

## SUMMARY OF THE 2018 CONTINUUM OF CARE NOTICE OF FUNDING AVAILABILITY (COC NOFA)

This summary includes highlights from the 2018 CoC NOFA, the HUD email announcement regarding its release, and a Change Log that HUD published the same day. Some relevant information is not included in the NOFA, but will be apparent once HUD opens *e-snaps* and releases the Detailed Instructions.

### BACKGROUND

The 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, and local governments to quickly re-house 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; and to optimize self-sufficiency among those experiencing homelessness.

Each year the U.S. Department of Housing and Urban Development (HUD) releases a Notice of Funding Availability (NOFA), signifying the beginning of a funding competition among approximately 450 Continuums of Care (CoC), the community stakeholder groups that guide local responses to homelessness. The 2018 CoC NOFA was released on June 20, 2018, opening the competition making available **APPROXIMATELY \$2.1 BILLION NATIONALLY** to serve people experiencing homelessness. The information in the NOFA sets forth the competition rules and processes for 2018. This summary includes the highlights of the NOFA -- additional guidance will be shared as it is made available.

Before the application is submitted to HUD, the CoC is required to hold a local competition to determine which projects will be included in the consolidated application, along with their relative priority. The results of the local competition dictate which projects the CoC will seek to fund. Additional information about project application requirements and standards will be available at the upcoming TA Workshop. Additional details about anything in this summary can be found in the NOFA, available at:

<https://www.hudexchange.info/resource/5719/fy-2018-coc-program-nofa/>

### KEY THEMES IN THIS YEAR'S NOFA

- CoCs may apply for DV Bonus Projects to serve survivors of domestic violence, dating violence, and stalking.
- Applicants may transition their project(s) from one CoC Program Component to another over a one-year grant cycle.
- Applicants may consolidate two, three, or four eligible renewal projects into one project during the application process.
- Applicants may apply for new funding to expand CoC-Program-funded or non-CoC-Program-funded projects.
- HUD had added a policy priority indicating that CoCs should work to develop partnerships with Public Housing Authorities (sometimes called PHAs) to work toward helping CoC Program participants exit Permanent Supportive Housing through Housing Choice Vouchers (formerly Section 8 vouchers) and other available housing options.

- HUD has underscored that efforts to prevent and end homelessness should consider and address racial inequities to achieve positive outcomes for all persons experiencing homelessness.

#### IMPORTANT HUD-REQUIRED DATES

- **WEDNESDAY, JUNE 20, 2018**: 2018 CoC Program NOFA release date
- On or after **THURSDAY, JUNE 28, 2018**: *e-snaps* will be available.
- On or before **SUNDAY, AUGUST 19, 2018** (30 days prior to submission deadline): All project applications are required to be submitted to the CoC.
- Submission deadline: **TUESDAY, SEPTEMBER 18, 2018 AT 5:00 PM PDT**

#### AVAILABLE FUNDING FOR OUR COC

The eligible funding application amounts for the Stanislaus County CoC are expected to be approximately as follows, **based on HUD's Preliminary Pro Rate Need (PPRN) and Annual Renewal Demand amounts released in July 2018.**

- CoC's estimated Annual Renewal Demand: \$3,135,250
  - Estimated Tier 1 (94% of Annual Renewal Demand): \$2,947,135
  - Estimated Tier 2 (remainder of Annual Renewal Demand + Bonus amount): \$394,008
    - Estimated Bonus amount (6% of Final Pro Rata Need): \$205,893
- Estimated DV Bonus amount (for our community, 10% of PPRN): \$343,155
- Estimated CoC Planning amount (for our community, 3% of Final Pro Rata Need): \$102,947
  - Planning grants are not ranked again in 2018.

#### APPLICATION STRUCTURE

The CoC Consolidated Application is made up of three parts:

1. **CoC Application** provides information about the CoC planning body, governance structure, overall performance, and the strategic planning process. This part of the application is scored and will determine the order in which CoCs are funded.
2. **Project Applications**
3. **CoC Priority Listing** ranks all project applications in order of priority.

#### REVIEW AND RANK CHANGES AND REMINDERS

HUD requires CoCs to review and rank projects submitted by project applicants, except CoC planning projects, having them fall into two Tiers based on a financial threshold. All projects must pass HUD's eligibility and threshold requirements to be funded, no matter their priority.

#### TIER 1

- In 2018, Tier 1 is equal to 94% of the CoC's FY 2018 Annual Renewal Demand.
- Tier 1 projects will be conditionally selected from the highest-scoring CoC to the lowest-scoring CoC, provided the project applications pass both eligibility and threshold review.

## TIER 2

- Projects in Tier 2 are less likely to be funded, and every Tier 2 project will be scored using a 100-point scale based on three factors that have not changed since last year's competition:
  - **COC SCORE.** Up to 50 of 100 points will be awarded in direct proportion to the score received on the CoC Application.
  - **COC PROJECT RANKING.** Up to 40 of 100 points for the CoC's ranking of the project application(s). To more evenly distribute funding across CoCs and take into account the CoC's ranking of projects, point values will be assigned directly related to the CoC's ranking of projects. Additional details are available in the NOFA.
  - **COMMITMENT TO HOUSING FIRST.** Up to 10 of 100 points for commitment to applying a Housing First model or demonstrating low barriers and rapid placement into housing.

## NEW HUD POLICIES RELATED TO PROJECT APPLICATIONS IN 2018

**TRANSITION GRANTS**

- Applicants may transition renewal projects from one CoC Program component (e.g. Transitional Housing to Rapid Rehousing, Rapid Rehousing to Permanent Supportive Housing) to another using the CoC Program Competition.
- To be eligible to receive a transition grant, the renewal project applicant must have the consent of its CoC.
- To create a transition grant, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant.
- For a new project to be considered a transition grant, the applicant for the new project must be the same recipient for the eligible renewal grant(s) being eliminated, and the applicant must provide the grant number(s) of the projects being eliminated to create the new project and attach a copy of the most recently awarded project application (e.g., if the project was last funded in the FY 2017 CoC Program Competition, a copy of the FY 2017 CoC Program Competition project application must be attached to the project application).

**CONSOLIDATED PROJECTS**

- Eligible renewal project applicants may consolidate two, three, or four eligible renewal projects into one project application during the application process.
- This means that a CoC Program recipient no longer must wait for a grant agreement amendment to be executed to consolidate two or more grants before it can apply for a single consolidated project in the CoC Program Competition. However, prior to beginning the consolidation process in the project application, the applicant should consult with the local HUD field office to ensure it is eligible to consolidate the projects.
- The projects being combined during a grant consolidation will continue uninterrupted.

**EXPANSION PROJECTS**

- A renewal project applicant may submit a new project application to expand its current operations by adding units, beds, persons served, services provided to existing program participants, or in the case of HMIS, increase the current HMIS grant activities within the CoC's geographic area.
- There are two types of expansions:

- **Expanding a CoC Program funded Project.** Expansion in which a project applicant submits a new project application to expand the current operations of an eligible renewal project for which it is the recipient by adding additional CoC Program funds. Under this type of expansion, for the new expansion project to be selected for conditional award the renewal project application must also be selected for conditional award.
- **Expanding a non-CoC Program funded project.** Expansion in which a project applicant submits a new project application that requests CoC Program funds to add to a current homeless project that is funded from sources other than CoC Program funds. Project applicants are prohibited from using CoC Program funds to replace state and local funds.

## ELIGIBLE NEW PROJECTS

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

## DOMESTIC VIOLENCE (DV) BONUS

- Due to up to \$50 million set aside in the FY2018 HUD Appropriations Act, CoCs will be able to apply for a DV Bonus for Rapid Rehousing projects, Joint Transitional Housing and Rapid Rehousing Component projects, and Supportive Services Only projects for Coordinated Entry. A CoC may apply for up to 10% of its PPRN, or a minimum of \$50,000, whichever is greater, or a maximum of \$5 million, whichever is less, to create up to three DV Bonus projects with 1-year grant terms.
- A CoC may apply for **ONE OF EACH** of the following types of projects:
  - **RAPID REHOUSING** projects that must follow a Housing First approach.
  - **JOINT TRANSITIONAL HOUSING AND RAPID REHOUSING** component projects that must follow a Housing First approach.
  - **SUPPORTIVE SERVICES ONLY PROJECTS FOR COORDINATE ENTRY** 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.
- A CoC may apply to expand an existing renewal project that is *not* dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking to dedicate additional units, beds, persons served, or services provided to existing program participants to this population.
- CoCs are required to rank all DV Bonus projects on the New Project Listing of the CoC Priority Listing with a unique rank number. If a project application designated as DV Bonus is conditionally selected by HUD with DV Bonus funds, HUD will remove the ranked DV Bonus project from the New Project Listing and all other project applications ranked below the DV Bonus project will slide up one rank position. If the DV Bonus project application is not conditionally selected with DV Bonus funds, the project application will remain in its ranked

position and will be considered for conditional award under the regular bonus amount available to the CoC.

#### ELIGIBLE TYPES OF NEW PROJECTS CREATED THROUGH REALLOCATION AND/OR BONUS

- **PERMANENT HOUSING-PERMANENT SUPPORTIVE HOUSING PROJECTS** that meet the requirements of DedicatedPLUS or where 100% of the beds are dedicated to individuals and families experiencing chronic homelessness, as defined in 24 CFR 578.3.
- **PERMANENT HOUSING-RAPID REHOUSING PROJECTS** that will serve homeless individuals and families, including unaccompanied youth.
- **JOINT TRANSITIONAL HOUSING AND RAPID REHOUSING COMPONENT PROJECTS** to better serve homeless individuals and families, including particular client eligibility criteria.
- **DEDICATED HMIS PROJECTS** to be carried out by the HMIS Lead, which is the recipient or subrecipient of an HMIS grant.
- **SUPPORTIVE SERVICES ONLY PROJECTS FOR COORDINATED ENTRY** to develop or operate a centralized or coordinated assessment system.

#### IMPORTANT POINTS FOR RENEWAL PROJECTS

- **DEDICATED PLUS PROJECTS.** A renewal project that is Permanent Supportive Housing 100% dedicated to chronically homeless people may either become a DedicatedPLUS project or may continue to dedicate 100% of its beds to chronically homeless individuals and families. If a renewal project that has 100% of its beds dedicated to chronically homeless individuals and families elects to become a DedicatedPLUS project, the project will be required to adhere to all fair housing requirements at 24 CFR 578.93.
- **RENEWAL GRANTS PER UNIT COST.** Applicants requesting renewal of grants for rental assistance are permitted to request a per-unit amount less than the Fair Market Rent (FMR), if the actual rent per unit under lease is less than the FMR. This will help reduce the number of projects receiving rental assistance that have large balances of unspent funds remaining at the end of the operating year. Renewal project applicants must ensure the amount requested will be sufficient to cover all eligible costs as HUD cannot provide funds beyond the amount awarded through this Competition. **\*\*NEW THIS YEAR\*\*** The Applicants must provide copies of the leases to establish the actual rents.
- **RAPID REHOUSING ELIGIBILITY.** Certain renewal Rapid Rehousing projects may be allowed to serve participants beyond those proposed in the initial funding application. For example, if a renewing Rapid Rehousing project was originally funded to serve only families with children, that project, through the FY 2018 project application, may be able to also serve individuals if it so chooses, depending on whether the original application was a Bonus project

#### IMPORTANT POINTS FOR ALL PROJECT APPLICANTS

- **DUNS/SAM REGISTRATION.** All project applicants must have a DUNS number and an active SAM registration. **\*\*NEW THIS YEAR\*\*** SAM registration requires additional steps this year, and applicants should begin their registration process immediately.
- **REQUIRED READING.** Project applicants should read the CoC NOFA, CoC Program Interim Rule, and the General NOFA.
- **NO LEVERAGE.** No leverage again this year!

- **CODES OF CONDUCT.** All applicants must have a current HUD-approved Code of Conduct. Be sure to review the [Code of Conduct for HUD Grant Programs](#) page on HUD’s website to ensure your organization is listed (which means you have submitted an approved Code of Conduct). If you do not see your organization on the list, be sure to attach a current and complete Code of Conduct to your Project Applicant Profile in *e-snaps*.

## RESOURCES:

- 2018 CoC NOFA: <https://www.hudexchange.info/resource/5719/fy-2018-coc-program-nofa/>
- CoC Program Interim Rule (24 CFR part 578):  
<https://www.hudexchange.info/resource/2035/coc-program-interim-rule-formatted-version>
- E-snaps application system: <https://esnaps.hud.gov>
- HUD Websites:
  - [www.hud.gov](http://www.hud.gov)
  - [www.hudexchange.info](http://www.hudexchange.info)
- Funding Application: <https://www.hudexchange.info/programs/e-snaps/>
- Training and Resources: [www.hudexchange.info/homelessness-assistance/](http://www.hudexchange.info/homelessness-assistance/)
- HUD Exchange Ask A Question (AAQ): <https://www.hudexchange.info/program-support/my-question/>
- Listserv: [www.hudexchange.info/maillinglist](http://www.hudexchange.info/maillinglist)