

COUNTY OF SAN LUIS OBISPO

REQUEST FOR PROPOSALS:

California Emergency Solutions and Housing
Program (CESH)

Homeless Emergency Aid Program (HEAP)



Department of Planning and Building

&

Department of Social Services

February 15, 2019

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Overview

The San Luis Obispo County Continuum of Care (SLO CoC) is requesting proposals for the **California Emergency Solutions and Housing Program (CESH)** and the **Homeless Emergency Aid Program (HEAP)** to assist persons experiencing or at-risk of homelessness. These two programs are one-time-only, limited-term formula block grants allocated to the SLO CoC by the State of California's Department of Housing and Community Development (HCD) and the Business, Consumer Services and Housing Agency (BCSH).

Applications will be due to County staff by 9:00 a.m. on March 19, 2019. Submit applications to Allison Rustick, Department of Social Services. For more information see 'Submission' section on page 11.

Background

In 2018, the Governor signed into law Senate Bill 850. The Bill created two, one-time only homeless assistance grants, described below, to benefit Continuum of Care service areas. The State will distribute funding to eligible Administrative Entities (AEs) for those areas. The County of San Luis Obispo is the Administrative Entity for the San Luis Obispo County Continuum of Care (SLO CoC).

CESH

The California Emergency Solutions and Housing Program (CESH Program) is administered by the California Department of Housing and Community Development (HCD) and will make \$53 million available state-wide to assist persons experiencing or at-risk of homelessness. The CESH Program is funded by revenues deposited in the Building Homes and Jobs Act Trust Fund, created by Senate Bill 2 and the California Emergency Solutions Grant.

HEAP

The Homeless Emergency Aid Program (HEAP) consists of \$500 million in one-time, flexible block-grant funding to address immediate homelessness challenges throughout the state of California. The HEAP statute requires that a minimum of five percent of the total allocation be set aside for emergency assistance for homeless youth.

Proposals for CESH and HEAP funds will be evaluated based on their consistency with local priorities established by the HSOC and community input process, as well as factors such as their ability to impact unmet needs of the community, “shovel-readiness,” long term-sustainability and operation, organizational leadership, community support, etc. See ‘Eligible Activities’ section and ‘Project Selection Process’ sections for more information.

For detailed information on the funding sources, requirements, and eligible activities each program, please visit the links below:

For the **CESH** program, please review the NOFA posted by HCD at

http://www.hcd.ca.gov/grants-funding/active-funding/cesh/docs/NOFA_CESH.pdf

For **HEAP**, review the NOFA posted by BCSH at

https://www.bcsb.ca.gov/hcfc/documents/heap_nofa.pdf

Local Priorities

The SLO CoC is seeking applications that are consistent with one or more of the local priorities identified below.

HSOC Summary of needs and recommendations to Board of Supervisors (‘May Recommendations’)

On May 15, 2018, the Homeless Services Oversight Council (HSOC) provided a report to the Board of Supervisors describing the status of homelessness in the County, county-wide needs to improve access to services and housing, and suggested short-term and long-term activities to address those needs.

The report to the Board of Supervisors recommended that the County:

- Increase the stock and variety of housing units available for people who are experiencing homelessness or chronic homelessness, and persons at-risk of becoming homeless;
- Continue funding programs that assist transitionally homeless persons and persons at-risk of becoming homeless through increasing outreach activities and providing housing and services assistance, along with other creative solutions;
- Address the unmet needs of vulnerable and underserved populations in the County, which include youth, seniors, persons fleeing domestic violence, families, and chronically homeless persons; and
- Improve access to engagement and case management through the expansion of

supportive services and increasing the capacity of the CES.

For detailed information on HSOC's recommendations to the Board of Supervisors, please review the agenda item and attachment from May 15th, 2018:

<http://agenda.slocounty.ca.gov/IIP/sanluisobispo/agendaitem/details/8636>

Public Input Process

County staff conducted a public input process in the fall of 2018 to gain further feedback from community members on the needs of homeless persons within the County, and to identify potential priorities for the CESH and HEAP one-time-only, limited-term funds. The outreach process consisted of two stakeholder meetings with housing developers and service providers, two open public forums, one public forum focused on homeless youth, a focus group with formerly- and presently-homeless youth, and an online survey.

Findings from the outreach process echoed the May Recommendations made by the HSOC to the Board of Supervisors, placing the creation of housing and the expansion of case management (CES) as top priorities for the community. Other needs identified by community members included:

Facilities

- Housing navigation centers in both the North & South County
- Detox & substance abuse recovery facilities & housing
- Emergency shelter for underserved populations and/or in underserved regions
- Housing options for homeless youth (including host home programs, units reserved for youth, etc.)
- Immediate needs facilities (such as laundry, showers, food, etc.)

Services

- Mentorship and engagement programs for homeless youth
- Supportive services tied to housing, especially for persons with mental illness
- Pilot projects

For detailed summaries of the public outreach events and survey conducted last fall, see the HSOC Action Item 3.5.1 from the Full HSOC meeting on November 28th, 2018:

<https://www.slocounty.ca.gov/Departments/Social-Services/Homeless-Services-Oversight-Council/Forms-Documents/Full-HSOC-Agendas/FULL-2018-11-28-Agenda-Packet.aspx>

Eligible Activities

Both HEAP and CESH may be utilized to fund a variety of activities to assist homeless persons, however, they do have key differences. Only CESH may be used for updating and supporting Homeless Management Information System (HMIS) or Coordinated Entry System (CES) activities, whereas only HEAP may be utilized for capital improvement projects within jurisdictions that have declared a shelter crisis (of which the County and all seven incorporated cities have passed). In addition, HEAP requires at least five percent of the grant fund activities targeting homeless youth. Applicants may apply for one or both sources of funding.

CESH

Since the CESH program uniquely allows for HMIS and CES activities, and because the HSOC has identified CES as high priority, the SLO CoC has determined that the CESH funds shall be dedicated for HMIS and CES activities. Applicants may apply for CESH funds to support CES activities in such a capacity that will contribute to the improvement of the county-wide Coordinated Entry System. Eligible CES activities may include outreach, engagement, intake, assessment, referrals, and other activities that support or strengthen the County's CES.

A portion of CESH funds (up to \$150,000) shall be reserved for County HMIS system improvements and are not available for application under this RFP. Should the SLO CoC utilize less than the reserved amount for HMIS, the remaining amount will be redistributed for CES activities. Dependent upon the amount of HMIS funds that remain available of the CESH allocation, the SLO CoC may initiate a second round of applications.

HEAP

HEAP funding may be used for activities such as capital improvement projects (acquire property, or rehabilitate or construct homeless facilities and/or housing), services, rental assistance, facility operations, and other activities to address emergency needs. The SLO CoC is seeking to fund both large- and small-scale projects that will benefit the region, as well as underserved areas and populations.

Large-scale projects are defined as projects seeking more than \$200,000. A portion of HEAP funds (up to \$200,000) shall be reserved for small-scale or pilot projects. A minimum of \$241,891 will be dedicated to activities assisting youth. Youth are defined as age 16-24 years old, unaccompanied by a legal guardian or parent. The definition of youth includes pregnant or parenting youth.

Amounts Available for Application:

CESH	HEAP
Available: \$540,695	Youth Activities* - \$241,891 Small-scale & Pilot Projects: \$200,000 Large-scale Projects: \$4,154,032.69
<ul style="list-style-type: none"> Coordinated Entry and case management 	<ul style="list-style-type: none"> Capital improvement projects (including construction or rehabilitation of housing or facilities and acquisition of property) Youth-specific activities (including programs or housing) Pilot projects Other small-scale local projects that will impact underserved areas

*A minimum of \$241,890.70 is reserved for activities assisting homeless and at-risk youth. Applicants may request more than the minimum amount to assist youth.

Eligible Applicants

Eligible applicants shall be defined as local governments, private non-profits, or for-profit organizations that the County determines are qualified to undertake the proposed activities.

Minimum Request

The minimum amount that an organization may request is \$50,000.

Match Requirements

There is no matching contribution requirement for activities funded with CESH or HEAP funds. However, CESH Program funds may be used for the one-to-one match of federal Emergency Solutions Grant, as long as they are for the same approved activity.

Agreement or Loan Terms

CESSH

Applicants may request a grant term of 1 to 5 years; however, the total award may not exceed the amount available to the County, regardless of the duration of the grant.

HEAP

Applicants may request either a grant or a forgivable loan. At least 50% of HEAP funds must be contractually obligated by January 1, 2020. HEAP awards must be 100% expended by the subrecipients no later than May 25, 2021.

For capital improvement projects funded by HEAP, program services do not need to commence prior to May 25, 2021, however, HEAP funds must still be expended entirely by that date.

Minimum Requirements to Apply

Agencies awarded funds must agree to the following requirements:

1. Any program paid for with HEAP funds shall align and comply with the core components of Housing First as defined in the California Welfare and Institutions Code Section 8255(b)
2. Participate in San Luis Obispo County's Coordinated Entry System, depending upon activity
3. Participate in the SLO CoC's HMIS program

In addition, applicants shall meet the following minimum qualifications:

1. Provide a DUNS number for all contractors and subcontractors involved in capital improvement projects
2. Demonstrate financial and organizational capacity to carry out the proposed program
3. For HEAP applicants, demonstrate how the project will address one or more of the Local Priorities listed above

Project Selection Process

Applications must be submitted to the Department of Social Services by 9:00 a.m., March 19, 2019. Proposals will be reviewed by staff to ensure they meet the minimum requirements listed above. A committee of non-conflicted persons familiar with homelessness and youth needs in the County shall review the approved proposals and provide preliminary funding recommendations to the HSOC on April 3, 2019. The HSOC will vote on the funding recommendations and staff will present HSOC's recommendations to the Board of Supervisors for consideration on April 23, 2019.

Proposals for CESH and HEAP funds will be evaluated based on the following factors identified by the HSOC and Public Input Process, including but not limited to:

- **Organizational capacity:** experience providing the proposed activity, staff availability, and knowledge of State and Federal grants
- **Financial Stability:** demonstrate stable budget for proposed activity, including additional sources of funding needed to complete activity as proposed
- **Sustainability:** ability to sustain successful operation of activity to benefit homeless or persons at-risk, following expiration of HEAP or CESH awards
- **Impact:** the number of persons to be housed or assisted and the likelihood that such assistance will lead to permanent housing
- **Meet systemic needs & aligns with local priorities:** address specific needs and gaps in the County and meets one or more of the priorities and/or needs described by the May Recommendations and/or Public Input Process
- **Project readiness:** for projects requiring construction, provide evidence of permit approvals, project development timeline,
- **Feasibility of completion:** assurance of activity completion in cases where funds are used in early stages of project development, such as site/building acquisition
- **Collaboration with partners:** describe how the applicant has collaborated with local jurisdiction and local agencies to organize and deliver proposed activity
- **Local support:** evidence of local jurisdiction support and neighborhood acceptance
- **The extent to which the activity improves the County's capacity to address homeless:** strengthen the County's existing homeless services network and improve County's ability to assist homeless and at-risk persons, e.g. serve areas of the community that are currently underserved

Reporting Requirements

Applicants that are awarded HEAP or CESH funds shall participate in HMIS and provide any data upon request by the County or SLO CoC, as needed to complete required annual reports and track the County's progress toward meeting local needs and goals regarding homelessness.

CESH

Annual reports shall be submitted for the term of the contract, up to five years. Reports will indicate financial expenditures and performance outcomes including the number of homeless persons served, number of unsheltered persons served, average length of time

homeless, number of persons exiting to permanent housing, and the number of persons that return to homelessness after exiting the program or project.

HEAP

Annual reports shall be submitted to the County by December 1, 2019 and 2020. A final report shall be submitted by July 30, 2021. Reports will contain descriptions of award amounts, expenditure amounts, unduplicated number of homeless persons and persons at-risk of homelessness served, number of instances of service, increased capacity for new and existing programs, the number of unsheltered persons becoming sheltered, the number of homeless persons entering permanent housing, and further breakdowns of each activity for each of the following subpopulations: 1) Chronically homeless; 2) Homeless veterans; 3) Unaccompanied homeless youth; and 4) Homeless persons in families with children.

Regulations

Awardees and their subrecipients must provide eligible activities in a manner consistent with the Housing First practices as described in the California Code of Regulations, title 25, section 8409, subdivision (b)(1)-(6). Subrecipients providing permanent housing shall incorporate the core components of Housing First, as provided in Section 8255, subdivision (b) of the Welfare and Institutions Code.

Awardees and their subrecipients shall adhere to principles of non-discrimination, conflicts of interest, drug-free workplace certification, Child Support Compliance Act, Federal, State, and Local housing and building codes as applicable, minimum State-required worker's compensation, maintain appropriate unemployment, disability, and liability insurance, and comply with all other State, Federal, and Local laws, rules, and regulations that pertain to construction, health, safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and or related to the HEAP program and all eligible activities.

Where applicable, awardees and their subrecipients shall also be responsible for obtaining any and all permits, licenses, and approvals required to perform, design, construct, operate, and maintain eligible activities.

Submission

Any group or organization wishing to apply for CESH and/or HEAP grant funding must submit an application for an eligible project. Interested applicants may obtain a copy of the application by contacting Allison Rustick or Laurel Weir, through the contact information provided below.

Submission Requirements:

Applications must be received by 9:00 a.m. Tuesday, March 19, 2019.

Applicants may submit digital or hard copy applications to the locations below:

1. Soft Copy – email to arustick@co.slo.ca.us
Subject line: HEAP/CESH Proposal – (Applicant Name)
2. Hard Copies – Mail or Drop-off
Attn: Allison Rustick
Department of Social Services
3433 South Higuera Street
San Luis Obispo, CA 93403

Timeline

Application due date: 9:00 a.m. on March 19, 2019

HSOC Meeting: April 3, 2019

Board of Supervisors: April 23, 2019

Questions or Need More Information?

Prior to February 25, 2019, contact Laurel Weir, Department of Social Services at (805) 781-1833 or lweir@co.slo.ca.us

From February 25th onward, contact Allison Rustick, Department of Social Services at (805) 781-1896 or arustick@co.slo.ca.us