

# **Three County Continuum of Care 2018 Competition Guidance**

The US Department of Housing and Urban Development has released the Continuum of Care (CoC) FY 2018 Notice of Funding Announcement (NOFA). The NOFA is available at <https://www.hudexchange.info/resources/documents/FY-2018-CoC-Program-Competition-NOFA.pdf>

Acting as the Collaborative Applicant for the Three County Continuum of Care (MA-507), Hilltown CDC will coordinate the submission of the Three County Continuum of Care Consolidated Application to HUD due **Thursday, September 18, 2018 by 7:59:59pm eastern time in e-snaps**. Applications can include three types of individual project applications:

1. Grantees with current projects expiring in calendar year 2018 seeking **renewal** funding. This may include transition and consolidation grants. See HUD priority programs on pages 5 – 9 of this RFP.
2. New Applicants and Grantees with current projects expiring in calendar year 2019 seeking **reallocation** funds for a new eligible project (**\$745,034** available) See further guidance regarding reallocation on pages 5 – 9 of this RFP.
3. A **Bonus** applicant proposal for a **new Domestic Violence Permanent Supportive Housing or Rapid Rehousing (RRH) or a Joint TH and PH-RRH** project (**\$154,131** available). More detail below.
4. A **Bonus** applicant proposal for a **new Permanent Supportive Housing or Rapid Rehousing (RRH) or a Joint TH and PH-RRH** project (**\$99,606** available).

## **Total Estimated Funding Published by HUD:**

**Estimated Annual Renewal Demand: \$1,660,103 (\$745,034 available for reallocation)**

**Estimated Annual Renewal Demand at 94 Percent (Tier 1) \$1,560,497**

**CoC Planning: \$49,803** - Planning dollars are in addition to the CoC renewal demand amount and applied for by the Collaborative Applicant.

**Bonus: \$99,606**

**DV Bonus: \$154,131**

**Tier 2: = 6% ARD + Bonus + DV Bonus = \$353,343**

### **Application Deadline**

Applications for renewal, transition, reallocation and permanent supportive/rapid rehousing housing bonus projects are due to the Collaborative Applicant, Hilltown CDC via the e-snaps web based system by **Friday, August 17, 2018 by 5:00 pm eastern time**.

For the 2018 Three County CoC competition, applicants may choose to reallocate current project funds to propose a new project. Please see NOFA. Existing Three County CoC funded projects are eligible to apply for renewal funding, which includes transition and consolidation projects, as well as applying for reallocated and bonus funds.

The Three County Continuum of Care expects to be awarded a minimum of **\$1,560,497 (Tier 1)** in this funding round. It may receive up to **\$1,660,103 (Annual Renewal Demand) plus \$353,343 (Bonus Funds)** if it scores well in this competition. **Tier 2** is **6%** of the CoC's total renewal demand plus bonus funds or **\$353,343**. Programs ranked lowest will appear in the Tier 2 category.

In the 2018 Three County CoC competition there will be **\$745,034** available for reallocation.

### **Scoring, Ranking and Selection of Applications:**

The Three County CoC will score and rank all applications for renewal, transition, consolidation, reallocated, and permanent supportive housing /DV bonus projects. All complete and eligible applications will be scored by the CoC Board of Directors, using a scoring rubric developed by the Board. Scores will determine each project's rank in the CoC's application to HUD, and rank will determine placement into Tier 1 and Tier 2 respectively.

The scoring rubric promotes certain best practices or practices that will improve our local response to homelessness, align our response with regional needs, national policies and best practices, and make our CoC application to HUD more competitive. These include:

**New project applications including reallocation, transition, consolidation, and bonus projects will be ranked according to three criteria. These criteria below should be discussed in the grant narrative and a scheduled presentation to the CoC Ranking and Evaluation review team. These presentations will be on August 21, 2018 from 1-3. On September 4, 2018 the CoC will post the Ranking of projects on Hilltown CDC's website. [www.HilltownCDC.org](http://www.HilltownCDC.org).**

#### **1) Project alignment with CoC priorities - 50 points**

**Population Type** - the Project serves one or more priority populations

**Geographical Impact** - the Project is vital to the CoC's geographical coverage, which may include evaluating the project's impact and ability to preserve CoC funding for a specific geographic region.

**Project Type** - the Project operates a PSH or RRH program (for individuals, families, youth, DV) or TH/PH-RRH.

Best Practices - the project implements CTI, Motivational Interviewing (MI) and/or Housing First

#### **2) Project contributions to CoC system – 30 points**

**Contribution to Systems Performance** - the Project proposes and will contribute to System-Wide Performance Measures (SPM)

**Dedicated Beds** - the Project dedicates beds to chronic homeless, veterans or youth

**CoC Participation** – Applicant agrees to attend/chair CoC meetings, participates in Coordinated Entry and other CoC activities.

#### **3) Project performance – 20 points**

**CoC Participant Goals** – proposed CoC goals are related to client work, income, and housing stability

**CoC Operations Goals** – proposed CoC goals are met related to bed utilization, HMIS data, cost-effectiveness (cost per participant), Site & Fiscal Monitoring

**A total of 100 points is available:**

**50 for Project alignment with CoC priorities**

**30 for Project contributions to CoC system**

**20 for Project performance**

**The process for considering projects will include the following:**

A threshold requirement that submissions required in this guidance are complete and timely (failure to meet this requirement will result in project not being scored). Project scoring will be applied to both renewal and new projects. Applicant presentations are required, will be no longer than ½ hour and will be used for clarifying items that are part of the scoring. Once the committee completes the scoring, the committee may consider whether the initial scoring is likely to result in any critical service gaps and may make an adjustment to the score. The rationale for any adjustment will be recorded and made public with the published ratings and rankings.

Because HMIS and Coordinated Entry are administrative requirements for the CoC and must be funded, the HMIS and Coordinated Entry grants will receive the maximum score. In addition, some projects which are eligible for renewal are new projects which have not completed an initial year of operation. Due to this, these projects may be placed at the top of Tier 1 because they reflect HUD priorities and have not yet been able to demonstrate performance.

Proposers will be notified in writing on **Friday, September 4, 2018** whether their application will be included and the amount allocated to their project. The list of ranking and rationale will be posted on the Hilltown CDC website on that date no later than **8pm**. [www.Hilltowncdc.org](http://www.Hilltowncdc.org)

The Three County CoC has delegated final ranking and scoring of project application to the Ranking and Evaluation committee. This process has been approved by the CoC Board and requires the committee to utilize a common tool for project evaluation and schedule presentations from each applicant.

## **APPEAL**

Applicants (new and renewal) will have the opportunity to appeal the CoC Application Committee's Project Selections, Rankings and Tier Allocations by submitting a written letter of appeal **by 5 pm on September 11, 2018** to Dave Christopolis, [davec@hilltowncdc.org](mailto:davec@hilltowncdc.org). or PO Box 17, Chesterfield, MA 01012.

## Submitting an Application:

Existing sub-recipient projects that are intending on applying for **renewal** or **reallocated** funds through this year's competition must log into their e-snaps account to complete their applications. The Collaborative Applicant, Hilltown CDC, will make these applications available in e-snaps as soon as HUD makes them available.

Applicants who are submitting a **Bonus Project** must also submit an application in e-snaps. The e-snaps web based application can be accessed at [www.hud.gov/esnaps](http://www.hud.gov/esnaps).

New applicants who are not currently funded by the CoC must create an account in e-snaps in order to apply. Hilltown CDC can provide technical assistance with this process. Contact Dave Christopolis, Executive Director at 413-296-4536 ext. 118 or [davec@hilltowncdc.org](mailto:davec@hilltowncdc.org) for assistance. Applications will be set up in e-snaps within two business days of contacting the Collaborative Applicant. Applicants should consult the HUD HRE website <https://www.hudexchange.info/programs/coc/> for information related to the CoC application and can submit a question at the HUD AAQ at <https://www.hudexchange.info/program-support/my-question/>. The complete NOFA is also available at the HUD HRE website.

### **FY 2018 Project Application(s) required for each project application completed in e-snaps:**

**NOTE: sub-recipients must provide the items in BOLD below by 5pm, August 17, 2018 as part of their submission in e-snaps.** Other attachments will be submitted by the Collaborative Applicant.

**a. Project application charts, narratives, and attachments (sub-recipient)**

b. SF-424 Application for Federal Assistance (Collaborative Applicant)

c. The SF-424 Supplement, Survey on Ensuring Equal Opportunities for Application is for private nonprofit applicants only and completion/submission of this survey is voluntary (Collaborative Applicant)

**d. Documentation of Applicant and Sub-Recipient Eligibility. All project applicants must attach documentation of eligibility—sub-recipient eligibility must also be attached to the project application (sub-recipient) – see j. and k. below.**

e. Applicant Certifications

f. Form HUD-2880, Applicant/Recipient Disclosure/Update Report must be attached for each project. Form HUD-2880 must include the correct amount of HUD assistance requested and must be dated no earlier than June 1, 2016 (Collaborative Applicant)

g. SF-LLL, Disclosure of Lobbying of Activities (if applicable) (Collaborative Applicant)

h. Applicant Code of Conduct. The Code must be attached in e-snaps or on file with HUD [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/grants/conduct](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/conduct) (Collaborative Applicant)

i. Form HUD-50070, Certification for a Drug-Free Workplace signed and dated between May 1, 2018 and September 14, 2018. (Collaborative Applicant)

**j. Match letters (sub-recipient).** 24 CFR 578.73 provides the information regarding match requirements. Project applicants that intend to use program income as match must provide an estimate of how much program income will be used for match.

**k. New project applications must include an approved fiscal year agency budget and most recent audit**

## **HUD Priority Programs Eligible for this NOFA**

### **Permanent Supportive Housing for Chronically Homeless Individuals, Youth or Families**

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; definitions and guidance for each of these items are at 24 CFR 578.43-578.63.

In this competition, new PSH projects can only provide assistance to chronically homeless individuals or families headed by a chronically homeless person. Supportive services designed to meet the needs of the program participants must be made available to the program participants.

Any of the following types of housing can be used to provide permanent supportive housing: shared housing, SRO units, clustered apartments, scattered site apartments, or single-family homes/townhouses/duplexes. The provider agency may own or lease the units, or may provide rental assistance which enables a program participant to rent the unit.

### **Rapid Rehousing for Individuals and Households with Children (RRH)**

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).

### **\* New projects created through reallocation or transition**

Types of new project applications permitted through the reallocation process are:

1. permanent supportive housing projects that meet requirements of DedicatedPLUS or the standard 100 percent dedicated for chronically homeless individuals and families;
2. rapid rehousing projects that served individuals and families, including unaccompanied youth who meet the criteria outlined in the NOFA;
3. Joint TH and PH-RRH component projects;
4. dedicated HMIS; and
5. supportive services to develop or operate a new centralized or coordinated assessment system.
6. Domestic Violence (DV) Bonus

### **New projects created through permanent housing bonus**

Types of new project applications permitted through the permanent housing bonus, which is 6 percent of a CoC's Final Pro Rata Need (PPRN) are:

1. permanent supportive housing projects that meet requirements of DedicatedPLUS or the standard 100 percent dedicated for chronically homeless individuals and families;
2. rapid rehousing projects that served individuals and families, including unaccompanied youth who meet the criteria outlined in the NOFA; and
3. Joint TH and PH-RRH component projects

## **Expanding CoC Program funded projects**

HUD introduced a new way to expand CoC Program-funded projects which will allow an eligible renewal project to expand units, beds, persons, or services (dedicated HMIS projects can expand HMIS activities) through the reallocation process or permanent housing bonus. A new project application is required and only available to the type of projects allowed under the reallocation process or permanent housing bonus. Not applicable to: transitional housing, supportive services only (non-coordinated entry) and Safe Haven projects as these types of projects do not fall under eligible new project application types. Project applicants can also expand a project under the traditional method, e.g., expand an existing project funded through other sources with the request of CoC Program funds to add persons, units, or services.

## **DedicatedPLUS**

A permanent supportive housing project where 100 percent of the beds are dedicated to serve individuals with disabilities and families in which one adult or child has a disability, including unaccompanied homeless youth, that at intake are:

1. experiencing chronic homelessness as defined in 24 CFR 578.3;
2. residing in a transitional housing project that will be eliminated and meets the definition of chronically homeless in effect at the time in which the individual or family entered the transitional housing project;
3. residing in a place not meant for human habitation, emergency shelter, or safe haven; but the individuals or families experiencing chronic homelessness as defined at 24 CFR 578.3 had been admitted and enrolled in a permanent housing project within the last year and were unable to maintain a housing placement;
4. residing in transitional housing funded by a Joint TH and PH-RRH component project and who were experiencing chronic homelessness as defined at 24 CFR 578.3 prior to entering the project;
5. residing and has resided in a place not meant for human habitation, a safe haven, or emergency shelter for at least 12 months in the last three years, but has not done so on four separate occasions; or
6. receiving assistance through a Department of Veterans Affairs(VA)-funded homeless assistance program and met one of the above criteria at initial intake to the VA's homeless assistance system.

A renewal project where 100 percent of the beds were dedicated to chronically homeless individuals and families, as described in Section III.C.3.b, under the grant that is being renewed may either become a DedicatedPLUS project or may continue to dedicate 100 percent of its beds to chronically homeless individuals and families. If a renewal project that has 100 percent of its beds dedicated to chronically homeless individuals and families elects to become a DedicatedPLUS project, the project will be required to adhere to all fair housing requirements at 24 CFR 578.93.

Projects that were awarded as DedicatedPLUS in the FY 2017 CoC Program Competition are required to include households with children to qualify as a DedicatedPLUS project in the FY 2018 CoC Program Competition.

## **Joint TH and PH-RRH Component Project**

The Joint TH and PH-RRH component project includes two existing program components— transitional housing and permanent housing-rapid rehousing—in a single project to serve individuals and families experiencing homelessness.

HUD will require the recipient to adopt a Housing First approach (see Section II.A.4 of this NOFA) across the entire project and program participants may only receive up to 24-months of total assistance. For more information about Joint TH and PH-RRH component projects, see Section V.C.3 of this NOFA for additional information.

If funded, HUD will limit eligible costs as follows, in addition to other limitations found in 24 CFR part 578:

- (1) leasing of a structure or units, and operating costs to provide transitional housing;
- (2) short- or medium-term tenant-based rental assistance on behalf of program participants to pay for the rapid rehousing portion of the project;
- (3) supportive services;
- (4) HMIS; and
- (5) project administrative costs.

## **Rapid Rehousing**

Rapid Rehousing is not new in the FY 2018 CoC Program Competition; however, there is a significant change to the persons who can be served by a rapid rehousing project. Rapid rehousing projects may serve individuals and families, including unaccompanied youth, who meet the following criteria:

1. residing in a place not meant for human habitation;
2. residing in an emergency shelter;
3. persons meeting the criteria of paragraph (4) of the definition of homeless, including persons fleeing or attempting to flee domestic violence situations;
4. residing in a transitional housing project that was eliminated in the FY 2017 CoC Program Competition; or
5. residing in transitional housing funded by a Joint TH and PH-RRH component project; or
6. receiving services from a VA-funded homeless assistance program and met one of the above criteria at initial intake to the VA's homeless assistance system. The persons who are provided housing and services through rapid rehousing has been expanded. You will also notice the NOFA no longer requires renewing rapid rehousing projects continue to serve only those participants who were in a rapid rehousing category when the project was initially funded. Therefore, if a renewing rapid rehousing project was originally funded to serve only families with children, that project, through the FY 2017 project application, may indicate it will also serve individuals if it so chooses.

**Transition Grants.** The FY 2017 Appropriations Act established the ability of renewal projects to transition from one CoC Program component to another during the CoC Program Competition. See Section III.C.3.r of this NOFA for a definition of the transition grant concept. HUD was unable to implement in the FY 2017 CoC Program Competition, but is implementing this concept in the FY 2018 CoC Program Competition as follows:

- a. No more than 50 percent of each transition grant may be used for costs of eligible activities of the program component originally funded;
- b. transition grants in this Competition are eligible for renewal in subsequent fiscal years for eligible activities of the new program component; and

c. to be eligible to receive a transition grant, the renewal project applicant must have the consent of its Continuum of Care and meet the standards outlined in Section III.C.3.r of this NOFA.

**Bonus Project: \$99,606 is available for the 3 County CoC Bonus project.** HUD has made bonus funding available for the following types of new project applications:

The Bonus project may be any of the following components:

- Permanent Supportive Housing
- Rapid Rehousing
- Joint Transitional Housing-Rapid Rehousing
- Coordinated Entry
- HMIS (can only be applied for by the HMIS lead)

**Domestic Violence (DV) Bonus.** The FY 2018 HUD Appropriations Act provides up to \$50 million for “rapid re-housing projects and supportive service projects providing coordinated entry and for eligible activities that the Secretary determines are critical in order to assist survivors of domestic violence, dating violence, and stalking.” Three County CoC has **\$154,131** In the FY 2018 CoC Program Competition, CoC’s will be able to apply for a DV Bonus for PH-RRH projects, Joint TH and PH-RRH component projects, and SSO projects for coordinated entry (SSO-CE). A CoC may apply for up to **10 percent of its Preliminary Pro Rata Need (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. A CoC may apply for one of each of the following types of projects: (1) Rapid Re-housing (PH-RRH) projects that must follow a housing first approach. (2) Joint TH and PH-RRH component projects as defined in Section II.C.3.m of this NOFA that must follow a housing first approach. (3) SSO Projects for Coordinated Entry (SSO-CE) 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 (e.g., to implement policies and procedures that are trauma-informed, client-centered or to better coordinate referrals between the CoC’s coordinated entry and the victim service providers coordinated entry system where they are different).

Regardless of the type of project the CoC applies for, the grant term must be 1-year.

**Consolidated Project.** New in FY 2018, eligible renewal project applicants will have the ability to consolidate two or more eligible renewal projects (but no more than four 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. To be eligible for consolidation, projects must have the same recipient and be for the same component; and they will be funded in this competition only with FY 2018 funds (meaning no funds recaptured from prior years will be awarded to the project). HUD will not permit projects with the following characteristics to consolidate that have: a. outstanding audit or monitoring findings; b. outstanding obligation to HUD that is in arrears, c. unresolved construction delays, d. history of poor financial management/drawdown issues, e. history of low occupancy levels, or



lack experience in administering the project type, or f. or other capacity issues. HUD will not permit a transitional housing and a permanent housing project to consolidate to form a Joint TH and PH-RRH component project and will not permit a transition grant to be consolidated with any other project. If a project meeting these characteristics attempts to consolidate as part of the project application process, the submitted consolidated project will be rejected by HUD during the application review process. To apply for a consolidated grant, applicants must submit separate renewal project applications for each of the grants that are proposed to be consolidated, and an application for the new consolidated grant with the combined budget and information of all grants proposed for consolidation. Project applications for the grants that are proposed to be consolidated will be ranked, and if all those grants are selected, HUD will award the single consolidated grant. If one of the grants proposed to be consolidated is found to be ineligible for consolidation or is not selected, HUD will award all grants that are eligible for renewal and selected as separate grants. See Section V.B.3.a.(7) of this NOFA for additional requirements.

**“Chronically homeless” as of January 14, 2016 is defined as:**

(1) A “homeless individual with a disability,” as defined in the Act, who: Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and has been homeless continuously for at least 12 months or on at least 4 separate occasions in the last 3 years where the combined occasions must total at least 12 months with occasions separated by a break of at least seven nights.

Stays in institutions of fewer than 90 days do not constitute a break (2) An individual who has been residing in an institutional care facility for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or (3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraphs (1) or (2) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

**CONVERTING TRANSITIONAL HOUSING**

Projects that currently operate as Transitional Housing may seek to convert in this competition to one of the models which evidence shows are most effective in ending homelessness: permanent supportive housing for the chronically homeless or rapid rehousing for households with children.

The process for conversion is submittal of an application for a NEW project that will replace the existing project that will be phased out. An existing program choosing this option should not submit a renewal application for the current project, but should instead only submit the NEW application.

While there is always a risk that a new application will not be approved, an application for a program meeting national priorities would be expected to score higher than an application that does not respond to these priorities; therefore, the new application is likely to be more competitive than a renewal application for Transitional Housing projects. These projects are most likely to be funded if they use this competition as an opportunity for conversion.

**REQUIRED - MATCHING FUNDS**

**Match:** The grantee must match all grant funds, except for leasing funds, with no less than 25% of funds or in-kind contributions from other sources. Guidance regarding cash and in-kind match is at 24 CFR 578.73. Project applicants that intend to use program income as match must provide an estimate of how much program income will be used for match. Grantees must also leverage other services or funds for program participants.

## **MATCH LETTERS MUST BE INCLUDED IN EACH SUB-RECIPIENT'S APPLICATION SUBMISSION.**

**1. Match Requirement:** Recipients/selectees awarded funds must match the total grant, including project administrative costs and CoC planning costs, with no less than 25 percent cash and/or in-kind contributions from other sources. The only exception to the match requirement is leasing costs, which do not require match. All recipients/selectees must adhere to 24 CFR 578.73 and 2 CFR 200.306. Match may only be used for the costs of eligible activities. For renewal and new projects, the recipient/selectee must provide match documentation, as indicated below, before HUD signs the grant agreement. Match documentation must clearly document a firm financial commitment; be signed by a person with authority on the letterhead of the organization; be conditioned only upon HUD approval of the grant; have a current date, generally no more than 60 days prior to the date of the award announcement (an exception may be a contract that covers the correct grant period but was signed prior to 60 days before the award); and include the amount of match being provided. Program income of grant recipients/selectees may be used as match. HUD has added language to this effect in the grant agreement's Scope of Work Exhibit.

For in-kind match, there must also be a description of the in-kind match that clearly demonstrates that it will be used for the conditionally-awarded project.

### **a. Cash Match**

**(1)** Recipients/sub-recipients/selectees may use funds from any source, including any other Federal, state, local, and private sources, provided that the funds are not statutorily prohibited to be used as match. However, Recipients/ sub-recipients are prohibited from using CoC Program funds as match.

**(2)** The recipient/selectee must demonstrate that any funds used as match are eligible to be used as match for the CoC Program. Each funding source has its own requirements governing whether it can be used to match Federal funding. The recipient/selectee is responsible for confirming that the source of match used is eligible as determined by the regulations and rules governing it.

### **b. In-kind Contributions**

**(1)** Recipients/sub-recipients/selectees using in-kind contributions may use the value of any real property, equipment, goods, or services contributed to the project as match, provided that if the recipients/sub-recipients/selectees would have to pay for them with grant funds, the costs would be eligible.

**(2)** During the term of the grant, the recipients/sub-recipients/selectees must maintain and make available for inspection records documenting the value of real property, equipment, goods, or services.

**(3)** Recipients/sub-recipients/selectees must adhere to the requirements of 2 CFR 200.306.

Recipients/sub-recipients/selectees must establish a Memorandum of Understanding (MOU) with any third party that will provide services before grant execution in accordance with 24 CFR 578.73(c)(3) Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient's/sub-recipient's/selectee's organization. If the recipient/sub-recipient/selectee 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. It is the responsibility of the recipient/selectee to provide evidence of cost reasonableness.

**(4)** A MOU must establish unconditional commitment, except for selection to receive a grant, by the third party to provide the services, including the following:

**(a)** The specific service to be provided;

**(b)** The profession of the persons providing the service; and

**(c)** The hourly cost of the service to be provided.

**(5)** During the term of the grant, the recipient/sub-recipient must maintain and make available for inspection records documenting the service hours provided.

## REQUIRED

### § 578.73 Matching requirements

(a) In general. The recipient or subrecipient must match all grant funds, except for leasing funds, with no less than 25 percent of funds or in-kind contributions from other sources. For Continuum of Care geographic areas in which there is more than one grant agreement, the 25 percent match must be provided on a grant-by-grant basis. Recipients that are UFAs or are the sole recipient for their Continuum, may provide match on a Continuum-wide basis. Cash match must be used for the costs of activities that are eligible under subpart D of this part, except that HPCs may use such match for the costs of activities that are eligible under § 578.71.

(b) Cash sources. A recipient or 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 recipient must ensure that any funds used to satisfy the matching requirements of this section are eligible under the laws governing the funds in order to be used as matching funds for a grant awarded under this program.

(c) In-kind contributions.

(1) The recipient or subrecipient may use the value of any real property, equipment, goods, or services contributed to the project as match, provided that if the recipient or subrecipient had to pay for them with grant funds, the costs would have been eligible under Subpart D, or, in the case of HPCs, eligible under § 578.71.

(2) The requirements of 24 CFR 84.23 and 85.24 apply.

(3) Before grant execution, services to be provided by a third party must be documented by a memorandum of understanding (MOU) between the recipient or 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 recipient's or subrecipient's organization. If the recipient or 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.

(i) 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.

(ii) During the term of the grant, the recipient or subrecipient must keep and make available, for inspection, records documenting the service hours provided.

## Sample Match Documentation Letter

[This must be on the letterhead of the entity providing the resource]

### DOCUMENTATION OF LEVERAGED RESOURCED OR CASH MATCH

Information regarding the leveraged resource or cash match to be provided by this agency is in the chart below.

**Name of organization providing contribution:** ABC, inc.

**Type of contribution:** Cash or in-kind

**Numbers of clients to be served with the contribution:**

**Value of the contribution per client:** \$XX,XXX

**Total value of the contribution:** \$XX,XXX

**Name of project:** Your program

**Name of project sponsor:** Your organization

**Date the contribution will be available:** xx/xx/2018 through xx/xx/2019

**Name of person authorized to commit these resources:** person providing leverage letter

**Title of person authorized to commit these resources:** person providing leverage letter

**Signature of person authorized to commit these resources:**

**Date:**

## ELIGIBLE PERSONS TO BE SERVED: HUD DEFINITION OF HOMELESS

All projects submitted for funding must serve persons who meet the HUD definition of Homeless.

For the CoC Program, homeless means:

1. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - b. An individual or family living in a supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low- income individuals); or
  - c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

The only persons who may be served by any **permanent supportive housing** projects are those who come from the streets, emergency shelters, safe havens, institutions or transitional housing. Additional guidance regarding this requirement follows:

Persons coming from transitional housing must have originally come from the streets or emergency shelters. Disabled individuals and families who were fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking, and are living in transitional housing are eligible for permanent supportive housing even if they did not live on the streets, emergency shelters or safe havens prior to entry into the transitional housing.

Persons exiting institutions where they reside for 90 days or less and came from the streets, emergency shelter, or safe havens immediately prior to entering the institution are also eligible for permanent supportive housing.

### **Other Definitions:**

**Evidence-Based Practices:** activities that evaluation research has shown to be effective.

Housing First is a model of housing assistance that is offered without preconditions (such as sobriety or a minimum income threshold) or service participation requirements, and rapid placement and stabilization in permanent housing are primary goals. The only real expectations of Housing First, which the individual agrees to prior to starting with the program, is to agree to have support workers visit at home, to pay their rent on time and in full (or agree to third party payment of rent), and to avoid disrupting the reasonable enjoyment of other tenants in the same building that would cause their eviction.

**Literally Homeless** An individual or family who lacks a fixed regular and adequate nighttime residence, meaning (i) An individual or family with a primary nighttime residence that is a public or private place that is not designed for ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport or camping ground, (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelter, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state or local government programs for low-income individuals), or (iii) an individual who is exiting an institution where he or she resided 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

**Mainstream Benefits** Publicly-funded programs that provide services, housing and income supports to low-income persons whether they are homeless or not. They include programs providing welfare, health care, mental health care, substance abuse treatment, and veterans' assistance.

**Permanent Supportive Housing (PSH):** permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently. Permanent housing is community-based housing without a designated length of stay. To be permanent housing, the program participant must be the tenant on a lease for a term of at least one year, which is renewable for terms that are a minimum of one month long, and is terminable only for cause.

**Rapid Rehousing (RRH):** short-term (up to 3 month) or medium-term (3 to 24 months) financial assistance to obtain or maintain permanent housing, along with case management during the period of rental assistance.

**Scattered Site:** a housing model in which the housing units are not located in a single building.

**Transitional Housing (TH):** housing, where all program participants have signed a lease or occupancy agreement, the purpose of which is to facilitate the movement of homeless individuals and families into permanent housing within 24 months or such longer period as HUD determines necessary. The program participant must have a lease or occupancy agreement for a term of at least one month that ends in 24 months and cannot be extended.

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