office) for all grants of funds for new construction, acquisition, and rehabilitation. (24 CFR 578.81) HUD Field Counsel must approve the use and repayment covenants in advance of their being recorded, and proof of recording must be submitted to HUD Field Counsel before grant funds, other than acquisition funds, will be released.
  - i. Any new project that is requesting consideration under the DV Bonus (see Sections II.B.5 and III.B.2.h of the NOFO) may only request 1-year of funding but may request a longer initial grant term not to exceed 18 months regardless of project application type.
- g. **Match.** 24 CFR 578.73 provides the information regarding match requirements. All subrecipients must match all grant funds, except for leasing funds, with no less than 25 percent of funds or in-kind contributions from other sources. Project applicants that intend to use program income as a match must provide an estimate of how much program income will be used for the match.
- Projects submitting applications with healthcare resources will need to provide written commitment of 50% of the funding being requested for the project will be covered by the healthcare organization.
- h. **Eligible Costs.** 24 CFR 578.37 through 578.63 and section 423(a)(13) of the Act (42 USC 11383(a)(13) identify the eligible costs for which funding may be requested under the CoC Program. HUD will reject any requests for ineligible costs, except as otherwise provided in the NOFO.
  - i. **Indirect Costs.** Normal indirect cost rules under 2 CFR part 200 apply. Project applicants that intend to charge indirect costs to the award must clearly state in the project application(s) the rate and distribution base the recipient intends to use, and if applicable, the rate and distribution base to be used by any sub-recipient(s). If the rate is a Federally negotiated indirect cost rate, the project application must include the corresponding negotiated indirect cost rate agreement signed by the cognizant agency. A government

department or agency unit that receives no more than \$35 million in direct federal funding per year and has developed and maintains an indirect cost rate proposal and supporting documentation in accordance with 2 CFR part 200, appendix VII, may use the rate and distribution base specified in that indirect cost rate proposal, unless the cognizant agency requires the proposal to be submitted for negotiation.

For each applicant or intended sub-recipient that meets the conditions for the de minimis rate under 2 CFR 200.414(f) and will use that rate to charge indirect costs, the project application must clearly state the intended use of the de minimis rate of 10 percent of Modified Total Direct Costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. Once an organization elects to use the de minimis rate, the organization must apply this methodology consistently for all Federal awards until the organization chooses to negotiate for a rate, which the organization may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

## **Eligible Project Applications**

The following types of project applications will be eligible for completion and submission under the NOFO:

**a. New Projects Created Through Reallocation or CoC Bonus processes:**

- a. PH-Permanent Supportive Housing projects.
- b. PH-Rapid Rehousing projects.
- c. Joint TH/PH-RRH component projects.
- d. SSO-Coordinated Entry project to develop or operate a centralized or coordinated assessment system.

Because new project applications may be created through the reallocation or CoC Bonus processes, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as reallocation or CoC Bonus, HUD may reclassify the project(s) as either reallocation or CoC Bonus if the CoC exceeded either its reallocation or CoC Bonus amount. For example, if a project applicant or the CoC classified a new project application as reallocation but did not reallocate funds in whole or part from an eligible renewal project,

and there are CoC Bonus funds available, HUD may reclassify the new project application as CoC Bonus during its review. If a project applicant uses both reallocation and CoC Bonus amounts to create a single new project but did not have enough available from either source, HUD will reduce the project to the amount available, if any.

A new project may only use reallocated funds from eligible renewal project(s) that have previously been renewed under the CoC Program and hold a current grant agreement.

- b. **New Projects for DV Bonus.** To be considered for the DV Bonus, new projects must be:
- a. PH-Rapid Rehousing projects dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless (24 CFR 578.3);
  - b. Joint Transitional Housing /PH-Rapid Rehousing component projects defined in Section III.B.2.r of the NOFO dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking who are defined as homeless (24 CFR 578.3); or
  - c. SSO-Coordinated Entry 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.

Where a new project may be eligible for the DV Bonus, CoC Bonus or reallocation process, if HUD determines that a project applicant incorrectly classified one or more new projects as a DV Bonus (e.g., the proposed project does not propose to serve survivors of domestic violence, dating violence, sexual assault, or stalking), HUD may reclassify the project(s) as either reallocation or CoC Bonus if they are eligible. If a project does not have enough funding available from the CoC Bonus or reallocation sources, HUD will reduce the project to the amount available, if any.

- c. **Expansion Project.** HUD will allow project applicants to apply for a new expansion project (see Section III.B.2.j of the NOFO) through reallocation, CoC Bonus, and DV Bonus processes to expand existing projects to increase the number of units, persons served, services provided to existing program participants, or to add additional activities to HMIS and SSO-

CE projects. If the new expansion project will expand an existing eligible CoC Program renewal project HUD will not fund capital costs (i.e., new constructions, rehabilitation, or acquisition) and will only allow 1-year funding requests. YHDP projects cannot use the expansion process.

- a. Project applicants intending to submit new project applications for the purposes of expanding an eligible renewal in the CoC Program must:
  - i. Enter the grant number of the eligible renewal project, proposed for expansion, in the new project application;
  - ii. Indicate how the new project application will expand units, beds, services, persons served, or services provided to existing program participants, or in the case of HMIS or SSO-CE projects, how the current activities will be expanded for the CoC's geographic area; and
  - iii. Ensure the funding request for the expansion grant is within the funding parameters allowed under reallocation, CoC Bonus, or DV Bonus available amounts.
- b. Project applicants may expand an existing renewal project that is not currently dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that meet the definition of homeless (24 CFR 578.3) to dedicate additional beds, units, persons served, or services provided to existing program participants to this population.
- c. The new expansion project application must meet the project eligibility and project quality thresholds in Sections V.C.4.b and c of the NOFO. If the new expansion project exceeds the amount of funding available under the reallocation or Bonus processes, HUD will reduce the funding request to the available amount, which could affect the activities of the new expansion project. If both the new expansion project and the CoC Program renewal project it expands are conditionally selected for funding, one grant agreement incorporating both approved project applications will be executed. If the renewal project application is not conditionally selected for funding, the expansion project application will not be selected.

To apply for an expansion grant, project applicants must submit separate renewal

and new project applications, and both must be ranked by the CoC with unique rank numbers.

- d. **Consolidation Project.** Applicants intending to use the consolidation process to combine two or more (but no more than ten) eligible renewal projects (e.g., PH-PSH) may do so through the renewal project application, including renewing YHDP, and must ensure:
- a. Budget Line Items (BLIs) for the consolidated project application submitted exactly match the sum of the BLIs for each of the individual projects as they appear on the GIW located on HUD's website, or grant agreement as amended;
  - b. Inclusion of the expiring grant numbers with period of performance and budget period start and end dates for the projects that are consolidating;
  - c. Current period of performance and budget period end dates must end in CY 2023;
  - d. Are in good standing with HUD, meaning none of the projects have:
    - i. outstanding audit or monitoring findings,
    - ii. outstanding obligation to HUD that is in arrears,
    - iii. unresolved construction delays,
    - iv. a history of poor financial management/drawdown issues,
    - v. history of low occupancy levels, or lack experience in administering the project type, or
    - vi. other capacity issues.
  - e. The projects have the same recipient and are for the same component.

To request the consolidation of eligible renewal projects, project applicants must submit renewal projects for the individual projects to be included in the consolidation and each project application will identify the grant number that will survive which must be the grant number with the earliest start date in CY 2023. Project applications for the grants that are

proposed to be part of the consolidation must be ranked with a unique rank number for each project, and if all those grants are selected, HUD will conditionally award the single surviving grant based on its ranked position to include the amount of funding of all grants included in the consolidation. All other project applications included in the surviving grant will be removed from the CoC's ranking resulting in project applications below to slide up one ranked position. A project applicant cannot submit a consolidated project application that contains two different components (e.g., PH and TH).

The start date for the consolidated grant, if conditionally awarded, will be the day after the expiration date of the eligible renewal project with the earliest expiration date. The expiration date for the consolidated grant will be calculated by averaging the expiration dates for all expiring grants included in the consolidated grant weighted by the size of each expiring grant. If that date falls on the first through the fifteenth of a month, then the expiration date will be the last day of the previous month. If the date falls on the sixteenth through the end of the month, then the expiration date will be the last day of the month.

The expiration date for the consolidated grant will be calculated as follows: It will be X months after the end of the 12th month after the start date for the consolidated grant with X determined by calculating the sum for all grants of the total award times the number of months after the expiration of the first expiring grant that the grant expires and dividing that sum by the total award for the consolidated grant. If the calculation of X results in a partial month, if it is less than 0.5, then the consolidated grant will expire on the last day of the previous month, and if it is 0.5 or more, then the consolidated grant will expire on the last day of the calculated month.

## CoC Specific Requirements

- A. **Coordinated Entry** - Both the CoC and ESG Program interim rules require use of the CoC's Coordinated Entry process.
- B. **SAM Registration Requirement.** Applicants must be registered with <https://www.sam.gov/SAM> before submitting their application. In addition, Applicants must maintain an active SAM registration with current information while they have an active Federal award or an application or plan under consideration by HUD.
- C. **UEI Number Requirement.** Applicants must provide a valid UEI number, registered and active at <https://www.sam.gov/SAM> in the application.  
*The DUNS number remains the official identifier for doing business with the U.S. Government only until April 4, 2022. As of April 4, 2022, entities doing business with the federal government must use the Unique Entity Identifier created in SAM.gov.*

- D. Subrecipients must comply with non-discrimination, fair housing, and equal opportunity regulations as described in Section 578.93 and 24 CFR 5.105 and the Fair Housing Act.
- E. **Housing First** – A Housing First approach is an approach to quickly and successfully connect individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements. Supportive services are offered to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry.
- F. **Compliance with Violence Against Women Act (VAWA) Rule** – Per 24 CFR 578.99(j) & 24 CFR 5 Subpart L, all permanent and transitional housing for which Continuum of Care program funds are used for acquisition, rehabilitation, new construction, leasing, rental assistance, or operating costs must implement the requirements of VAWA for the protection of victims of domestic violence, dating violence, sexual assault, or stalking.
- G. **Fair Market Rents (FMR)** – HUD is required to adjust awards for leasing, operating, and rental assistance line items based on changes to the FMR. Funds awarded for rental assistance will be adjusted in all new projects and renewal projects requesting the FMR will be adjusted by applying the FMR in effect at the time of application submission to HUD.
- H. **Affirmative Marketing and Outreach** - The CoC Program interim rule at 24 CFR 578.93(c) requires recipients of CoC Program funds to affirmatively market their housing and supportive services to eligible persons regardless of race, color, national origin, religion, sex, age, familial status, or disability who are least likely to apply in the absence of special outreach, and maintain records of those marketing activities. Housing assisted by HUD and made available through the CoC must also be made available to individuals and families without regard to actual or perceived sexual orientation, gender identity, or marital status in accordance with 24 CFR 5.105 (a)(2).
- I. **Section 3 (the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u))** – For Construction or rehabilitation projects, applicants are required to provide employment and training opportunities for low- and very low-income persons, as well as contracting and other economic opportunities for businesses that provide economic opportunities to low- and very low-income persons.
- J. **Uniform Guidance 2 CFR Part 200** - Applicants will be required to carry out all activities in accordance with federal laws, regulations, and guidance governing federal grants, including the Office of Management and Budget's Uniform Guidance [2 CFR Part 200](#).
- K. **Leveraging Housing Resources** – New PH-PSH or PH-RRH project applicants

## **Application Procedures**

**Complete applications will be due by Wednesday, August 31, 2022 at 5pm.** The process may be found in the "Timeline" section of the RFP on page 25. All applications must be submitted through the U.S. Department of Housing and Urban Development's e-snaps portal, available at <https://esnaps.hud.gov/grantium/frontOffice.jsf>.

**Detailed instructions on how to complete the application process can be found here:**

<https://www.hudexchange.info/programs/e-snaps/>

The above link to the Detailed Instructions includes information about each question in the application and information about specific information that should be included in response to the question. All applicants are strongly encouraged to review the Detailed Instructions before completing their applications.

### **Supplemental Application**

All FY 2022 CoC Program applicants will need to submit a supplemental application in addition to the HUD application submitted in e-snaps. Supplemental applications can be found on the San Luis Obispo County Department of Social Services website. [Funding Availability - County of San Luis Obispo \(ca.gov\)](#).

**Please submit Supplemental Applications by** email to [ss\\_homelessgrants@co.slo.ca.us](mailto:ss_homelessgrants@co.slo.ca.us) or deliver to George Solis at the County Department of Social Services, 3433 S. Higuera, San Luis Obispo, CA. Both the esnaps and Supplemental Application must be received no later than **Thursday, August 31, 2022 at 5pm.**

## **Project Review and Scoring**

Once an application has been submitted, a review will be undertaken to ensure the proposed project meets threshold requirements (see sections V.C.3.b and c of the NOFO). Applications submitted by the deadline that meet the threshold requirements will be considered by a grant review committee.

Scoring will be based on the factors listed in the County's CoC scoring rubric. These factors include:

- Experience operating the types of projects proposed
- Quality of services proposed and likelihood that the project will be able to succeed in moving unsheltered persons into permanent housing
- Cost effectiveness of services proposed
- Severity of needs of the population to be served
- Leveraging housing resources – new PH-PSH or PH-RRH project applications will be scored if the proposed project utilizes housing subsidies or subsidized housing units not funded through the CoC or ESG programs (letters of commitment, contracts, or other formal written

documents that demonstrate the number of subsidies or units being provided to support the project are required with the project application).

- Leveraging healthcare resources - new PH-PSH or PH-RRH project applications will be scored if the proposed project utilizes healthcare resources to help individuals and families experiencing homelessness (formal letters of commitment that demonstrate the value of the commitment and dates the healthcare resources will be provided are required with the project application).
- Alignment with the San Luis Obispo Countywide Plan to address homelessness (2022 – 2027)

For applicants who have been funded in one or more previous years, past performance will also be considered, including:

- Exits to permanent housing
- Returns to homelessness
- Reducing length of time persons remain homeless
- Increases in employment income of participants from entry to exit (Permanent Housing projects only)
- Increases in total income (Permanent Housing Projects only)

Detailed scoring information is available in the County's Continuum of Care scoring rubric for each type of application (Coordinated Entry – Renewals and Expansions; Permanent Supportive Housing – Renewals and Expansions; and New and Bonus Projects). Scoring rubrics are posted on the County website, along with this RFP, and will also be distributed at the September 19 workshop.

**Reallocation.** Reallocation is a process CoCs use to shift funds in whole or part from existing eligible renewal projects to create one or more new projects without decreasing the CoC's ARD. New projects created through reallocation must meet the requirements set forth in Section II.B.1 of the NOFO and the project eligibility and project quality thresholds established by HUD in Sections V.C.4.b and c of the NOFO. CoCs may only reallocate eligible renewal projects that have previously been renewed under the CoC Program. To create a Transition Grant (see Section III.B.2.cc of the NOFO), the CoC must wholly eliminate one or more projects and use those funds to create a single, new transition grant.

**Once reviewed and scored, projects will be ranked and classified as Tier 1 or Tier 2.**

### **Tier 1**

Tier 1 is equal to 95 percent of the CoC's Annual Renewal Demand (ARD). Project applications in Tier 1 will be conditionally selected from the highest scoring CoC to the lowest scoring CoC, provided the projects pass both project eligibility and project quality threshold review, and if applicable, project renewal threshold. Any type of new or renewal project application can be placed in Tier 1, except for CoC Planning projects, which is not ranked. If a DV Bonus project ranked in Tier 1 is selected with DV Bonus funds, the project will be removed from this tier and the projects below it will move up one rank position. However, if a new DV Bonus project is not selected with DV Bonus funds, the project will retain its ranked position. In the event insufficient funding is available to award all Tier 1

projects, Tier 1 will be reduced proportionately, which could result in Tier 1 projects falling into Tier 2.

## **Tier 2**

Tier 2 is the difference between Tier 1 and the maximum amount of renewal, reallocation, and CoC Bonus funds that a CoC can apply for but does not include CoC planning projects or projects selected with DV Bonus funds. If a DV Bonus project ranked in Tier 2 is selected with DV Bonus funds, the project will be removed from this tier and the projects below it will move up one rank position. However, if a new DV Bonus project is not selected with DV Bonus funds, the project will retain its ranked position (see Section II.B.11.e of the NOFO). Project applications placed in Tier 2 will be assessed for project eligibility and project quality threshold requirements, and if applicable, project renewal threshold requirements and funding will be determined using the CoC Application score as well as the factors listed in Section II.B.11 of the NOFO.

### **Projects straddling Tiers:**

If a project application straddles the Tier 1 and Tier 2 funding line, HUD will conditionally select the project up to the amount of funding that falls within Tier 1. Using the CoC score, and other factors described in Section II.B.11 of the NOFO, HUD may fund the Tier 2 portion of the project. If HUD does not fund the Tier 2 portion of the project, HUD may award the project at the reduced amount, provided the project is still feasible with the reduced funding (e.g., is able to continue serving homeless program participants effectively).

### **Final Rankings and Submission:**

Following the grant review committee's ranking process, all applicants will be notified as to their ranking, if they met threshold eligibility, or notified that they did not meet threshold review requirements. The grant review committee may recommend less than the total amount of funding requested by the applicant. Prior to the meeting of the grant review committee, applicants may be asked to provide an estimate of the impact to the program if funds were reduced by 20% or less and what the revised outcomes would be if funds were reduced by that amount.

The proposed rankings will be voted on at the by the County's Homeless Services Oversight Council in September and then forwarded on to the County Board of Supervisors for a final vote in September. Once the Board of Supervisors has voted on the final ranking, the County will submit the completed CoC application to HUD for its review.

HUD intends to fund all eligible CoC renewal projects for one year. Applications for funding are reviewed by HUD on a competitive basis. If funded by HUD, the County will enter into a contract with the subrecipients for implementation of the project.

## Appeal Process

Applicants who wish to appeal a decision have several opportunities to do so throughout the CoC Program Competition. The San Luis Obispo County HSOC will hold a special meeting to review the Grant Review Committee's funding recommendation in September. The County of San Luis Obispo Department of Social Services will present the recommendations to the County Board of Supervisors on the Consent Agenda in September. If applicants remain unsatisfied with CoC recommendations following the Board of Supervisors hearing, they may appeal decisions directly to HUD. Applicants may appeal funding decisions only as provided in 24 CFR 578.35. See Section X of the NOFO regarding the CoC Program specific process for appeals.

### **Types of Appeals - Provision at 24 CFR part 578 set forth the following types of appeals:**

1. *Solo Applicants*. A process for eligible project applicants that attempted to participate in their CoC planning process and believe they were denied the right to participate in a reasonable manner.
2. *Denied or Decreased Funding*. A process for eligible applicants that are denied funds by HUD or that requested more funds than HUD awarded to them.
3. *Consolidated Plan Certification*. A process for eligible applicants whose jurisdiction refused to provide a Certification of Consistency with the Consolidated Plan (form HUD2990).
4. *Competing CoCs*. A process when more than one CoC claims the same geographic area for eligible applicants of lower-scoring CoCs, to appeal to HUD's decision to fund the competing CoC. While there were no CoCs that claimed the same geographic area as determined by the FY 2022 CoC Program Registration process; should two or more CoCs claim the same geographic codes associated with formula areas, HUD will use the competing CoC process at 24 CFR 578.35(d).

## Information Session

If you are interested in learning more about the local CoC Competition and how to apply, please participate in the online FY 2022 CoC Informational Meeting on Friday, September 17 from 9:30-11 a.m.. Interested persons may attend the informational meeting via Zoom or by phone.

Zoom Link for informational meeting:

<https://us06web.zoom.us/j/88284318456?pwd=YnNpQlI2UEJqL1R6R0VNYjhtMlJxZz09>

Or call in (audio only):

+1 669 444 9171

Meeting ID: 882 8431 8456

Passcode: 668609

## **Timeline**

HUD NOFA RELEASED – August 1, 2022

COUNTY REQUEST FOR PROPOSALS (RFP) – August 12, 2022

RFP WORKSHOP FOR APPLICANTS – August 19, 2022

LOCAL APPLICATION DUE DATE – August 31, 2022

HSOC RECOMMENDATION MEETING – September 2022

BOARD OF SUPERVISORS MEETING – CONSENT AGENDA – September 2022

HUD COC APPLICATION DUE – September 30, 2022

### **Questions or Need More Information?**

Contact George Solis, Program Manager –

County of San Luis Obispo Department of Social Services at

(805) 781-1866 or [gdsolis@co.slo.ca.us](mailto:gdsolis@co.slo.ca.us)