COUNTY OF SAN LUIS OBISPO

REQUEST FOR PROPOSALS

HUD CONTINUUM OF CARE CoC BUILDS PROGRAM COMPETITION



San Luis Obispo County
Department of Social Services
August 1, 2024

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Overview

On July 22, 2024, the U.S. Department of Housing and Urban Development (HUD) released the Notice of Funding Opportunity (NOFO) for Continuum of Care (CoC) Builds Program Competition. The NOFO can be found at https://www.hud.gov/program offices/comm planning/coc/cocbuilds

The County of San Luis Obispo is requesting proposals for the CoC Builds Program Competition administered by HUD, and will be accepting applications for new Permanent Supportive Housing projects.

The application form can be accessed here: https://forms.office.com/g/9AsAAUjwT8
Applicants must also submit a detailed budget, including leveraged funds and sources, to SS HomelessServices@co.slo.ca.us.

The CoC Builds Program targets efforts within CoC geographic areas to address and reduce persons experiencing homelessness by adding new units of Permanent Supportive Housing (PSH) through awards for new construction, acquisition, or rehabilitation projects. HUD is encouraging CoCs to leverage funds provided for construction, acquisition, or rehabilitation of new PSH units with other funding sources to maximize the amount of housing that can directed to meeting the needs of individuals and families experiencing homelessness. PSH is permanent housing in which supportive services are provided to assist individuals with a disability and families where at least one household member has a disability and is experiencing homelessness to live independently. One project may be funded within the SLO County CoC geographic area. All applications received will be reviewed and scored by a nonconflicted Grant Review Committee, and a recommendation for funding made, to be approved by the Homeless Services Oversight Council and County of San Luis Obispo Board of Supervisors.

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 Builds program.

If you are interested in learning more about the local CoC Competition and how to apply, please participate in the online CoC Builds Informational Meeting on Wednesday, August 7th at 9am. Interested persons may attend the informational meeting via Zoom or by phone.

Zoom Link for informational meeting:

https://us06web.zoom.us/j/88444768453?pwd=OlOvbsls|mbdYqprG2pC8R7lfxEoY5.1

Or dial in:

+1 669 444 9171

Meeting ID: 884 4476 8453

Passcode: 086604

Applications are due Wednesday, September 4th **at 5pm.** Applications must be submitted online through the County of San Luis Obispo's application form. See pages 11-12 of this RFP for how to access this form.

CoC Builds Available Funding

Maximum Funding Available for New PSH	\$4,750,000
(Permanent Supportive Housing) Projects	
Maximum Amount That Can Be Used for	\$1,000,000
Supportive Services for the PSH Project	

The maximum award amount under this CoC Builds RFP is based on each CoC's Final Pro Rata Need (FPRN) for the FY 2024 CoC Competition, which is the higher of the CoC's Preliminary Pro Rata Need (PPRN) or Annual Renewal Demand (ARD). For San Luis Obispo County CoC, both the PPRN and ARD will fall below \$10,000,000, which means the maximum amount available for a single project is \$5,000,000.

5% of total project funding (up to \$250,000) is reserved for administrative costs. Up to \$4,750,000 is available for new PSH projects. 20% of the total project funding (up to \$1,000,000) may be used for project-based rental assistance, operating costs, or supportive services.

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 CoC Builds program will make awards to new Permanent Supportive Housing projects, in order to address both the immediate need for shelter and the underlying factors contributing to homelessness, leading to better outcomes for individuals and communities alike.

Permanent supportive housing is beneficial for several reasons:

- Stability: It provides stable housing for individuals who may otherwise be experiencing homelessness or precariously housed, offering a foundation for stability in their lives.
- Support Services: It offers on-site or readily accessible, voluntary support services such
 as counseling, healthcare, substance abuse treatment, and job training, tailored to the
 individual's needs.
- Cost-Effectiveness: It can reduce overall public costs by decreasing the use of emergency services, such as hospitals, shelters, and law enforcement, which are often utilized at higher rates by individuals experiencing homelessness.
- Improved Health Outcomes: Stable housing contributes to better physical and mental health outcomes for residents, as they have a safe and consistent environment in which to address health issues and access regular care.
- Community Integration: Permanent supportive housing allows individuals to become integrated into their communities, fostering a sense of belonging and social connection, which are crucial for overall well-being.
- Prevention of Recidivism: For individuals who have experienced incarceration or cycles
 of homelessness, permanent supportive housing can break these cycles by providing a
 stable environment and support systems to prevent relapse into previous patterns.

HUD has the following six goals for this competition:

- 1. Increase housing opportunities for people with high risk of levels of need.
- 2. Increase the supply of permanent supportive housing units within CoC geographic areas to address individuals and families experiencing homelessness where one member of the household has a disability.
- 3. Encourage coordination between housing providers, health care organizations, and social service providers.
- 4. Ensure access to resources for projects to expand opportunities for new PSH units in States with populations less than 2.5 million.
- 5. Ensure new PSH units are conveniently located near local services; e.g., walking distance, near reliable transportation services, provide access to telehealth.
- 6. Affirmatively further fair housing by addressing barriers which perpetuate segregation, hinder access to areas of opportunity for protected class groups and concentrate affordable housing in under-resourced areas.

HUD's Goals and Objectives for This Program

HUD's Strategic Plan sets the direction and focus of their programs to create strong, sustainable, inclusive communities and quality, affordable homes for all. The CoC Builds program supports HUD's Strategic Plan for Fiscal Years (FY) 2022-2026 to accomplish HUD's mission and vision. You are expected to align your application to the applicable strategic goals and objectives below. The following are the goals and objectives from HUD's Strategic Plan applicable to the CoC Builds program:

- (1) **Support Underserved Communities.** Fortify support for underserved communities and support equitable community development for all people.
 - (a) **Reduce Homelessness.** Strengthen Federal, State, Tribal, and community implementation of the Housing First approach to reducing the prevalence of homelessness, with the ultimate goal of ending homelessness.
- (2) Ensure Access to and Increase the Production of Affordable Housing. Ensure housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people.
 - **(a) Increase the Supply of Housing.** Enhance HUD's programs that increase the production and supply of housing across the country.
- **(3) Advance Sustainable Communities.** Advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing's role as essential to health.
 - **(a) Strengthen Environmental Justice.** Reduce exposure to health risks, environmental hazards, and substandard housing, especially for low-income households and communities of color.
 - **(b) Integrate Health and Housing.** Advance policies that recognize housing's role as essential to health.

The following are policy priorities specific to the CoC Builds program:

- (1) Increasing Affordable Housing Supply. The lack of affordable housing is the main driver of homelessness. This NOFO provides funding for new construction, rehabilitation, or acquisition that can increase permanent supportive housing stock in a CoC's geographic area. CoCs, applicants, and developers should partner to determine an economical way to increase permanent supportive housing supply for individuals and families experiencing homelessness that considers adaptive reuse and conversion of hotel properties. Additionally, CoCs and applicants should engage local leaders to mitigate zoning and land use issues that may impact adding permanent supportive housing units to the CoC's housing stock.
- (2) Ensuring Access to Supportive Services and Public Services. Providing voluntary supportive services to individuals and families experiencing homelessness, particularly for these households that also include a family member who has a disability, can ensure the households have the tools and resources needed to successfully maintain permanent housing. Applicants must ensure households that will reside in the units developed under this NOFO will have access to CoC Program supportive services as well as other public services such as easy access to local parks and recreation, post office, etc. Additionally, applicants proposing projects in rural areas are encouraged to consider the most cost-effective method for supportive services delivery (e.g., use of internet for check-ins with program

- participants) and access to public services.
- (3) Partnering with Housing, Health, and Service Agencies. Using cost performance and outcome data, applicants 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 who are interested in assistance with receiving primary care, housing related services, and with obtaining 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 program resources provided through the HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) that was created through the American Rescue Plan.
 - **(c)** Partner with local workforce development centers to improve employment opportunities.
 - **(d)** Work with Tribes and Tribal organizations to ensure that Tribal members can access CoC funded assistance when a CoC's geographic area borders a Tribal area.

Eligible Activities

For the CoC Builds program, PH-PSH (Permanent Housing – Permanent Supportive Housing) is the only CoC Program Component that is eligible for funding. Permanent Housing (PH) is community-based housing, the purpose of which is to provide housing without a designated length of stay. Permanent Supportive Housing (PSH) can only provide assistance to individuals with disabilities and families in which one adult or child has a

disability. The application may also request no more than 20 percent of an award for CoC Program eligible activities and costs associated with such new PH-PSH projects.

Project Applications:

- (1) Must include capital costs for new construction, acquisition, or rehabilitation of new PSH units; and
- **(2)** May include costs for other eligible CoC Program Costs associated with the PSH project that are no more than 20 percent of the total budget requested.

Grant terms may be two, three, four, or five years. Projects selected for conditional award must be able to:

- (1) Provide proof of site control (24 CFR 578.25) prior to execution of the grant agreement; and
- (2) Execute the grant agreement with HUD no later than September 1, 2025.

Additionally, projects selected for conditional award must:

- (1) Have a completed environmental review before awarded funds can be drawn for project activities.; and
- **(2)** Meet the timeliness standards outlined in 24 CFR 578.85 for new construction or rehabilitation activities.

You should select the grant term based on the type of capital costs project you are submitting and the realistic time frame for completion. Generally, rehabilitation and acquisition time frames are less than new construction.

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/). In the case of victim service providers, an HMIS-equivalent database that meets HUD's minimum requirements must be used.

All projects, except those proposing to serve victims of domestic violence, must participate in the San Luis Obispo County Coordinated Entry system, and the selection of program participants must be consistent with the CoC's Coordinated Entry process. Persons housed in the assisted units must come from the Coordinated Entry Housing Prioritization list. In

the case of victim service providers, another coordinated entry process that meets HUD's minimum requirements must be used.

If you have any questions about your agency's participation in the CoC's Coordinated Entry, please email <u>SS HomelessServices@co.slo.ca.us</u>.

Participant Eligibility - Projects funded through this program have the following eligibility criteria for program participants (24 CFR 578.37(a)(1)(i)):

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.

Eligible Applicants

The following types of project applicants will be eligible under the local CoC Builds program competition:

- Nonprofit organizations having a 501(c)(3) status with the IRS, other than institutions
 of higher education
- Public housing authorities
- City or township governments

HUD will only accept CoC Builds project applications from CoC Collaborative Applicants. The County of San Luis Obispo is the Collaborative Applicant for the San Luis Obispo County CoC. The County of San Luis Obispo will submit the application to HUD on behalf of the successful applicant organization.

Individuals, foreign entities, and sole proprietorship organizations are not eligible to compete for, or receive, awards made through the CoC Builds program.

Cost Sharing or Matching

This program requires cost sharing or matching. The subrecipient must match all grant funds with no less than 25 percent of funds or in-kind contributions from other sources. Cash match must be used for the costs of activities eligible under the CoC Builds program competition.

The subrecipient may use funds from any source, including any other federal sources (excluding Continuum of Care 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 subrecipient may use the value of any real property, equipment, goods, or services contributed to the project as match, provided that if the subrecipient had to pay for them with grant funds, the costs would have been eligible under the CoC Builds program competition.

Before grant execution, services to be provided by a third party must be documented by a memorandum of understanding (MOU) between the subrecipient and the third party that will provide the services. Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the subrecipient's organization. If the subrecipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market. The MOU must establish the unconditional commitment, except for selection to receive a grant, by the third party to provide the 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.

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.

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.
- D. Subrecipients must comply with non-discrimination, fair housing, and equal opportunity regulations as described in 24 CFR 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).
- 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 Using housing subsidies or subsidized housing units not funded through the CoC Program (examples include Housing Choice Vouchers (HCV), HOME-ARP, HOPWA) to support new Permanent Housing projects.

Application Procedure

Complete applications will be due by Wednesday, September 4th at 5 PM. The process may be found in the "Timeline" section of the RFP on page 14.

The application process consists of the following steps:

- 1. An application form submitted to the County via Microsoft Forms: https://forms.office.com/g/9AsAAUjwT8
- 2. A detailed budget submitted to the County by email at SS HomelessServices@co.slo.ca.us, including leveraged funds and sources.

Note that you will not be able to save your online application form. The following reference document provides the questions that you may be asked when completing your application. You may wish to refer to this document to work on your answers before starting the online form:

https://www.slocounty.ca.gov/departments/social-services/homeless-services-division/funding-availability/documents/coc-builds/coc-builds-application-form-questions

If you encounter any issues or challenges in accessing or completing the form, please email <u>SS_HomelessServices@co.slo.ca.us</u>. We will be able to provide the application form in alternative formats.

Homeless Services Division staff will review applications and may ask for applicants to provide additional information if needed prior to final submission to HUD.

Project Review and Scoring

Once an application has been submitted, a review will be undertaken to ensure the proposed project meets threshold requirements. Applications submitted by the deadline that meet the threshold requirements will be scored and ranked 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 project proposed and leveraging resources;
- Experience managing projects for the benefit of people experiencing homelessness;
- Realistic and complete implementation schedule;
- Quality and cost-effectiveness of services proposed, including property maintenance;
- Likelihood that the project will succeed in meeting currently unmet housing need;

- Quality of services proposed and likelihood that the project will be able to succeed in moving unsheltered persons into Permanent Housing;
- Experience managing rental housing, including track record of affordable housing grants;
- Coordination with housing providers, healthcare organizations and social service providers; and
- Experience promoting racial equity and community integration for persons with disabilities.

For applicants who have been funded in one or more previous years for Permanent Supportive Housing projects, 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); and
- Increases in total income (Permanent Housing Projects only).

This data will be measured from HMIS reports for these projects. Applicants for whom HMIS information is not available will be asked to submit similar performance information.

Once reviewed and scored, one project will be recommended for funding by the Grant Review Committee.

Final Rankings and Submission:

Following the Grant Review Committee's recommendation, all applicants will be notified whether or not their proposed project has been recommended for funding.

The proposed rankings will be voted on by the by the County's Homeless Services Oversight Council (HSOC) at its regular full meeting on September 18, 2024. Applicants will be notified by email whether or not their proposed project has been recommended for funding following the HSOC meeting. The HSOC's recommendation will also be voted on by the County Board of Supervisors at a meeting in October. Once the Board of Supervisors has voted on the recommendation, the County will submit the completed CoC application to HUD for its review.

Applications for funding are reviewed by HUD on a competitive basis. If funded by HUD, the County will enter into a contract with the subrecipient for implementation of the project.

Appeal Process

Applicants who wish to appeal a decision have several opportunities to do so throughout the CoC Builds Program Competition. The San Luis Obispo County HSOC will meet to review the Grant Review Committee's funding recommendation on September 18, 2024. 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 October. 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 VI.A.7 of the CoC Builds NOFO regarding the specific process for appeals.

Information Session

If you are interested in learning more about the local CoC Builds Program Competition and how to apply, please participate in the online Informational Meeting on Wednesday, August 7th at 9am. Interested persons may attend the Informational Meeting via Zoom or by phone.

Zoom Link for informational meeting:

https://us06web.zoom.us/j/88444768453?pwd=OlOvbslsImbdYqprG2pC8R7IfxEoY5.1

Or dial in:

+1 669 444 9171

Meeting ID: 884 4476 8453

Passcode: 086604

Timeline

CoC Builds NOFO Released by HUD

County of San Luis Obispo Releases RFP

August 1, 2024

August 7, 2024

Local Application Deadline

HSOC Meets to Make Recommendation

Board of Supervisors Meets to Make Recommendation

HUD CoC Builds Application Deadline*

July 22, 2024

August 1, 2024

September 4, 2024

September 18, 2024

October 2024

November 21, 2024

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*Note that, following the selection of the successful project, County staff will work in partnership with the applicant to submit the full CoC Builds application to HUD by the deadline of November 21, 2024.