SUMMARY
2020 ESG NOTICE OF FUNDING AVAILABILITY

On February 28, 2020 the State of California Department of Housing and Community Development (HCD) released a 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 re-housing 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 and submitting applications for ESG funds.[1]

The Napa Continuum of Care (CoC) encourages eligible new and existing programs to apply for the funding opportunities described below. Additional information about the CoC's review and recommendation process and timeline will be distributed to the CoC through the CoC listserv.

Key Points

- The Napa CoC's BOS allocation is $108,860.
- Funding comes in two parts**: noncompetitive grants for rapid re-housing (RR)** (between 40% to 50% of the CoC allocation) and **a regional competition for additional funds to be used for any of the eligible project** types described below.
- **Providers should submit a Statement of Interest letter, expressing intent to apply for BOS ESG funding by April 1, 2020 at 5pm PDT to Napa@homebaseccc.org.** This letter should include a brief description of the intended project, the project type, and total budget.
- The Napa CoC may compete for a greater amount of the competitive pool than its allocation under ESG rules.
- 100% match is required for all grants.
- **An informational webinar was held on March 5, 2020 from 2:00-3:30.** The recording of the webinar can be found on the ESG webpage: https://www.youtube.com/watch?v=f_LvywpzQsY&feature=youtu.be
- **Internal deadlines for Napa CoC Applicant Submission will be announced on or soon after March 23rd.**
- **Final due date for CoC submission:** A complete original application and one USB flash drive of the hardcopy application with signatures must be received by HCD no later **than 5:00 p.m. PST on Thursday, May 28, 2020.** Applications must be mailed.

What's New in the 2020 ESG NOFA

Pursuant to HCD's Annual Action Plan, the scoring section Impact and Effectiveness has changed in regard to system-level performance data. Scoring will now be based on the CoC Service Area's shown improvement in either of the following two measures over the 12-month period ending September 30, 2019[2]:

1) The Change in Exits to Permanent Housing, (Measure 7b1, or as may be renumbered by HUD); or
2) Increases in the number of Chronically Homeless served, as measured under Metric 3.917, or as may be renumbered by HUD.

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[1] All applicants are strongly advised to read the NOFA carefully before submitting applications for funding. https://www.hcd.ca.gov/grants-funding/active-funding/esg/docs/2020_ESG_Balance_of_State_NOFA.pdf

2 Note that there is a discrepancy in the NOFA in sections IC and IIIE regarding the 12-month period of data to be used for system performance; Homebase will contact HCD for clarification.

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The ESG BOS Process

As a Balance of State CoC, Napa may use two processes for applying for ESG funding: (1) a noncompetitive process for up to two rapid re-housing programs recommended for funding by the CoC after using a fair and open evaluation process; and (2) a competitive process for the remaining funding, open to program types described below. The CoC may recommend up to two providers for the noncompetitive funding of 40% to 50% of Napa's BOS allocation. The CoC may recommend up to two applications for $75,000 to $200,000 for the competitive funding – note that these application amounts are not limited by the amount of Napa's allocation.

Programs seeking competitive funding will submit applications to the CoC, and then, using a fair and open process, the CoC will identify up to two programs to recommend for funding to HCD. Competitive applications will then go to HCD where they will compete for funding with other CoCs in the Bay Area Region (comprised of Santa Cruz, Vallejo/Solano County and Marin as well as Napa). The Napa CoC also must complete a Recommendation Packet for each competitive and noncompetitive project it recommends for funding. Complete application packages (including one USB flash drive with a signed original copy of the application) must be received by HCD by 5pm on May 28, 2020.

The Two Application Processes

Overview

	Amount	Number of Applications that can be Recommended by CoC	Eligible Project Types
Non-competitive	$43,544 or $54,430	Up to two for Napa as a single-county CoC	o Rapid Rehousing (RR) only
Competitive	$75,000 to $200,000	Up to two for Napa as a single-county CoC	o Rapid Rehousing (RR) o Emergency shelter (ES) o Day shelter (DS)* o Street Outreach (SO)* o Homelessness Prevention (HP)* o Homeless Management Information System (HMIS)* *For further limitations and requirements associated with these project type see the competitive funding section below

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<u>Noncompetitive Funding (40%-50% of BOS allocation, the Napa CoC may recommend no more than two applications for competitive funding)</u>

- **Rapid Rehousing** – provides housing search and retention services as well as short- or long-term rental assistance for permanent housing to homeless individuals and families. Projects must comply with HUD regulations set forth in 24 CFR 576.104 regarding maximum rental amounts, lease agreements, and periods of assistance.
    - Up to 10% of a total application request for Rapid Rehousing funds may go towards Street Outreach (SO), Homeless Prevention (HP) a*nd/or* Homeless Management System (HMIS) activities. Rapid Rehousing applicants may request 10% of the total amount requested be allocated to one of these eligible activities (SO, HP, HMIS), or may request an allocation of 10% for more than one of these activities. For example, a Rapid Rehousing application could request 10% of the total amount requested go to SO and another 10% of the total amount requested go to HP in the same project.
    - HMIS activities must be associated with contributing data derived from ESG-funded programs.
    - SO, HP, and/or HMIS can be subcontracted to another eligible provider or may be provided directly by the applicant
    - Local government applicants also may request $200 for costs associated with grant administration.

<u>Competitive Funding (the Napa CoC may recommend no more than two applications for competitive funding)</u>

- **Rapid Rehousing** – see above for description. *Applicants may ask for between $75,000 - $200,000 and include 10% set asides for street outreach, HMIS, and prevention.*
- **Emergency Shelter** – provides services and shelter to households within general or specific populations without requiring residents to sign leases or occupancy agreements. This may include day shelters, which must target persons living on streets, in emergency shelters, or places not designed for human habitation. Funds may also be used for minor repairs and maintenance. *Applicants may ask for between $75,000 - $200,000.*
- **Street Outreach** – provides engagement, case management, health and mental health services, transportation, and services for unsheltered homeless persons, as well as outreach to connect such persons with shelter and other housing services. May be requested alone or in conjunction with a Rapid Rehousing or Emergency Shelter grant. *Applicants may ask for between $75,000 - $200,000, or if asking as part of an application for Rapid Rehousing or Emergency Shelter, up to a maximum of 10 percent of that grant request.*
- **Homelessness Prevention** – includes housing location and stabilization services, as well as short or medium-term rental assistance to individuals or families "at risk of homelessness." HP activities are not eligible as a stand-alone activity and must be applied for in conjunction with an application for an Emergency Shelter or Rapid Rehousing grant. *Applicants may ask for up to a maximum of 10 percent of the Rapid Rehousing or Emergency Shelter grant request.*
- **HMIS –** Each application may request up to 10% for HMIS costs, and up to $200 of their federal ESG funds for grant administration.

Note: **Rapid Rehousing** and **Homelessness Prevention** programs cannot target subpopulations unless they provide HCD with documentation in advance showing that there is an unmet need for the subpopulation and that the CoC already has funding to provide services for any excluded populations.

<u>In addition, all programs must:</u>

- Take a housing first approach to serving people experiencing homelessness by lowering barriers to access, limiting program requirements (i.e. not requiring income, sobriety), making services optional, and connecting households to permanent housing as quickly as possible.
- Use the CoC's Coordinated Entry process (unless exempted by federal rules).

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- Use progressive engagement to offer financial assistance and supportive services in a manner that offers the minimum amount of assistance necessary to resolve the participant's housing crisis.
- Obtain funds to match federal ESG funds.
- Operate consistently within the CoC's written standards, and consistent with other Rapid Rehousing and homelessness prevention programs within the CoC.
- Enter data into the CoC's HMIS (unless exempted by federal rules).

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