



Request for Applications (RFA)

FY 2021 Emergency Solutions Grants

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I. Overview of Local Santa Cruz ESG Funding

Overview

The State of California Department of Housing and Community Development (HCD) has released the 2021 Notice of Funding Availability (NOFA) for the state-administered Emergency Solutions Grant (ESG) Program, Balance of State (BoS) Allocation. The ESG program funds street outreach, emergency shelter operation, services for emergency shelter residents, rapid rehousing programs, and homeless prevention programs run by private nonprofits and government agencies. The ESG BoS NOFA sets forth the process and requirements for applying for ESG funds. Further information on the State ESG BoS NOFA can be found at: <https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtml>.

New this year, HCD is implementing the eCivis Grant Management System, called Grants Network. Thus, 2021 ESG applications must be accessed through the eCivis portal Programs Available for Solicitation page at: https://gn.ecivis.com/GO/gn_redir/T/vyjsqf2kekyx. **Paper applications will no longer be required or accepted by HCD.**

Also new this year, applicants are asked to address the advancement of racial equity, and grantees will submit racial and ethnic data metrics on a quarterly reporting basis.

Under State ESG Program requirements, Continuums of Care (CoC) play an integral role in recommending provider applications to compete for funds within their Regional Competition and in recommending provider applications for the noncompetitive Rapid Rehousing Set-Aside. Thus, ESG applicants in Santa Cruz County participate in the ESG process coordinated by our CoC, the Santa Cruz County Homeless Action Partnership (HAP).

Applicants in the Santa Cruz County service area may apply for projects in the noncompetitive Rapid Rehousing Set-Aside and/or Regional Competition as described below. Per local HAP policy, at least 50% of the available funding must be spent on Rapid Re-Housing projects. The remaining 50% may be spent on Emergency Shelter, Rapid Rehousing, or Street Outreach projects.

HCD's preliminary estimated federal ESG allocations for Santa Cruz County are as follows:

\$162,553 – for non-competitive Rapid Rehousing set-aside

\$162,553 – for Balance of State regional competition

\$325,106 – estimated Santa Cruz County total allocation

These estimated allocations are for planning purposes - the total actually awarded to Santa Cruz County projects may be lower or higher depending upon scoring and success in the Regional Competition. Grants will be for up to two-years expected to begin late 2021/early 2022.

The minimum and maximum grant amounts per application are as follows:

Program Component	Minimum Grant Amount	Maximum Grant Amount
Regional Competition	\$75,000	\$200,000
Noncompetitive Rapid Rehousing Set-Aside	No minimum	\$162,553

All projects are subject to a 100% match requirement.

Prior to completing the State of California ESG Balance of State Application, please review the Homeless Action Partnership's (HAP) funding policies and standards for the ESG Program. All materials will be available at:

<http://homelessactionpartnership.org/ForProviders/FundingOpportunities.aspx>.

A. Noncompetitive Rapid Rehousing Set-Aside

Fifty-percent of the estimated funds available (\$162,553) will be allocated to the Noncompetitive Rapid Rehousing Set-

Aside. Within this allocation pool, the HAP will select up to two projects to receive a portion of these funds exclusively for Rapid Rehousing (RR) projects. HCD will administer these contracts with providers. Applicants will need to complete the HCD ESG **non-competitive application in eCivis**, and are responsible for meeting all HCD ESG NOFA timelines, which are separate from this RFA.

B. Regional Competition

Remaining funds within the BoS Allocation will be divided into three regional allocations pursuant to 8404 (a) (3). Projects within the Santa Cruz County CoC service area will compete in the Bay Area Region. The maximum amount of funding available in the Regional Competition is an estimated \$439,135.¹

The HAP will recommend up to two projects to compete for funds in the regional competition. Applicants will need to complete the HCD ESG regional **competitive application in eCivis** and NOFA process and are responsible for meeting all HCD ESG NOFA timelines, which are separate from this RFA. Again, HCD will administer these contracts with providers.

Federal and State ESG Requirements

It is the responsibility of each applicant applying for ESG funding to become familiar with the HUD ESG regulations (Federal register Vol. 76, No. 233, Dated Monday, December 5, 2011). These regulations can be found on the HUD Exchange web site at: <https://www.hudexchange.info/programs/esg/>.

In addition to Federal regulations, applicants must familiarize themselves with the State ESG regulations including Core Practices and Performance Standards, NOFA, and application materials, which can be found at: <https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtml>.

Technical Assistance

If you have questions regarding the local HAP process or need technical assistance, contact Housing For Health (H4H) Division staff at housingforhealth@santacruzcounty.us or our consultant at tonygardnerconsulting@yahoo.com.

Questions regarding the State ESG NOFA and application can be directed to: ESG@hcd.ca.gov.

¹ This is the total amount we expect to be available in the Bay Area Region Allocation after the noncompetitive Rapid Rehousing Set-Asides of each county are deducted.

Local ESG Timeline

State HCD issues ESG NOFA and opens eCivis Grants Network with application materials	August 17, 2021
HAP Board meeting includes discussion of ESG priorities, timeline	August 20, 2021, 1:00– 2:30
State holds 2021 ESG BoS Application and NOFA Webinar (must register with the State for the webinar)	August 24, 2021, 2-3:30
HAP Board meeting may include additional discussion of ESG priorities	September 17, 2021, 1:00– 2:30
Deadline to submit completed State ESG application (downloaded from eCivis) to HAP staff for HAP Board review.	Friday October 1, 2021, 2 PM
HAP Board meets to review and approve ESG rating and ranking and recommendations to State Dept. of HCD	TBD
Deadline for applicants to submit final complete State ESG application to State Dept. of HCD for Regional Competition and for Non-Competitive RRH. MUST INCLUDE Board Authorizing Resolution so plan ahead!	October 19, 2021, 5:00 PM
Deadline for submission by H4H Division staff to State Dept. of HCD of local CoC recommendations packet	October 19, 2021, 5:00 PM
State Dept. of HCD announces ESG awards	December 2021

Submission Requirements

Requirements for submitting ESG applications to HAP staff by **October 1, 2021, at 2 PM** are as follows:

- Applicants for noncompetitive funding will submit their completed HCD 2021 ESG noncompetitive application downloaded from eCivis
- Applicants for competitive funding will submit their completed HCD 2021 ESG competitive application downloaded from eCivis
- For agencies who have received ESG funding in the past two years, please submit a separate narrative and supporting data indicating:
 1. Amount of each of your most recent two ESG awards
 2. Amount expended from each of your most recent two ESG awards
 3. Number of persons and households served by each of your most recent two ESG awards.

Applicants do not need to submit the following attachments on October 1, 2021, as H4H staff will prepare them:

- Form: Certification of CoC Approval for Applicant
- Form: Using HMIS – CoC 2020 Outcomes by Race and Ethnicity
- Form: Using Stella – CoC 2020 Outcomes by Race and Ethnicity
- Attachment D: Need for Funds Documentation and Certification (PIT & HIC)
- Attachment E: Activities attachments
- Attachment F: HMIS (note that comparable database reports for DV must be provided by applicant agency)
- Attachment L: CoC’s ESG Written Standards
- Attachment N: Coordinated Entry Policies and Procedures

If applicants are not able to secure their Governing Board Authorized Resolution by the local process deadline, they should indicate on what day their Board will consider it. In any event, the final signed Board Authorizing Resolution **MUST BE INCLUDED** with the final application due to HCD on **October 19, 2021**. Note that there is a sample resolution on the ESG program website that can be utilized for your ease.

Complete applications with all attachments are due in the HCD eCivis Grants Network by 5pm on Tuesday, October 19th, 2021. Please see the State ESG program website for complete details on what you must submit to HCD.

Local ESG Application Threshold Requirements

1. The ESG application must be submitted by the deadline.
2. The applicant is an eligible applicant as described in Section IV of the State ESG NOFA.
3. The application requests must be within the allowable amounts (see above).
4. Proposed activities are eligible pursuant to Section III of the State ESG NOFA.
5. Site control is documented for any application proposing ES activity.
6. The application adopts the HAP’s system-wide written standards for the proposed activity.
7. The applicant meets the State’s 100% match requirement for the federal ESG component.
8. The applicant agrees to participate in the HAP’s HMIS (or comparable system for domestic violence providers) and Coordinated Entry System, including applicable HMIS/CES participation fee policies.

Local ESG Objective Rating Criteria

Applications that meet the above threshold requirements will be rated using the following criteria.

Applicant Experience	Points will be provided for length of experience implementing the proposed project activities or activity similar to proposed project. Points will be deducted for previous disencumbered ESG grants, unresolved ESG monitoring findings, and late ESG annual reports.	20
Program Design	Quality of the proposed program in delivering activities to participants consistent with HCD Core Practices and CoC Program Standards. Items such as CoC written standards for the proposed activity; provider guidelines governing activity operations; program rules for clients; the reasonableness of program staffing patterns and the activity budget relative to program design, target population, and local conditions; and collaboration with community partners will be considered.	20
Need for Funds/Local Priority	The project meets HAP ESG funding priorities.	10
Impact & Effectiveness	<u>Project Performance Data – up to 24 points</u> Projects will be evaluated using data from HMIS for federal fiscal year, 10/1/19-9/30/20, or for those projects not in operation during this entire time, the most recent 12-month period. The performance measures for all projects will be: 1) Average length of stay for leavers; and 2) Percentage of leavers exiting to permanent housing. <u>System-Level Performance Data – up to 6 points</u> Scoring will be based upon a report on system-level submitted by the CoC. Scoring will be based on the CoC’s shown improvement in either either of the following two measures for the year ending 9/30/20: 1) The change in exits to permanent housing, or 2) increases in the number of chronically homeless persons serviced	30
Cost Efficiency	Projects will be evaluated based on the average cost per exit to permanent housing based on the total ESG project budget and the number of exits to permanent housing for the federal fiscal year, 10/1/19-9/30/20.	10
Meets Objectives of the Local Homelessness Plan	Projects will be evaluated based upon the extent they identify and address specific strategic priorities described in the local 3-Year Homelessness Strategic Plan	10
Total Points Available		100

HAP Board Funding Priorities

The HAP Board has established the following local housing priorities for the ESG funding competition. In addition to meeting one of the identified housing priorities in the table below, all projects seeking funding must:

- 1) Maximize the use of mainstream benefits
- 2) Meet the State’s ESG Program Core Practices (summary attached), including:
 - a. Participation in Coordinated Entry
 - b. Emphasis on Housing First, including ensuring low-barrier assistance.

Priority Level	Focus Area
High	<ul style="list-style-type: none">• New and existing rapid re-housing or emergency shelter projects, including DV shelters.• Sustaining of existing emergency shelter programs, which are high performing and provide appropriate supportive services and linkages to other community resources.
Medium	<ul style="list-style-type: none">• Sustaining of existing emergency shelter programs, which are medium performing and provide appropriate supportive services and linkages to other community resources.
Low	<ul style="list-style-type: none">• Sustaining of existing emergency shelter, which are low performing or do not provide appropriate supportive services and linkages to other community resources.• Stand alone street outreach projects.• All other projects.

HAP Process for Rating, Ranking, and Recommendations

The rating, ranking, and recommendations process will include the following steps:

- Board will carry out the rating, ranking, and recommendations process. HAP Board members are non-conflicted and have knowledge of homelessness and homeless subpopulations in Santa Cruz County.
- Board members will review projects with the best interest of homeless persons in mind.
- Board members will sign a statement declaring any conflicts of interest and will recuse themselves as needed.
- HAP staff will verify that the above threshold requirements are met.
- Board members, with staff assistance, will evaluate, score, and rank proposals using a matrix scoring tool.
- Final ranking and scoring for projects will be put in writing and provided to the applicants. No more than 2 projects will be recommended for the noncompetitive Rapid Rehousing Set Aside, and no more than 2 projects will be recommended for the Regional Competition.
- H4H staff will submit the HAP Board recommendations and required documentation to the State Dept. of HCD.

Thank you, and if you have questions regarding the local HAP process or need technical assistance, please contact Housing For Health (H4H) Division staff at housingforhealth@santacruzcounty.us or our consultant at tonygardnerconsulting@yahoo.com.

Attachments:

1. Summary of ESG Program Core Practices
2. Local ESG Written Standards

II. Attachments

Summary of State ESG Program Core Practices

Participation in Coordinated Entry

ESG-funded activities will use a Coordinated Entry system established by and consistent with the protocols of the CoC (CoC) for the Service Area in which that program operates. Participation in Coordinated Entry will do the following reflected in the CoC Written Standards:

- Comprehensive and coordinated access to assistance regardless of where the person is located in the CoC Service Area. Should be easy to navigate with protocols to ensure immediate access to assistance;
- Prioritized access to assistance for people with the most urgent and severe needs, including, but not limited to, survivors of domestic violence. ESG-funded activities shall seek to prioritize people who:
 - i) Are unsheltered and living in places not designed for human habitation, such as cars, parks, bus stations, and abandoned buildings;
 - ii) Have experienced the longest amount of time homeless;
 - iii) Have multiple and severe service needs that inhibit their ability to quickly identify and secure housing on their own; and
 - iv) For Homelessness prevention activities, people who are at greatest risk of becoming literally homeless without an intervention and are at greatest risk of experiencing a longer time in shelter or on the street should they become homeless.

Emphasis on Housing First Approach

All ESG-assisted projects will use Housing First practices as reflected in the CoC Written Standards, and progressive engagement and assistance practices, including the following:

- Ensuring low-barrier, easily accessible assistance to all people, including, but not limited to, people with no income or income history, and people with active substance abuse or mental health issues;
- Helping participants quickly identify and resolve barriers to obtaining and maintaining housing;
- Seeking to quickly resolve the housing crisis before focusing on other non-housing related services;
- Allowing participants to choose the services and housing that meets their need, as practical;
- Connecting participants to services available in the community that foster long-term housing stability;

Rapid Rehousing and Homelessness Prevention Terms of Assistance

- Rapid Rehousing activities funded within the same CoC Service Area shall follow the same program requirements for type, duration, and amount of assistance provided, unless sufficient written justification for any differences is provided by the CoC and approved by the Department; and
- Homeless prevention activities funded within the same CoC Service Area shall follow the same program requirements for type, duration, and amount of assistance provided, unless sufficient written justification for any differences is provided by the CoC and approved by the Department.

Progressive Engagement Approach

- The approach will offer financial assistance and supportive services in a manner that offers a minimum amount of assistance initially, adding more assistance over time if needed to quickly resolve the housing crisis. The type, duration, and amount of assistance offered shall be based on an individual assessment of the household, and the availability of other resources or support systems to resolve their housing crisis;

Cultural Competency

- All service providers receiving CA ESG funds shall take actions to create an effective, welcoming and affirming environment for all program participants and employees, including but not limited to persons of different races, ethnicities, religions, sexual orientations, gender identities, and gender expressions.

Local CoC and ESG Written Standards

For CA-508 Watsonville/Santa Cruz City and County Continuum of Care

The Homeless Action Partnership (HAP) has developed the following standards for the Santa Cruz County Continuum of Care (CoC). They are intended to govern the provision of assistance for individuals and families. All programs receiving Emergency Solutions Grant (ESG) or Continuum of Care (CoC) funds are required to comply with these standards. Each project may have its own program rules or focus, but they must all align with these standards.

EVALUATING AND DOCUMENTING ELIGIBILITY FOR ASSISTANCE

1. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance consistent with the recording keeping requirements and definitions for "homeless" and "at-risk of homelessness."

The Santa Cruz County Continuum of Care provides funding for the following types of programs: Permanent Supportive Housing (PSH), Rapid Rehousing (RRH), Transitional Housing (TH), Emergency Shelter (ES), Street Outreach (SO), Supportive Services Only (including Coordinated Entry), and Planning. As set forth in the HEARTH Act, there are four categories of participant eligibility for CoC funds: 1) Literally Homeless, 2) Imminent Risk of Homelessness, 3) Homeless Under Other Federal Statutes (subject to cap), and (4) Fleeing/Attempting to Flee Domestic Violence.

Documentation must be included in the case file, and/or scanned into the HMIS client record that demonstrates eligibility as follows:

1. Literally Homeless
 - a. Eligibility should be documented in the following manner (in order of preference):
 - i. Third party verification (HMIS print-out, or written referral/certification by another housing or service provider); or
 - ii. Written observation by an outreach worker; or
 - iii. Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter.
 - b. If the provider is using anything other than a Third Party Verification, the case file must include documentation of due diligence to obtain third party verification.
2. Imminent Risk of Homelessness
 - a. Eligibility should be documented in the following manner (in order of preference):
 - i. A court order resulting from an eviction action notifying the individual or family that they must leave within 14 days; or
 - ii. For individual and families leaving a hotel or motel – evidence that they lack the financial resources to stay; or
 - iii. A documented and verified written or oral statement that the individual or family will be literally homeless within 14 days; and
 - iv. Certification that no subsequent residence has been identified; and
 - v. Self-certification or other written documentation that the individual lacks the financial resources and support necessary to obtain permanent housing.
3. Homeless Under Other Federal Statute (Not typically used in the Santa Cruz County CoC)
4. Fleeing/Attempting To Flee Domestic Violence (DV)
 - a. Eligibility should be documented in the following manner (in order of preference):
 - i. For victim service providers:
 1. An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker.
 - ii. For non-victim service providers:
 1. Oral statement by the individual or head of household seeking assistance that they are

fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and

- iii. Certification by the individual or head of household that no subsequent residence has been identified;
- iv. Self-certification or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Additional Eligibility Requirements for the ESG Program Only:

Agencies receiving ESG funds, may, depending upon program type, serve individuals and families who are "homeless" or "at-risk of homelessness." All agencies receiving ESG funds will follow state and federal documentation guidelines to demonstrate homelessness, at-risk status, and income eligibility. Agencies will either develop internal documentation forms, or utilize ESG mandated forms as available and appropriate. Agencies will ensure that participant documentation of eligibility is recorded and maintained in accordance with state and federal guidelines.

The applicable standards for the definition of "homeless" in ESG programs are the same as above. The applicable standards for the definition of "at-risk of homelessness" are as follows:

AT RISK OF HOMELESSNESS means:

- A. An individual or family who:
 1. Has an annual income below 30 percent of median family income for the area, as determined by HUD;
 2. Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or literal homelessness situation; and
 3. Meets one of the following conditions:
 - a. Has moved because of economic reasons two or more times during the 60 days immediately preceding the Application for homelessness prevention assistance;
 - b. Is living in the home of another because of economic hardship;
 - c. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of Application for assistance;
 - d. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or general purpose local government programs for low-income individuals;
 - e. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
 - a. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 - b. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.
- B. A child or youth who does not qualify as homeless under this Section, but qualifies as homeless under Section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), Section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), Section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), Section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), Section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or Section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or
- C. A child or youth who does not qualify under this section, but qualifies as homeless under Section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or guardian(s) of that child or youth.

ESG INCOME

Only at risk households who have an income below 30% of area median income will be eligible for services under ESG funding. (This ESG income standard does not apply to CoC or other funding.) Income eligibility will be documented

through the collection of pay stubs, benefit statements and third party statements whenever possible. All agencies will follow guidance from federal and state regulations in the development, implementation and monitoring of ESG income eligibility documentation requirements. Agencies will utilize internal, state and/or federal forms for record keeping as available and appropriate.

STREET OUTREACH

2. Standards for targeting and providing essential services related to street outreach.

Providers of street outreach services must target unsheltered homeless individuals and families, meaning those 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. Providers may target unique groups within the overall unsheltered homeless population as follows.

Any agency seeking ESG or CoC funds for outreach will be asked to develop detailed written standard for the HAP's review. The agency must design an outreach plan that contains targeting strategies built around both a general outreach plan and one targeted to the unique niches that the partners fill. This plan will include:

1. A listing of the target groups.
2. How you have determined that this target group contains eligible participants.
3. How you will outreach to this target group.
4. What are the challenges of reaching each target group.
5. What minimal information that will be provided including information and referral for housing related needs.

EMERGENCY SHELTER AND DIVERSION

3. Standards for admission, diversion, referral, and discharge by emergency shelters, including standards regarding length of stay, and safeguards to meet the safety and shelter needs of special populations and persons with the highest barriers to housing.

Admission to emergency shelter facilities will be limited to those who meet the definition of "homeless" described above. Additional eligibility requirements (e.g., serving youth or families) may be created at the program level. Any length of stay limitations shall be determined by the individual service provider's policies and clearly communicated to program participants.

Upon initial contact with the point-of-entry, homeless persons will be screened by intake staff to determine appropriate diversion tactics. Diversion tactics may range from immediate case management assistance in determining available and unutilized resources, to referrals for existing homelessness prevention and/or rapid re-housing programs.

If diversion is not possible, the homeless person may be admitted to emergency shelter. The maximum length of stay will be determined by agency policy. No person or persons who are facing or suspect they may face a threat of violence will be discharged into an unsafe condition. Emergency shelter workers will work in collaboration with functional needs support service providers to arrange safe accommodations for those who are or may be facing a threat of violence. Those who are in danger of a violent crime, or feel they may be, will be entered into a secure database system that is comparable to HMIS. All other emergency shelter admissions will be entered into HMIS.

All persons discharged from emergency shelters will have their exit status entered into either HMIS or a comparable database, and will be provided discharge paperwork as applicable or upon request.

Under the coordinated entry process, homeless persons who are determined through assessment to have the highest barriers to housing – due to myriad factors including tri-morbidity, history of chronic homelessness, etc. – will be prioritized for existing housing resources and paired with existing supportive services to increase the likelihood of staying successfully housed.

Per federal requirements, the age and gender of a child under 18 cannot be used as a basis for denying any family's admission to a shelter.

4. Standards for assessing, prioritizing, and reassessing needs for essential services related to emergency shelter.

Under the CoC's coordinated entry system, the VI-SPDAT is the standardized assessment tool that will be used by all ES programs to assess, prioritize, and reassess participants needs for essential services related to ES, as well as for referral to the most appropriate housing and service interventions. The first tier of assessment occurs as they access our area's 2-1-1 program, where qualified advocates will assist those seeking services. In keeping with federal guidelines, our CoC is committed to prioritizing those who are experiencing chronic homelessness, homeless veterans, and families with children who are experiencing a homeless condition.

Upon determination of the appropriate program for referral, the next tier of assessment will involve more complex case management services to be performed by representatives of the program to which the persons were referred.

Under coordinated entry, VI-SPDAT re-assessment will be at least once per year for participants who remain homeless that long. In addition, program participants will meet with case managers throughout their participation in the program, and will have regular progress assessments or evaluations. Participants will also be given the opportunity to provide assessment and feedback of programs as well. Each ES provider ESG funding will be required to have a provable system of program evaluation. Additionally, participating ES providers in our CoC will share their experiences providing clients services, and refine service delivery based on feedback from service providers as well as participants.

PREVENTION AND RAPID REHOUSING

5. Standards for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

Households that are assessed to be homeless, and that meet the income standards (where applicable), are eligible for RRH services. Prioritization for RRH referral is based upon the prioritization criteria outlined in the *Smart Path to Housing and Health: Coordinated Assessment and Referral System Policies & Procedures Manual*.

Households that are assessed to be at risk of homelessness, and that meet the income standards (if applicable), are eligible for homelessness prevention services. Additional risk factors for prioritizing limited assistance include: Seniors, families with dependent children, former foster youth, chronically homeless, veterans, victims of domestic violence, and medically vulnerable individuals.

Each prevention or RRH provider will be responsible for serving potential participants that are referred through the coordinated entry system in order of referral, with provisions for priority service for eligible households prioritized through coordinated entry by the CoC.

RRH households will be re-certified at least annually; prevention households will be re-certified at least quarterly.

6. Standards for determining what percentage or amount, of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance.

Each ESG or CoC-funded agency will be responsible for determining income as a basis of eligibility for or determining the amount or type of services. (Note: There are no firm income limitations for RRH or prevention programs except for those that may be required by a funding source.) As part of this income determination the relevant staff person will ascertain the amount that the household is able to contribute towards rental payments. Factors to consider may include: Potential upcoming income increases / decreases, family size, availability of other resources to meet costs and other factors as determined by the agency staff in consultation with the household.

Due to the great variety of circumstances among homeless and at risk families and individuals in Santa Cruz County, the CoC has determined that each individual prevention or RRH program may (within CoC, ESG, or other funder requirements) decide internally if they will charge participants a set percentage of income, a set percentage of actual rent, or a set dollar amount while receiving RRH or prevention services, or if they will provide a phased payment plan dependent on individual household circumstances. Individual agencies may also decide to not have participants pay any rental costs while receiving services. Each program should use a progressive engagement and assistance approach.

Each participant and landlord will receive written verification of the amount and duration of assistance provided by the agency and rent to be paid by the participant. Income to be calculated includes: wages of adults in household, cash benefits, child support and self-employment income. Employment income of children, non-cash benefits and sporadic gifts will not be counted as available income in determining rental payments.

As the overall goal of the CoC is to ensure that households are able to maintain housing independently, it is important that each agency properly assess potential households to ensure that they are a good match for the program, and to refer them to more extensive supports as available if the household is not likely to be able to maintain housing costs independently.

7. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time, lease requirements, and participant re-evaluations.

Again, due to the great variety of circumstances among homeless and at risk families and individuals in Santa Cruz County, the CoC has determined that each individual prevention or RRH program may set a maximum number of months that a program participant may receive rental assistance, or a maximum number of times that a Program participant may receive rental assistance. The total period for which any participant may receive services must not exceed 24 months in three years. However, no individual or family may receive more than a cumulative total of eighteen months of rental assistance, including any rental assistance paid in arrears.

Each agency will perform initial screening to determine the number of months that a client will initially receive a commitment of rent assistance, including payments in arrears. This initial commitment will be in writing and verified by the agency representative and the participant. Factors to take into consideration during the initial commitment are the participant's ability to pay rent in the immediate month and subsequent months such as anticipated change in income, time necessary to recover from unexpected expenses, etc. Short-term rental assistance may begin as soon as an applicant and a unit have been approved.

As the program participant is nearing the end of their initial commitment of assistance, the caseworker will contact the household to assess their need for continued assistance. After a review of the participant's continued eligibility, the caseworker will make a recommendation regarding the receipt of additional rental assistance, and this recommendation will be forwarded to the supervisor for review and approval. In addition to this analysis of additional assistance requirements, each participant will need to recertify each three month period providing the required, completed sections of the application forms and back-up verification documents.

Over the course of program participation, the caseworker will continue to meet with the household on an as needed basis, and will re-determine the eligibility of the household at least every three months. In the event that a program

participant reaches 12 months of rental assistance, their unit will be re-inspected for continued compliance with rent reasonableness and habitability standards.

Rent may be paid in arrears as long as it allows the client to remain in their unit or move to another unit. Rental months paid in arrears are included in the maximum number of assistance months.

8. Standards for determining the type, amount, and duration of housing stabilization and/or relation services to provide to a program participant, including the limits, on the homelessness prevention or rapid rehousing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance; or the maximum number of times the program participant may receive assistance.

Each agency will perform initial screening to determine the number of months that a client may initially receive a commitment of stabilization services. This initial commitment will be in writing and verified by the agency representative and the participant.

Consistent with funding source limits, prevention or RRH programs may determine the type, maximum amount and duration of housing stabilization and relocation services for individuals and families who are in need of homelessness prevention or rapid re-housing assistance through the initial evaluation, re-evaluation and ongoing case management processes

Additional requirements:

1. Program participants must meet with a case manager at least once a month for the duration of assistance, except where prohibited by requirements under Violence Against Women Act (VAWA) or Family Violence Prevention and Services Act (FVSP).
2. Program participants must be assisted, as needed, in obtaining appropriate supportive services, like mediation or mental health treatment or services essential for independent living; and mainstream benefits like Medicaid, SSI, or TANF.
3. Except for housing stability case management, the total period for which any program participant may receive service costs must not exceed 24 months during any three-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.
4. Security Deposits: ESG or CoC funds may pay for a security deposit that is equal to no more than two months' rent.
5. Last Month's Rent: If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG or CoC funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any three-year period.
6. Utility Payments: ESG or CoC funds may pay for up to 24 months of utility payments per program participant, per service, including up to six months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any three-year period.
7. Housing Stability Case Management: ESG or CoC funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. This assistance cannot exceed thirty days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing.
8. Maximum Amounts and Periods of Assistance: Prevention and RRH providers may set a maximum dollar amount that a program participant may receive for each type of financial assistance. Each provider may also set a maximum period for which a program participant may receive any of the types of assistance or services under this section.

However, except for housing stability case management, the total period for which any program participant may receive the services under paragraph (b) of this section must not exceed 24 months during any three-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family. The agency may set a maximum number of months that a program participant may receive rental assistance, or a maximum number of times that a program participant may receive rental assistance. The total period for which any participant may receive services must not exceed 24 months in three years. However, no family may receive more than a cumulative total of eighteen months of rental assistance, including any rental assistance paid in arrears.

9. Short-term and medium-term rental assistance must follow applicable HUD definitions and requirements.
10. Compliance with Fair Market Rent (FMR) Limits and Rent Reasonableness: Rental assistance is prohibited from being provided for a housing unit, unless the total rent for the unit does not exceed the fair market rent established by HUD.
11. Compliance with Minimum Habitability Standards: The revised habitability standards (shelter and housing standards) incorporate lead-based paint remediation and disclosure requirements. If ESG funds are used to help a Program Participant remain in or move into permanent housing, that housing must meet habitability standards.
12. Rental Assistance Agreement and Lease Standards: The rental assistance agreement must set forth the terms under which rental assistance will be provided.
13. Each program participant receiving rental assistance must have a legally binding, written lease between program participant and the owner) for the rental unit, unless the assistance is solely for rental arrears. Project-based rental assistance leases must have an initial term of one year.
14. No rental assistance can be provided to a household receiving rental assistance from another public source for the same period of time (except 6 months of arrears).

TRANSITIONAL HOUSING

Transitional Housing (TH) is designed to provide homeless individuals and families with interim stability and support to successfully move to and maintain permanent housing.

9. Standards regarding eligibility criteria and targeting for transitional housing.

Households are eligible for TH if they meet the following eligibility standards:

- Must meet the HUD definition of homeless.
- Must meet any additional eligibility criteria set forth in the NOFA through which a project was funded and the grant agreement (e.g. households fleeing domestic violence).
- Programs may establish additional eligibility requirements (e.g., serving youth or families) beyond those specified here in line with applicable legal requirements.

All referrals to TH and assessment for type and level of services must come through the coordinated entry system. Prioritization for TH referral is based upon the prioritization criteria outlined in the *Smart Path to Housing and Health: Coordinated Assessment and Referral System Policies & Procedures Manual*.

Chronically homeless households being referred to TH must be informed that by entering a TH project, they may lose eligibility for PSH project dedicated to serving chronically homeless households.

10. Standards regarding length of stay, supportive services, and assistance for transitional housing.

The following minimum standards will be applied to all TH programs:

- Maximum length of stay cannot exceed 24 months.
- Assistance in transitioning to permanent housing must be provided.
- Supportive services must be provided throughout the duration of stay in TH.

- Program participants in transitional housing must enter into a lease, sublease or occupancy agreement for a term of at least one month. The lease, sublease or occupancy agreement must be automatically renewable upon expiration, except on prior notice by either party, up to a maximum term of 24 months.

PERMANENT SUPPORTIVE HOUSING

Permanent Supportive Housing (PSH) for persons with disabilities is permanent housing with indefinite leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability achieve housing stability.

11. Standards regarding eligibility criteria, prioritizing, and targeting for permanent supportive housing.

Households are eligible for PSH if they meet the following eligibility standards:

- Households must meet the HUD definition of homelessness.
- One adult or child member of the household must have a disability.
- Must follow any additional eligibility criteria set forth in the NOFA through which a project was funded and the grant agreement (e.g. Projects originally funded under the Samaritan Housing Initiative must continue to serve chronically homeless individuals and families; projects funded under the Permanent Supportive Housing Bonus must continue to serve the homeless population outlined in the NOFA from which the project was awarded).
- Programs may establish additional eligibility requirements (e.g., serving youth or families) beyond those specified here in line with applicable legal requirements.

All referrals to PSH and assessment for type and level of services must come through the coordinated entry system. Prioritization for TH referral is based upon the prioritization criteria outlined in the *Smart Path to Housing and Health: Coordinated Assessment and Referral System Policies & Procedures Manual*.

Adoption of HUD Notice CPD-16-11:

The CoC has adopted the orders of priority for CoC-funded PSH as established in Notice CPD-16-11: Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless Persons in Permanent Supportive Housing. As such, all PSH eligible households will be prioritized in the following order of priority:

1. Chronically Homeless Individuals and Families with the Longest History of Homelessness and with the Most Severe Service Needs.
2. Chronically Homeless Individuals and Families with the Longest History of Homelessness.
3. Chronically Homeless Individuals and Families with the Most Severe Service Needs.
4. Other Chronically Homeless Individuals and Families.

The Smart Path/CES Steering Committee will develop appropriate prioritization policies for youth-only housing projects.

12. Standards regarding length of stay, supportive services, and assistance in permanent supportive housing.

- There can be no predetermined length of stay in PSH.
- Supportive services designed to meet the needs of the project participants must be made available to the project participants throughout the duration of stay in PSH.
- Project participants in PSH must enter into a lease (or sublease) agreement for an initial term of at least one year that is renewable and is terminable only for cause. Leases (or subleases) must be renewable for a minimum term of one month.

ADDITIONAL STANDARDS APPLICABLE TO ALL PROGRAM TYPES

13. Participation in HMIS.

All ESG and CoC funded programs must participate in the Santa Cruz County Homeless Management Information System (HMIS) by collecting and entering required data on all participants served. Each agency receiving ESG or CoC funds will ensure that data on all persons served and all activities assisted are entered into the Santa Cruz County HMIS, in accordance with HUD's standards on participation, data collection, and reporting, and in accordance with locally approved HMIS policies and procedures. Such agencies must also participate in CoC HMIS Technology Committee meetings.

If the ESG or CoC funding recipient is a domestic violence agency, or other Victim Services Provider as defined in VAWA and related federal law, the recipient is prohibiting from entering client data into HMIS, but must instead entered such data into a comparable data system as defined in applicable HUD guidance.

The HAP actively encourages non-ESG or CoC-funded programs to participate in the Santa Cruz County HMIS.

14. Participation in Coordinated Entry.

All ESG and CoC funded programs are required to participate in the CoC's coordinated entry system and comply with all federal CoC and ESG coordinated entry requirements. In addition, all ESG-funded programs are required to comply with state ESG coordinated entry requirements.

Participation in coordinated entry requires using the applicable VI-SPDAT assessment tool, and following established policies procedures outlined in *Smart Path to Housing and Health: Coordinated Assessment and Referral System Policies & Procedures Manual*. It requires attendance at Smart Path/Coordinated Entry System Steering Committee meetings and agency representation at the Coordinated Entry and Housing Work Group.

15. Emphasis on Housing First.

All ESG or CoC funded programs must use Housing First (and progressive engagement practices), including the following:

- Ensuring low-barrier, easily accessible assistance to all people, including, but not limited to, people with no income or income history, and people with active substance abuse or mental health issues;
- Helping participants quickly identify and resolve barriers to obtaining and maintaining housing;
- Seeking to quickly resolve the housing crisis before focusing on other non-housing related services;
- Allowing participants to choose the services and housing that meets their need, as practical;
- Connecting participants to services available in the community that foster long-term housing stability;
- Offering financial assistance and supportive services in a manner that offers a minimum amount of assistance initially, adding more assistance over time if needed to quickly resolve the housing crisis. The type, duration, and amount of assistance offered shall be based on an individual assessment of the household, and the availability of other resources or support systems to resolve their housing crisis.

16. Participation in the HAP and coordination with other service providers,

All CoC and ESG funded providers are expected to participate in our area's CoC, known as the Homeless Action Partnership (HAP), and will work collaboratively to coordinate funding that addresses the needs of the entire CoC. To meet these goals, the CoC requires that all ESG and CoC funded providers not only participate in HMIS and coordinated entry, but also:

- Attend HAP meetings and work groups.
- Ensure that staff members coordinate as needed regarding referrals and service delivery with staff members from other CoC agencies in order to ensure that services are not duplicated, and clients can easily and efficiency

access the services they need.

- Ensure that staff members participate in any CoC trainings related to improving coordination among HAP members.

17. Educational policies and liaison.

All programs that serve households with children or unaccompanied youth, must:

- Take the educational needs of children into account when placing families in housing and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children's education
- Inform families with children and unaccompanied youth of their educational rights, including providing written materials, help with enrollment, and linkage to McKinney Vento Liaisons as part of intake procedures.
- Not require children and unaccompanied youth to enroll in a new school as a condition of receiving services.
- Allow parents or the youth (if unaccompanied) to make decisions about school placement.
- Not require children and unaccompanied youth to attend after-school or educational programs that would replace/interfere with regular day school or prohibit them from staying enrolled in their original school.
- Post notices of student's rights at each program site that serves homeless children and families in appropriate languages.
- Designate staff that will be responsible for:
 - ensuring that homeless children and youth in their programs are in school and are receiving all educational services they are entitled to.
 - coordinating with the CoC, the Department of Social Services, the County Office of Education, the McKinney Vento Coordinator, the McKinney Vento Educational Liaisons, and other mainstream providers as needed.

18. Equal Access and non-discrimination.

General HAP Anti-Discrimination Policy

The HAP does not tolerate discrimination on the basis of any protected class, including actual or perceived race, color, religion, national origin, sex, age, familial status, disability, sexual orientation, gender identity, or marital status. All CoC programs must comply with applicable equal access and nondiscrimination provisions of federal and state civil rights laws. Any programs that are required by a funding source to limit participants (e.g., HOPWA agencies may only serve persons living with HIV/AIDS) will avoid discrimination to the maximum extent allowed by their funding sources and their authorizing legislation.

Program Requirements Regarding Equal Access and Non-Discrimination

- Providers must have non-discrimination policies in place and assertively outreach to people least likely to engage in the homeless system.
- Providers must comply with all federal statutes and rules including the Fair Housing Act, the Americans with Disabilities Act, and Equal Access to Housing Final Rule.
- The people who present together for assistance, regardless of age or relationship, are considered a household and are eligible for assistance as a household.
- Projects that serve families with children must serve all types of families with children; if a project targets a specific population (e.g., women with children), these projects must serve all families with children that are otherwise eligible for assistance, including families with children that are headed by a single adult or consist of multiple adults that reside together.
- The age and gender of a child under 18 must not be used as a basis for denying any family's admission to a project.
- Providers must abide by the *Equal Access to Housing in HUD Programs – Regardless of Sexual Orientation or Gender Identity* Final Rule published in 2012 and the subsequent Final Rule under 24 CFR 5 General HUD Program Requirements; Waivers, September 2016.
- The HAP encourages providers to practice a person-centered model that strongly incorporates participant choice and inclusion of subpopulations present in the Santa Cruz County service area, including homeless veterans, youth, families with children, and victims of domestic violence.