

MERCED CITY AND COUNTY CONTINUUM OF CARE COLLABORATIVE APPLICANT

Merced City and County CoC
Local Homeless Initiatives

Notice of Funding Availability(NOFA)

February 5, 2021

Merced County Human Services Agency acting as the Collaborative Applicant for Merced City and County Continuum of Care is soliciting requests for funding for local Homeless Programs from qualified public, private, or not for profit organizations to provide housing assistance and homeless services. Available grant awards are funded by multiple sources.`

Merced City and County Continuum of Care Local Homeless Initiatives

GENERAL INSTRUCTIONS:

The County of Merced Human Services Agency acting as the Collaborative Applicant is accepting applications on behalf of Merced City and County Continuum of Care (CoC). Funding in this NOFA is comprised of California Emergency Solutions and Housing Program (CESH) Round 2, Homeless Housing, Assistance and Prevention (HHAP) Round 1 and Round 2, and Emergency Solutions Grant Coronavirus (ESG CV) Round 1 and Round 2. While funds will be distributed through this single NOFA, grantees will be subject to the state and federal program requirements for each funding source. Individual program requirements are outlined in each of the respective sections of this NOFA.

If state or federal statutes or regulations, or other laws, relating to these programs are modified by Congress, HUD, the Department, or the state Legislature, the changes may become effective immediately and impact the work that was awarded funding under this NOFA.

If there is a conflict between the state and federal regulations, the federal regulations shall prevail. In addition, the Collaborative Applicant reserves the right, at its sole discretion, to suspend or amend the provisions of this NOFA should there be any changes enacted by Congress, HUD, HCD, or the state Legislature. If such an action occurs, the Collaborative Applicant will notify interested parties.

You may submit your application via U.S. Postal Service, UPS, FedEx, hand delivered, or email to collabapp@countyofmerced.com.

1. For U.S. Mail send to:
Merced County Human Services Agency
Attention: John Palm
P.O. Box 112
Merced, CA 95341-0112
2. For UPS, FedEx, or hand delivery send to:
Merced County Human Services Agency
Attention: John Palm
2115 West Wardrobe Ave
Merced, CA 95341

NOFA APPLICATION TIMELINE:

NOFA Release for Project Application	February 5, 2021
NOFA Project Application Workshop	February 11, 2021
Workshop Questions and Answers - Public Posting @ www.mercedcoc.com	February 16, 2021
Project Applications Accepted	February 12, 2021 - March 1, 2021 5:00 PM
Project Application Scoring*	March 2-12, 2021
Project Applicants Notified of Funding Approval or Denial*	March 17, 2021
Completed Contract returned to CA	30 Days from notification of award

* Depending on the number of applications received, the scoring and notification deadlines may change.

PROVIDER SELECTION PROCESS:

The Collaborative Applicant is responsible for administering these grants and intends to use this NOFA application and evaluation process to identify projects that meet grant requirements. Qualified service providers shall be selected through a process that is consistent with the following requirements:

- Is a fair and open process that avoids conflicts of interest
- Follows the procurement requirements of 2 CFR 200, 24 CFR Part 84
- Evaluates provider capacity and experience, including the ability to deliver services in non-entitlement areas
- Evaluates eligibility and quality of services, including adherence to Core Practices pursuant to the Standard Agreement
- Utilizes data and considers community input to identify unmet needs
- Prioritizes activities that address the highest unmet need, considering other available funding and system-wide performance measures
- Considers project-level performance measures when evaluating proposals
- Collaborates with the local CoC

Project applications will be evaluated for adherence to grant requirements and identified CoC priorities. All project proposals should address a priority need identified by the Merced City and County Continuum of Care.

The CoC Board has determined that priority for grant funding shall be allocated to maintenance of existing community housing and homeless programs. Per CoC Board, renewal projects will receive an additional 20 points in the funding evaluation. Projects will be considered renewal projects if they were previously rewarded funding for providing services to individuals or families experiencing homelessness under Homeless Emergency Aid Program (HEAP) or CESH Round 1. Additionally, current projects that participate in the Continuum of Care Coordinated Entry System qualify for renewal consideration.

Additional consideration will be granted to projects that address identified CoC and community needs. Priority community needs have been identified as:

- Non-Congregate Shelter in the City of Los Banos
- Non-Congregate Shelter in the City of Merced
- Continued operations at the D Street Shelter as a Navigation Center

Priority CoC needs have been identified as:

- Public Space Management
- Securing of Permanent Housing for Individuals Residing in Project Roomkey

PROJECT PERIOD

The project period for this NOFA will begin immediately upon execution of a signed contract. Specific timeliness for operations differ for each grant and are detailed in their respective sections. The start and end time of the grants may be adjusted based on the identified needs of the CoC service area as well as State and Federal funding requirements.

ELIGIBLE APPLICANTS:

The submitting entity should be able to demonstrate coordination with the CoC and their general service area must fall within the CoC geographic boundaries for which it administers Federal Department of Housing and Urban Development CoC funds. Applicants should be current members or plan to become members of the Merced City and County Continuum of Care in order to receive funding under this grant.

AVAILABLE FUNDING:

Funding is divided between the following grant sources. Details regarding eligible activities based on community identified needs and CoC's priority planning outcomes are within the relevant sections for each grant.

CESH Round 2	\$592,252
HHAP Round 1	\$716,227
HHAP Round 2	\$338,893
ESG CV Round 1	\$275,548
ESG CV Round 2	\$2,300,000

THRESHOLD REQUIREMENTS

Project applications must meet the following threshold requirements:

- Must relate to homelessness in Merced City and County CoC service area.
- Project must carry out one or more eligible activities as identified in RFP.
- Prioritize assistance given to homeless over assistance to at risk of homelessness.
- Must address utilization of the Coordinated Entry System, including the acceptance of referrals from CES priority populations.
- Must address utilization of HMIS for all project and client data.
- Must be consistent with Housing First principles and core components.
- Applicant must be qualified to carry out the eligible activity.
- Prior experience administering an eligible activity.

NOFA TECHNICAL ASSISTANCE WORKSHOP:

A technical assistance workshop will be held to explain the grants covered under this NOFA, CoC priority areas, activity funding categories, NOFA Project Application, evaluation of applications, and project funding process.

Date: Thursday, February 11, 2020
Time: 10:00 am – 11:30 am
Location: Blue Jeans Video-Teleconference

NOFA Application questions can be sent to:
collabapp@countyofmerced.com

California Emergency Solutions and Housing (CESH) 2019 Round 2 Funding Details

AUTHORIZING LEGISLATION

SB 850 enacted the CESH program (Chapter 48, Section 4, Statutes of 2018). The program operates under the requirements of Health and Safety Code (HSC), Part 2 of Division 31 Chapter 2.8, commencing with Section 50490 and including Sections 50490.1, 50490.2, 50490.3, 50490.4, and 50490.5.

Section 50490.1, subdivision (b) gives HCD the right to carry out the CESH program through the issuance of one or more NOFAs not subject to the rulemaking provisions of the Administrative Procedure Act.

This NOFA governs the administration of funding from the Fund (created by Section 50470, subdivision (a)(1)) appropriated by item 2240-101-3317 in the Budget Act of 2018) as allocated to the Merced City and County Continuum of Care and made available under the CESH program.

Capitalized terms not otherwise defined in this NOFA shall have the meanings set forth in Section 50490. Additional information about the CESH program can be found at the California State website <https://www.hcd.ca.gov/grants-funding/active-funding/cesh.shtml>.

CESH ROUND 2 PROGRAM OVERVIEW

The CESH program is a statewide \$53 million grant designed to provide assistance to people experiencing homelessness or at imminent risk of homelessness. CESH is authorized by SB 850, which was signed into law by Governor Edmund Brown, Jr. on June 27, 2018. CESH Notice of Funding Availability was released on March 21, 2019.

Total round II funding available to serve homeless individuals and families in Merced County is one-time funding in the amount of \$592,252. A maximum of 5% of the funding is set aside for Administrative Cost \$29,612 for the Collaborative Applicant. All CESH funding must be fully expended by September 15, 2025. There are no matching requirements for CESH funding. CESH funds may be used to match Federal ESG funding as long as they are used for the same eligible activity.

CESH ROUND 2 PROJECT PERIOD

The project period for this NOFA will begin upon execution of the contractual agreement, with grants to be fully expended by September 15, 2025. The start and end time of the grants may be adjusted based on the identified needs of the CoC service area as well as State and Federal funding requirements.

AVAILABLE FUNDING AND ELIGIBLE ACTIVITIES:

Funding has been divided into eligible activities based on community identified needs and CoC's priority planning outcomes:

Rental Assistance, Housing Relocation, Stabilization Services-	\$195,456
Flexible Housing Subsidy Funds-	\$ 88,835
Operating Support for Emergency Housing Interventions-	\$ 225,048
Systems Support-	\$ 53,301
Administration-(Collaborative Applicant Only)	\$ 29,612

There is no match requirement for CESH Round 2 funds.

FUNDING CATEGORIES

1. Rental Assistance - \$195,456

- Housing relocation and stabilization services
 - Must prioritize assistance to homeless individuals and families over assistance to individuals and families at risk of homelessness
 - Rent payments may not exceed two times the current HUD fair market rent for our local area

2. Flexible Housing Subsidy - \$88,835

- Rental Assistance
 - Establish support of rental subsidies for permanent housing
- Bridge Subsidy

- Subsidy for property owners awaiting approval from another permanent rental subsidy source
- Vacancy payments to maintain available housing units.

3. Operating Support - \$ 225,048

- Navigation Center
 - Must provide room and board and will include case managers who work to connect homeless individuals and families to income, public benefits, health services, permanent housing or other shelters
- Street Outreach
 - To connect unsheltered homeless individuals and families to temporary and permanent housing
- Shelter Diversion
 - Homeless prevention activities to connect individuals and families to alternate housing arrangements and services.

4. System Support - \$ 53,301

- HMIS
- CES
 - Activities necessary to maintain a comprehensive homeless services & housing delivery system, including Coordinated Entry System (CES) data, & Homeless Management Information System (HMIS) reporting.
 - Training and data collection activities
 - Activities to expand CES or HMIS
- Homelessness Planning Activities

Homeless Housing, Assistance and Prevention (HHAP) Program Round 1 Funding Details

Authorizing Legislation

The HHAP program is enacted under AB 101 (Chapter 159, Statutes of 2019). The program operates under the requirements of Health and Safety Code (HSC), Part 1 of Division 31 Chapter 6, encompassing Sections 50216 - 50222.

Section 50217, subdivision (b) gives HCD the right to carry out the HHAP program through the issuance of one or more NOFAs not subject to the rulemaking provisions of the Administrative Procedure Act.

This NOFA governs the administration of funding from the Fund as allocated to the Merced City and County Continuum of Care and made available under the HHAP program.

Capitalized terms not otherwise defined in this NOFA shall have the meanings set forth in Section 50216. Additional information about the HHAP program can be found at the California State website https://www.bcsd.ca.gov/hcfc/hhap_program.html.

HHAP ROUND 1 PROGRAM OVERVIEW

The County of Merced Human Services Agency acting as the Collaborative Applicant is accepting applications on behalf of Merced City and County Continuum of Care (CoC). The HHAP Round 1 program is a statewide \$650 million grant designed to support regional coordination and expand or develop local capacity to address immediate homelessness challenges. HHAP is authorized by AB 101, which was signed into law by Governor Gavin Newsom on July 31, 2019.

Total funding available in Round 1 to serve homeless individuals and families in Merced County is one-time funding in the amount of \$716,227. A maximum of 7% of the funding is set aside for Administrative Cost of \$50,135 for the Collaborative Applicant. HHAP Round 1 funding must be fully expended by June 30, 2025. There are no matching requirements for HHAP funds.

HHAP ROUND 1 PROJECT PERIOD

The project period for this RFP will begin upon execution of the contractual agreement, with grants to be fully expended by June 30, 2025. The start and end time of the grants may be adjusted based on the identified needs of the CoC service area as well as State and Federal funding requirements.

AVAILABLE FUNDING AND ELIGIBLE ACTIVITIES:

Funding has been divided into eligible activities based on community identified needs and CoC's priority planning outcomes:

Rapid Rehousing and Rental Assistance-	\$375,000
Outreach and Coordination-	\$100,000
Landlord Engagement-	\$ 21,092
Homeless Diversion, Homeless Prevention-	\$ 80,000
Youth Homeless Services-	\$ 90,000
Administration-(Collaborative Applicant Only)	\$ 50,135

FUNDING CATEGORIES

1. Rapid Rehousing and Rental Assistance - \$375,000

- Housing relocation and stabilization services
 - Must prioritize assistance to homeless individuals and families over assistance to individuals and families at risk of homelessness
 - Rent payments may not exceed two times the current HUD fair market rent for our local area
- Rental Assistance
 - Establish support of rental subsidies for permanent housing

2. Outreach and Coordination - \$100,000

- Street Outreach
 - To connect unsheltered homeless individuals and families to temporary and permanent housing

3. Landlord Engagement - \$21,092

- Landlord Incentives
 - Includes, but not limited to, security deposits and holding fees

4. Homeless Diversion and Homeless Prevention - \$80,000

- Shelter Diversion
 - Homeless prevention activities to connect individuals and families to alternate housing arrangements and services.

5. Youth Homeless Services - \$90,000

- Youth Housing
 - Must provide room and board and will include case managers who work to connect homeless youth to income, public benefits, health services, permanent housing or other shelters
 - Unaccompanied youth who are between 12 and 24 years old and experiencing homelessness

Homeless Housing, Assistance and Prevention (HHAP) Program Round 2 Funding Details

Authorizing Legislation

The HHAP program is enacted under AB 101 (Chapter 159, Statutes of 2019). HHAP Round 2 is enacted under AB 83 (Chapter 15, Statutes of 2020). The program operates under the requirements of Health and Safety Code (HSC), Part 1 of Division 31 Chapter 6, encompassing Sections 50216 – 50222.

Section 50217, subdivision (b) gives HCD the right to carry out the HHAP program through the issuance of one or more NOFAs not subject to the rulemaking provisions of the Administrative Procedure Act.

This NOFA governs the administration of funding from the Fund as allocated to the Merced City and County Continuum of Care and made available under the HHAP program.

Capitalized terms not otherwise defined in this NOFA shall have the meanings set forth in Section 50216. Additional information about the HHAP program can be found at the California State website https://www.bcsb.ca.gov/hcfc/hhap_program.html.

HHAP ROUND 2 PROGRAM OVERVIEW

The County of Merced Human Services Agency acting as the Collaborative Applicant is accepting applications on behalf of Merced City and County Continuum of Care (CoC). The HHAP Round 2 program is a statewide \$300 million grant designed to build on regional coordination by supporting local jurisdictions in their unified regional response to reduce and end homelessness. Round 2 of HHAP funding was authorized by AB 83 and signed into law by Governor Gavin Newsom on June 29, 2020.

Total funding available in Round 2 to serve homeless individuals and families in Merced County is one-time funding in the amount of \$338,893. A maximum of 7% of the funding is set aside for Administrative Cost of \$23,722 for the Collaborative Applicant. HHAP Round 2 funding must be fully expended by June 30, 2026. There are no matching requirements for HHAP funding.

HHAP ROUND 2 PROJECT PERIOD

The project period for this RFP will begin upon execution of the contractual agreement, with grants to be fully expended by June 30, 2026. The start and end time of the grants may be adjusted based on the identified needs of the CoC service area as well as State and Federal funding requirements.

AVAILABLE FUNDING AND ELIGIBLE ACTIVITIES:

Funding has been divided into eligible activities based on community identified needs and CoC's priority planning outcomes.

Rapid Rehousing and Rental Assistance-	\$171,115
Operating Support for Emergency Housing Interventions-	\$100,000
Systems Support-	\$ 16,944
Youth Homeless Services-	\$ 27,112
Administration-(Collaborative Applicant Only)	\$ 23,722

FUNDING CATEGORIES

1. Rapid Rehousing and Rental Assistance - \$171,115

- Housing relocation and stabilization services
 - Must prioritize assistance to homeless individuals and families over assistance to individuals and families at risk of homelessness
 - Rent payments may not exceed two times the current HUD fair market rent for our local area
- Rental Assistance
 - Establish support of rental subsidies for permanent housing

2. Operating Support - \$100,000

- Shelter Operations
 - Must provide room and board and will include case managers who work to connect homeless individuals and families to income, public benefits, health services, permanent housing or other shelters

- May include new and existing affordable or supportive housing, emergency shelters, non-congregant shelters, interim or bridge housing, and navigation centers

3. System Support - \$16,944

- HMIS
- CES
 - Activities necessary to maintain a comprehensive homeless services & housing delivery system, including Coordinated Entry System (CES) data, & Homeless Management Information System (HMIS) reporting.
 - Training and data collection activities
 - Activities to expand CES or HMIS
- Homelessness Planning Activities

4. Youth Homeless Services - \$27,112

- Youth Housing
 - Must provide room and board and will include case managers who work to connect homeless youth to income, public benefits, health services, permanent housing or other shelters
 - Unaccompanied youth who are between 12 and 24 years old and experiencing homelessness

Emergency Solutions Grant Program Coronavirus (ESG CV) 2020 Round I Funding Details

AUTHORIZING LEGISLATION:

Funding under this NOFA is made available pursuant to the CARES Act, Title XII, Homeless Assistance Grant Section of and authorized by the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11371 et seq., Subtitle B of Title IV. Relevant legal authority includes, but is not limited to, the following:

- Code of Federal Regulations (CFR), Title 24, Part 576
- 24 CFR Part 91 relating to Annual Action Plan requirements
- 24 CFR Part 58, relating to environmental reviews
- Homeless Definition Final Rule: The Interim Rule, published in the Federal Register on December 4, 2015, cited above, provides the homeless definition that applies to the ESG program
- Chronically Homeless Definition Final Rule: The Interim Rule, published in the Federal Register on December 4, 2015, cited above, provides the chronically homeless definition that applies to the ESG program
- Office of Management and Budget (OMB) requirements for Universal Identifier and Central Contractor Registration, 2 CFR Part 25, Appendix A to Part 25
- HUD issued Waivers related to CARES Act funding

The program operates under the requirements of California Code of Regulations Title 25, Division 2, Chapter 7, encompassing Sections 8400 - 8417.

This NOFA governs the administration of funding as allocated to the Merced City and County Continuum of Care and made available under the ESG CV program.

Terms not otherwise defined in this NOFA shall have the meanings set forth in Section 8401. Additional information about the ESG CV program can be found at the California State website <https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtml>.

ESG CV ROUND 1 PROGRAM OVERVIEW:

The County of Merced Human Services Agency acting as the Collaborative Applicant is accepting applications on behalf of Merced City and County Continuum of Care (CoC).

The ESG CV Round 1 program is a statewide \$42 million grant designed to provide funding for the following objectives:

- Prevent, prepare for, and respond to coronavirus among individuals and families who are experiencing homelessness or receiving homeless assistance
- Support additional homeless assistance and homeless prevention activities to mitigate the impacts created by coronavirus

Total round I funding available to meet the grants objectives in Merced County is one-time funding in the amount of \$870,800. A maximum of 5.25% of the funding is set aside for Administrative Costs totaling \$45,800 for the Collaborative Applicant. All ESG CV Round 1 funding must be fully expended by September 30, 2022. There are no matching requirements for ESG CV Round 1 funding.

This program is designed to identify sheltered and unsheltered persons experiencing homelessness, as well as those at risk of homelessness, and provide services necessary to help those persons to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

Through the ESG-CV program, project applicants must work with the CoC Coordinated Entry System (CES), to assess the participants' housing barriers and then link participants with the program and supportive services appropriate to the specific household situation.

No match requirements apply to the ESG-CV funding allocation.

DUPLICATION OF BENEFITS:

A Duplication of Benefit (DOB) occurs when a program beneficiary receives assistance from multiple funding sources totaling an amount that exceeds the need for a particular funding need. The duplication is the amount of assistance provided in excess of the need. It is the Department's responsibility to ensure that each ESG-CV activity provides assistance only to the extent that the recipient's project's funding need(s) has not been met by another funding source.

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) prohibits federal agencies from providing assistance to any "person, business concern, or other entity" for any loss for which the entity has already received financial assistance from another source (See: 42 USC § 5155(a)). The Federal Register Notice, published on November 16, 2011 (Docket No. FR-5582-N-01), requires adequate policies and procedures in place to prevent a DOB and provide for the recapture of funds, if necessary.

The Collaborative Applicant was required to complete DOB documentation with application. **Recipients will be required to continue to report on DOB during the expenditure period for the ESG-CV funds.**

NON-ENTITLEMENT AREAS

Sub-recipients must ensure that all funded activities are available to non-entitlement areas of the CoC Service Area using the Coordinated Entry System and other means. Sub-recipients shall facilitate outreach to populations in the non-entitlement areas and shall evaluate participation from these areas at least annually. Funded activities may also serve households located in ESG entitlement areas.

ESG CV ROUND 1 PROJECT PERIOD

The project period for this NOFA will begin immediately upon execution of a signed contract, with grants to be fully expended by September 30, 2022. The start and end time of the grants may be adjusted based on the identified needs of the CoC service area as well as State and Federal funding requirements.

AVAILABLE FUNDING AND ELIGIBLE ACTIVITIES:¹

Funding has been divided into eligible activities based on community identified needs and CoC's priority planning outcomes. The CoC Board allocated funding for the following activities:

Street Outreach-	\$150,000
Rapid Re-Housing-	\$57,748
HMIS-	\$25,000
Administration-(Collaborative Applicant Only)	\$45,800

For the ESG-CV NOFA, all activities permitted under the federal ESG regulations shall be eligible under 24 CFR Part 576.100. Please note the following CARES Act provisions that are especially pertinent to the ESG-CV funding:

¹ \$592,252 was provided to the County of Merced to support Project Roomkey non-congregate shelter operations. This same amount was returned to the CoC by the County of Merced in the form of CESH II which had previously been designated for Project Roomkey.

- The maximum allocation spending cap on Emergency Shelter and Street Outreach activities of 60 percent of the aggregate amount of assistance provided for the grantee established pursuant to section 415(b)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C 11374) did *not apply* to amounts provided under the CARES Act.
- ESG-CV funding amounts provided under the CARES Act may be used to provide temporary emergency shelters (through leasing of existing property, temporary structures, or other means) to prevent, prepare for and respond to coronavirus, and that such temporary emergency shelters shall not be subject to the minimum periods of use as required by section 416(c)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11357(c)(1)). Federal habitability and environmental review standards and requirements shall not apply to the use of such ESG-CV funding amounts for those temporary emergency shelters that have been determined necessary to prevent, prepare for, and respond to coronavirus.
- ESG-CV funding amounts provided under the CARES Act may be used for training on infectious disease prevention and mitigation and to provide hazard pay (including for time worked prior to the date of enactment of the CARES Act) for staff working directly to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness, and that such activities shall not be considered administrative costs for purposes of the administrative cap.
- Grantee will receive approximately five percent of its ESG grant for the payment of administrative costs.
- Under 24 CFR Part 576.106(d), rental assistance payments provided as part of an RR or HP activity typically cannot exceed HUD's Fair Market Rent(FMR) as provided under 24 CFR Part 888, except as provided any HUD waivers issued, and must comply with HUD's standard for rent reasonableness per 24 CFR Part 982.507. After expiration of any HUD waivers to FMR, requests for exceptions to FMR can be made to HUD through the Department and must be approved in writing by HUD. Contact your Department representative in the Federal Programs Branch for further assistance.
- None of the ESG-CV funds provided under the CARES Act may be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter.

FUNDING CATEGORIES

1. Rapid-Re-housing Services \$57,748

Rapid Re-Housing: Services that provide housing relocation and stabilization and short- and/or medium-term rental assistance necessary to move an individual or family who fits under the “homeless” definition into permanent housing; including:

- Housing Relocation and Stabilization Services
 - Financial Assistance Costs (includes rental application fees, security deposits, last month’s rent, utility deposits, utility payments, moving costs, services costs)
 - Housing Search and Placement (staff time spent assisting clients in locating, obtaining and retaining housing)
 - Housing Stability Case Management (staff time spent assessing, arranging, coordinating, and monitoring the client’s progress towards achieving housing stability)
 - Mediation (between the client and landlord)
 - Legal Services (necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides)
 - Credit Repair (cannot be used to pay down client debt)
- Short-term Rental Assistance (up to 3 months)
- Medium-term Rental Assistance (4 - 24 months)
- Payment of Rental Arrears (one-time payment for up to 6 months of rental arrears, including any applicable late fees)

2. Street Outreach - \$150,000

Street Outreach: Essential Services assisting unsheltered homeless persons to meet emergency needs including:

- Engagement
- Case Management
- Emergency Health Services: If otherwise unavailable to the client.
- Emergency Mental Health Care: If otherwise unavailable to the client.
- Transportation: To and from another eligible Street Outreach service for both staff and clients, includes public transportation costs.

3. HMIS- \$25,000

Homeless Management Information Systems (HMIS): Participation in HMIS is required for both ESG and CA-ESG; however, only Federal ESG provides for HMIS specific funding. The Federal ESG maximum award request capped at 10%. Per HUD ESG regulations, victim services organizations may collect data in a substantially equivalent database instead of in HMIS. HMIS eligible expenses include:

- Administering
- Monitoring
- Reporting
- Training
- Technical Support
- Participation Fees/Software

Emergency Solutions Grant Program Coronavirus (ESG CV) 2020 Round 2 Funding Details

AUTHORIZING LEGISLATION

Funding under this NOFA is made available pursuant to the CARES Act, Title XII, Homeless Assistance Grant Section of and authorized by the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11371 et seq., Subtitle B of Title IV. Relevant legal authority includes, but is not limited to, the following:

- Code of Federal Regulations (CFR), Title 24, Part 576
- 24 CFR Part 91 relating to Annual Action Plan requirements
- 24 CFR Part 58, relating to environmental reviews
- Homeless Definition Final Rule: The Interim Rule, published in the Federal Register on December 4, 2015, cited above, provides the homeless definition that applies to the ESG program
- Chronically Homeless Definition Final Rule: The Interim Rule, published in the Federal Register on December 4, 2015, cited above, provides the chronically homeless definition that applies to the ESG program
- Office of Management and Budget (OMB) requirements for Universal Identifier and Central Contractor Registration, 2 CFR Part 25, Appendix A to Part 25
- HUD issued Waivers related to CARES Act funding

The program operates under the requirements of California Code of Regulations Title 25, Division 2, Chapter 7, encompassing Sections 8400 – 8417.

This NOFA governs the administration of funding as allocated to the Merced City and County Continuum of Care and made available under the ESG CV program.

Terms not otherwise defined in this NOFA shall have the meanings set forth in Section 8401. Additional information about the ESG CV program can be found at the California State website <https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtml>.

ESG CV ROUND 2 PROGRAM OVERVIEW:

The County of Merced Human Services Agency acting as the Collaborative Applicant is accepting applications on behalf of Merced City and County Continuum of Care (CoC). The ESG CV Round 2 program is a statewide \$253 million grant designed to provide funding for the following priorities:

- (1) to serve those most in need through Rapid Rehousing and Emergency Shelter; and
- (2) to ensure all eligible persons receive equitable services with dignity, respect and compassion regardless of circumstances, ability, or identity. This includes marginalized populations, Black, Native and Indigenous, Latinx, Asian, Pacific Islanders, and other people of color, immigrants, people with criminal records, people with disabilities, people with mental health and substance use vulnerabilities, people with limited English proficiency, people who identify as transgender, people who identify as LGBTQ+, and other individuals that may not have access to mainstream support.

This ESG-CV (Round 2) Notice of Funding Availability (NOFA) provides funding for the following objectives:

- Prevent, prepare for, and respond to Coronavirus among individuals and families who are experiencing homelessness or receiving homeless assistance in a coordinated response that considers all available funding streams, housing resources, staffing resources and other community assets that can be marshalled. The Collaborative Applicant recommends that grantees use the California Business, Consumer Services and Housing Agency and the Homeless Coordinating and Financing Council's (HCFC) Guide to Strategic Uses of Key State and Federal Funds to Reduce Homelessness During the COVID-19 Pandemic available at the following link:
https://www.bcsh.ca.gov/hcfc/documents/covid19_strategic_guide.pdf
- Prioritize the use of ESG-CV (Round 2) funds for Rapid Rehousing to assist households experiencing literal homelessness move to the safest location possible – housing. Prioritize the use of ESG-CV (Round 2) Rapid Rehousing funds to assist households staying in non-congregate shelter move to housing. Prioritize the use of ESG-CV (Round 2) funds for Emergency Shelter as needed while providing pathways to housing from emergency shelter.
- Address racial disproportionality in homeless populations and achieve equitable provision of services for Black, Native and Indigenous, Latinx, Asian, Pacific Islanders and other people of color who are disproportionately impacted by homelessness and COVID-19.
- Provide housing and services that are low barrier, trauma informed, culturally responsive and housing first oriented. Per HUD guidance, individuals and families assisted with these ESG-CV funds must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used.

Prioritization for Emergency Shelters and Rapid Rehousing:

Due to the current public health emergency, the needs of those with highest risk are being prioritized (e.g. households that are experiencing literal homelessness and living in emergency shelters or living in unsheltered locations thereby making them at greater risk for COVID-19 infection and increasing the risk of community spread).

Through the ESG-CV program, project applicants must work with the CoC Coordinated Entry System (CES), to assess the participants' housing barriers and then link participants with the program and supportive services appropriate to the specific household situation.

No match requirements apply to the ESG-CV funding allocation.

DUPLICATION OF BENEFITS:

A Duplication of Benefit (DOB) occurs when a program beneficiary receives assistance from multiple funding sources totaling an amount that exceeds the need for a particular funding need. The duplication is the amount of assistance provided in excess of the need. It is the Collaborative Applicant's responsibility to ensure that each ESG-CV activity provides assistance only to the extent that the recipient's project's funding need(s) has not been met by another funding source.

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) prohibits federal agencies from providing assistance to any "person, business concern, or other entity" for any loss for which the entity has already received financial assistance from another source (See: 42 USC § 5155(a)). The Federal Register Notice, published on November 16, 2011 (Docket No. FR-5582-N-01), requires adequate policies and procedures in place to prevent a DOB and provide for the recapture of funds, if necessary.

The Collaborative Applicant was required to complete DOB documentation with application. **Recipients will be required to continue to report on DOB during the expenditure period for the ESG-CV funds.**

NON-ENTITLEMENT AREAS

Sub-recipients must ensure that all funded activities are available to non-entitlement areas of the CoC Service Area using the Coordinated Entry System and other means. Sub-recipients shall facilitate outreach to populations in the non-entitlement areas and shall evaluate participation from these areas at least annually. Funded activities may also serve households located in ESG entitlement areas.

ESG CV ROUND 2 PROJECT PERIOD

The project period for this NOFA will begin upon execution of the contractual agreement, with grants to be fully expended by June 30, 2022. The start and end time of the grants may be adjusted based on the identified needs of the CoC service area as well as State and Federal funding requirements.

In line with HUD’s expenditure deadlines included in the CPD-20-08 ESG-CV Notice, the Collaborative Applicant requires grantees to meet the following expenditure deadlines for **ESG-CV Round 2** funding. Should the grantee not meet the following expenditure expectations, the Collaborative Applicant in its sole discretion reserves the right to recapture the difference in funds between the actual expenditure amount at the expenditure deadline and expected expenditure. The Collaborative Applicant also reserves the right in its sole discretion to mandate a corrective action or remediation plan to ensure future timely expenditure of ESG-CV Round 2 funds.

Percentage of ESG-CV (Round 2) Award Expenditure	Expenditure Deadline
20%	July 31, 2021
40%	September 30, 2021
60%	November 30, 2021
80%	January 31, 2022*

*100% of Emergency Shelter funds must be expended by January 31, 2022

AVAILABLE FUNDING AND ELIGIBLE ACTIVITIES:

Total round 2 funding available to meet the grants objectives in Merced County is one-time funding in the amount of \$2,300,000. A maximum of 3.2% of the funding is set aside for Administrative Costs totaling \$74,200 for the Collaborative Applicant. There are no matching requirements for ESG CV Round 2 funding.

Funding has been divided into eligible activities based on community identified needs and CoC’s priority planning outcomes. The CoC Board allocated funding for the following activities:

Emergency Shelter-	\$1,671,000
Street Outreach-	\$385,000

² Rapid Re-Housing-	\$84,000
HMIS-	\$85,800
Administration-(Collaborative Applicant Only)	\$74,200

For the ESG-CV Round 2 NOFA, all activities permitted under the federal ESG regulations shall be eligible under 24 CFR Part 576.102. Please note the following CARES Act provisions that are especially pertinent to the ESG-CV funding:

- The maximum allocation spending cap on Emergency shelter activities of 60 percent of the aggregate amount of assistance provided for the grantee established pursuant to section 415(b)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C 11374) *shall not apply* to amounts provided under the CARES Act.
- Emergency Shelter funds may be used only for the costs of providing emergency shelter during the period beginning on the date the grantee began preventing, preparing for, and responding to coronavirus and ending on January 31, 2022 per the HUD CPD Notice 20-08.
- Despite this federal allowance, the Collaborative Applicant encourages local communities to use the bulk of funds for Rapid Rehousing to assist households to move as quickly as possible to housing during the pandemic.
- Homeless Prevention may be allowed only if the applicant can demonstrate that all homeless individuals (sheltered and unsheltered) within their COC Service Area per the most recent point-in-time (PIT) count are already housed or will be housed with current ESG or other sources of funding. If applicant sufficiently demonstrates need has been met to house all homeless individuals, the applicant may apply for funding for Homeless Prevention.
- ESG-CV (Round 2) funding amounts provided under the CARES Act may be used to provide temporary emergency shelters (through leasing of existing property, temporary structures, or other means) to prevent, prepare for and respond to coronavirus, and that such temporary emergency shelters shall not be subject to the minimum periods of use as required by section 416(c)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11357(c)(1)). Federal habitability and environmental review standards and requirements shall not apply to the use of such ESG-CV (Round 2) funding amounts for those temporary emergency shelters that have been determined necessary to prevent, prepare for, and respond to coronavirus.

² ESG CV Round 2 funds medium-term rental assistance defined as more than 3 months but not more than 12 months.

- ESG-CV (Round 2) funding amounts provided under the CARES Act may be used for training on infectious disease prevention and mitigation and to provide hazard pay (including for time worked prior to the date of enactment of the CARES Act) for staff working directly to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness, and that such activities shall not be considered administrative costs for purposes of the administrative cap.
- Grantee will receive approximately three percent of its ESG-CV (Round 2) grant for the payment of Administrative activities costs.
- Under 24 CFR Part 576.106(d), rental assistance payments provided as part of an RR or HP activity typically cannot exceed HUD's Fair Market Rent (FMR) as provided under 24 CFR Part 888, except as provided in the HUD Waiver dated April 1, 2020, the HUD Community Planning & Development Memorandum issued May 22, 2020, HUD Community Planning & Development Notice 20-08 issued September 1, 2020 and any future HUD Notices, and must comply with HUD's standard for rent reasonableness per 24 CFR Part 982.507. After expiration of HUD's waiver referenced above, requests for exceptions to FMR can be made to HUD through the Collaborative Applicant and must be approved in writing by HUD. Contact your Collaborative Applicant representative in the Federal Programs Branch for further assistance.
- None of the ESG-CV (Round 2) funds provided under the CARES Act may be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter.
- Per the HUD CPD Notice 20-08, under Additional Eligible Activities for Temporary Emergency Shelters, acquisition of real property (e.g. hotels, ancillary structures, parking lots) are eligible. The total amount of ESG-CV (Round 2) funds used for acquisition must not exceed \$2.5 million per real property. The Collaborative Applicant strongly encourages grantees to use the bulk of their ESG-CV (Round 2) funds for Rapid Rehousing so that households can move to housing and to use ESG-CV (Round 2) for temporary shelter when necessary to address emergency health and safety needs in partnership with local public health.
- Per the HUD CPD Notice 20-08 5b(ii) regarding *Short-Term and Medium-Term Rental Assistance*, "The requirement at 24 CFR 576.106(d) that prohibits rental assistance where the rent for the unit exceeds the Fair Market Rent established by HUD, as provided under 24 CFR Part 888, is waived so long as the rent complies with HUD's standards of rent reasonableness, as established under 24 CFR 982.507."

FUNDING CATEGORIES

1. Emergency Shelter – \$1,671,000

Emergency Shelter: Funds for facilities providing overnight shelter to homeless families and individuals including:

- Operational Costs
- Renovation of Buildings Used as Emergency Shelters for Homeless
- Essential Services:
 - Case Management
 - Child Care
 - Education Services
 - Employment Assistance and Job Skills Training
 - Outpatient Health Services
 - Legal Services
 - Life Skills Training
 - Mental Health Services (if otherwise unavailable to the client)
 - Substance Abuse Treatment Services (if otherwise unavailable to the client)
 - Transportation (for client to and from medical care, employment, child care, or other eligible essential services, includes public transportation costs, or for staff for client home visits, for facility vehicle leasing costs when used specifically for transporting clients to and from medical care, employment, child care, or other eligible essential services)
 - Services for Special Populations (homeless youth, victim services, persons living with HIV/AIDS provided the services are one of those listed above)

2. Rapid-Re-housing Services \$84,000

Rapid Re-Housing: Services that provide housing relocation and stabilization and short- and/or medium-term rental assistance necessary to move an individual or family who fits under the “homeless” definition into permanent housing; including:

- Housing Relocation and Stabilization Services
 - Financial Assistance Costs (includes rental application fees, security deposits, last month’s rent, utility deposits, utility payments, moving costs, services costs)
 - Housing Search and Placement (staff time spent assisting clients in locating, obtaining and retaining housing)
 - Housing Stability Case Management (staff time spent assessing, arranging, coordinating, and monitoring the client’s progress towards achieving housing stability)
 - Mediation (between the client and landlord)
 - Legal Services (necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely

result in the program participant losing the permanent housing in which the program participant currently resides)

- Credit Repair (cannot be used to pay down client debt)
- Short-term Rental Assistance (up to 3 months)
- Medium-term Rental Assistance (4 - 24 months)
- Payment of Rental Arrears (one-time payment for up to 6 months of rental arrears, including any applicable late fees)

3. **Street Outreach - \$385,000**

Street Outreach: Essential Services assisting unsheltered homeless persons to meet emergency needs including:

- Engagement
- Case Management
- Emergency Health Services: If otherwise unavailable to the client.
- Emergency Mental Health Care: If otherwise unavailable to the client.
- Transportation: To and from another eligible Street Outreach service for both staff and clients, includes public transportation costs.

4. **HMIS- \$85,800**

Homeless Management Information Systems (HMIS): Participation in HMIS is required for both ESG and CA-ESG; however, only Federal ESG provides for HMIS specific funding. The Federal ESG maximum award request capped at 10%. Per HUD ESG regulations, victim services organizations may collect data in a substantially equivalent database instead of in HMIS. HMIS eligible expenses include:

- Administering
- Monitoring
- Reporting
- Training
- Technical Support
- Participation Fees/Software