

**2020 Youth Homelessness  
Demonstration Program (YHDP)  
RFP**

**Handbook**

**March 30, 2020**

## CONTEXT

In August 2019, The U.S. Department of Housing and Urban Development (HUD) awarded \$75 million to end youth homelessness in 23 local communities across the country. Honolulu was awarded \$3.8 million to plan and implement a youth homeless system on Oahu.

The goal of the YHDP is to support communities in the development and implementation of a coordinated community approach to preventing and ending youth homelessness, and sharing that experience with and mobilizing communities around the country toward the same end. The population to be served by this demonstration program is youth experiencing homelessness, including unaccompanied and pregnant or parenting youth, where no member of the household is older than 24.

Partners in Care (PIC) is the CoC for Oahu, Hawaii, which serves the City and County of Honolulu and serves as the Lead Agency for YHDP. Nonprofit organizations, states, and local governments may apply for project funding, which can support a wide range of housing programs including rapid re-housing, permanent supportive housing, and host homes.

PIC is seeking applications from eligible organizations to implement three (6) different project types approved by local YHDP stakeholders to address a critical resource need to address youth homelessness in Oahu.

1. **Diversion** to provide services to unaccompanied youth under the age of 25 with short-term supportive services to divert from homelessness.
2. **Guide On The Side Navigation and Long-Term Case Management model** to provide a consistent point of contact for youth and help them navigate different resources, systems of care, and needs (i.e. education, employment, health/mental health, etc.).
3. **Host Home model** to provide a flexible (short or medium term), crisis response in community-based settings offering youth 24/7 immediate access to a safe alternative to shelter.
4. **Joint Transitional Housing & Rapid Rehousing (TH-RRH) model**, which combines Transitional Housing (TH), a service-intensive, frequently congregate-care component, with Rapid Re-Housing (RRH), a scattered site independent living component
5. **Permanent Supportive Housing (PSH)** to provide long-term, flexible rental subsidies for YYA experiencing homelessness and have disabilities/disabling conditions that affect their long-term ability to gain income/live independently without ongoing services.
6. **Mobile Crisis Response** incorporating supportive service elements connected to case management, drop-in centers, legal services, outpatient health services, substance abuse treatment, life skills training, and case management.

Planning and implementation of Coordinated Entry and HMIS for unaccompanied youth under the age of 25 is also being funded as a priority through YHDP funds, and will be applied for by PIC in its role as the Collaborative Applicant, Coordinated Entry and HMIS Lead Agency, as described in the HMIS and Coordinated Entry Policies and Procedures.

Oahu has chosen to prioritize YHDP project applications using a “review and rank” process. As a project applicant, you must participate in the local review and rank process and have your project selected as part of the Oahu YHDP in order to be eligible for funding. You must follow local procedures and submit local documents. If your project is selected, you also need to prepare for the HUD submission of the project application. HUD requires the use of a web-based application and grants

management system called e-snaps for submissions. All project applications are pending approval from HUD and may be amended per feedback from the Oahu Youth Action Board (OYAB) and Review and Rank Panel, as well as HUD.

There are three things to keep in mind when preparing your application:

1. Ensuring your application is competitive for funding in the local YHDP RFP competition;
2. Ensuring the project you are applying for is eligible for HUD funding and compliant with HUD requirements; and
3. Ensuring you are prepared for the HUD submission of the project application if your project is selected.

Of these three, the local materials provided today will answer questions you may have about number 1, this Handbook will answer questions you have about number 2, and each organization will receive a packet on **Completing an Application in HUD's Web-Based Application System: e-snaps** to answer any questions you may have about number 3 in preparation for submitting a locally selected project to HUD. Step 3 will occur in June, after the local selection process, and is only applicable for those projects that are selected through the local process.

## **HOW TO USE THIS HANDBOOK**

This handbook is written to be a reference guide for agency staff that are completing the YHDP project application or participating in project implementation. While you are welcome to read this document front to back, you may find it most useful to start from the Table of Contents.

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## SUMMARY: 2020 YHDP COMPETITION OVERVIEW AND FUNDING AVAILABLE

On March 27, 2020, Partners in Care (PIC) released a Request for Proposals (RFP) for Youth Homelessness Demonstration Program (YHDP) project funding for 2020. Approximately \$3,686,000 in project funding is available annually for housing and services for unaccompanied youth experiencing homelessness.

<b>Project Types</b>	<b>2-Year YHDP Total</b>
Host Homes	\$25,000 - \$200,000
Joint Transitional Housing/Rapid Rehousing	\$93,000 - \$336,000
Mobile Crisis Response	\$200,000 - \$550,000
Diversion	\$250,000 - \$650,000
Permanent Supportive Housing	\$350,000 - \$850,000
Guide On The Side	\$450,000 - \$1,050,000
Coordinated Entry System	\$75,000 - \$150,000
Homeless Management Information System	\$100,000 - \$200,000
<b>Total</b>	<b>\$3,686,000</b>

*All HUD Funds require a 25% match on all budget items, except leasing.*

Planning and implementation of Coordinated Entry and HMIS for unaccompanied youth under the age of 25 will be applied for by PIC in its role as the Collaborative Applicant, Coordinated Entry and HMIS Lead Agency, as described in the HMIS and Coordinated Entry Policies and Procedures.

### A. ELIGIBLE APPLICANTS

Nonprofit organizations, states, local governments, and instrumentalities of state and local governments are eligible to apply for YHDP project funding. All Project Applicants seeking funding under the YHDP RFP must have a DUNS number and must have an active System for Award Management (SAM) registration.

To be eligible for funding under YHDP, applicants and projects must meet statutory and regulatory requirements of the McKinney-Vento Homeless Assistance Act and 24 CFR part 578 – unless an exception is approved by HUD. In general, projects funded under YHDP may be renewed under the CoC program. Therefore, project applicants may apply for all projects permitted under the CoC program competition, so long as the projects limit their assistance to unaccompanied youth and pregnant and parenting youth.

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## B. ELIGIBLE PARTICIPANTS

YHDP funds may only be used to serve unaccompanied youth and young adults (YYA), and parenting or pregnant youth that meet HUD's definition of "homeless."

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## C. HUD DEFINITION OF HOMELESSNESS

HUD's Homeless Definition Final Rule became effective January 4, 2012; HUD's Final Rule Defining Chronically Homeless is effective as of January 15, 2016. These rules apply to any program that is funded through the McKinney-Vento Continuum of Care (CoC) homeless-assistance program.

The HUD homeless definition has four categories:

- **Category 1: Literally homeless individuals/families who lack fixed, regular, and adequate nighttime residence.** This definition includes:
  - 1) Individuals or families who are sleeping in places not designed for or ordinarily used as a regular sleeping accommodation (including cars, parks, abandoned buildings, bus or train stations, airports, or campgrounds).
  - 2) Individuals or families who are living in a shelter, transitional housing, or motel/hotel paid for by a third party.
  - 3) Individuals exiting an institution who a) resided in the institution for 90 days or less; and b) were residing in emergency shelter or a place not meant for human habitation immediately before entering the institution.
- **Category 2: Imminently homeless Individuals/families.** To qualify for this category, individuals or families must:
  - 1) Be imminently losing their primary nighttime residence within 14 days, AND
  - 2) Have no subsequent residence identified, AND
  - 3) Lack the resources or support networks needed to obtain other permanent housing.
- **Category 3: Unaccompanied youth or families with children/youth who meet the homeless definition under another federal statute.** Applies to unaccompanied youth under 25 or families with children and youth, who do not otherwise qualify as homeless, but who:
  - 1) Meet definition of homeless under another federal statute; AND
  - 2) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during last 60 days; AND
  - 3) Have experienced two or more moves during last 60 days; AND
  - 4) Is expected to continue in such status for an extended period of time due to special needs or two or more barriers to employment.

*\*\*\*Please note: HUD approval is required to serve youth that meet the criteria for Category 3 of the HUD definition of homeless. **To date, no community has received approval to serve this population.** As such, projects in Oahu do not have approval to serve this population through YHDP funding. \*\*\**

- **Category 4: Individuals/families fleeing or attempting to flee domestic violence.** Applies to Individuals/families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence, who:
  - 1) Have no identified subsequent residence; AND
  - 2) Lack the resources and support networks needed to obtain other permanent housing.

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## D. GRANT TERMS

All projects (except planning grants) will be awarded with two-year grant terms, with one-year renewals after the first grant, if approved through the local CoC competition.

## DESIGNING YOUR PROJECT

### I. PROJECT ELIGIBILITY

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#### A. STANDARD PROJECTS ESTABLISHED AT 24 CFR 578.37

Communities may apply for all projects permitted under the CoC Program Competition (limited to serving unaccompanied youth and pregnant and parenting youth). Please note that these are the generally eligible CoC project types, but further limitations regarding project eligibility and design under YHDP may apply.

##### 1. PERMANENT SUPPORTIVE HOUSING

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- **Permanent supportive housing (PSH)** component projects provide permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently.
- Grant funds may be used for (see “Eligible Costs to Inform Project Design” section of this manual):
  - Leasing
  - Operations
  - Rental Assistance
  - Supportive Services
  - HMIS
  - Indirect Costs
  - Administration
- Project should use a “Housing First” approach in its design. Housing First is a model of housing assistance that is offered without preconditions (such as sobriety or a minimum income threshold) or service participation requirements, and rapid placement and stabilization in permanent housing are primary goals.
- Housing may be single site or scattered sites, and can be integrated with affordable or market-rate units.
- Services must be offered. Services may vary depending on residents’ needs.
- Lease is required; must be renewable, for a term of at least one year, and terminable only for cause.

##### 2. JOINT TH AND PH-RRH

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- **Joint TH and PH-RRH** component projects combines two existing program components—transitional housing and permanent housing-rapid rehousing—in a single project to serve individuals and families experiencing homelessness.
- Recipients should prioritize those with the highest needs using an evidence-based approach designed to provide stable housing and services that, to the greatest extent possible, move

the participant towards self-sufficiency and independence. Program participants may only receive up to 24-months of assistance under each component, for a total of 48 months.

- Grant funds may be used for (see “Eligible Costs to Inform Project Design” section of this manual):
  - Leasing of a structure or units, and operating costs to provide transitional housing for up to 24 months
  - Short-term (up to 3 months) and/or medium-term (3-24 months) tenant-based rental assistance
  - Supportive services
  - HMIS
  - Project administrative costs
- When a program participant is enrolled in a Joint TH and PH-RRH component project, the recipient or subrecipient must be able to provide both components, including the units supported by the transitional housing component and the tenant-based rental assistance and services provided through the RRH component, to all participants.
- A program participant may choose to receive only the transitional housing unit or the assistance provided through the RRH component, but the recipient or subrecipient must make both types of assistance available.
- The program must provide enough rapid re-housing assistance to ensure that at any given time a program participant may move from transitional housing to RRH. This may be demonstrated by identifying a budget that has twice as many resources for the rapid re-housing portion of the project than the TH portion, by having twice as many PH-RRH units at a point in time as TH units, or by demonstrating that the budget and units are appropriate for the population being served by the project.
- The TH portion of the project is meant to stabilize youth and provide them with intensive supportive and crisis services. The limit is 24 months, but ideally the youth will spend less time in TH (6-9 months). TH can be site-based, scattered site, or transition in place. TH is a great option for younger youth or youth who want more structure.
- For the RRH portion of the project, the project must:
  - Limit rental assistance to no more than 24 months per household.
  - Limit supportive services to no more than 6 months after rental assistance stops.
  - Re-evaluate at least once per year whether the project participant continues to lack the resources and support networks necessary to retain housing without CoC assistance.
  - Offer supportive services (may include any eligible CoC Program supportive service). Project participants should have access to a wide array of supportive services designed to help them retain stable, long-term housing.
  - Require project participants to meet with a case manager at least monthly.
  - Follow CoC written policies for:
    - Determining and prioritizing eligible families
    - Determining the amount or percentage of rent that each project participant must pay
- For the RRH portion of the project, the project may (if aligned with written standards adopted by the CoC in consultation with ESG recipients in the CoC’s geographic area and administered consistently across all projects):
  - Set a maximum amount or percentage of rental assistance that a project participant may receive.



- Set a maximum number of months (up to 24 months) that a project participant may receive rental assistance.
- Set a maximum number of times that a project participant may receive rental assistance.
- Require project participants to share in the costs of rent.

### 3. SUPPORTIVE SERVICES ONLY

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- **Supportive Service Only (SSO)** component projects provide supportive services to unsheltered and sheltered homeless persons for whom the recipient or subrecipient is not providing housing or housing assistance.
- Grant funds may be used for (see “Eligible Costs to Inform Project Design” section of this manual):
  - Leasing of a facility from which supportive services will be provided
  - Assistance with moving costs
  - Case management
  - Child care (*The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.*)
  - Education services
  - Employment assistance and job training
  - Food
  - Housing search and counseling services
  - Legal services
  - Life skills training
  - Mental health services
  - Outpatient health services
  - Outreach services
  - Substance abuse treatment
  - Transportation
  - Utility deposits

### B. NON-STANDARD YHDP PROJECTS

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Because YHDP is a demonstration designed to test innovative models, HUD will allow communities to apply for certain projects that are not eligible through the CoC Program competition, in order to implement their coordinated community plan to prevent and end youth homelessness. Such projects must receive an exception from HUD. The exception request and project application must demonstrate to HUD’s satisfaction why the program design should be tested and why certain regulatory requirements should be waived.

Please note, some projects or activities can be applied for and funded under YHDP but **cannot** be renewed. Such projects and activities **have not** been prioritized by Oahu for YHDP funding.

**Projects or activities that can be applied for and funded under YHDP, are renewable, and DO NOT require an exception include:**

- **Host Homes and Kinship Care.** YHDP funds may be used to subsidize the increased costs to the family that are attributable to housing the youth, if those costs are eligible CoC program costs. An example of eligible costs would be additional food costs, which are eligible supportive services under 24 CFR 578.53(e)(7). The project application must describe how the costs will be determined by the project applicant. HUD will be flexible in determinations of amount and supporting documentation.
- **Shared housing.** YHDP funds may be used to provide tenant-based rental assistance for a youth to reside with a family. All CoC requirements that apply to rental assistance would apply to rental assistance provided in shared housing. These requirements include the following:
  - There must be a rental assistance agreement between the recipient or the subrecipient and the owner;
  - The housing meets CoC habitability standards;
  - The rental assistance is provided in accordance with applicable written standards;
  - Rental assistance is not provided to a program participant who is receiving project-based rental assistance or operating assistance, through other public sources; and
  - The shared housing must meet the rent reasonableness standards.

FMR will be adjusted to the youth's pro-rata share of the FMR for the shared housing unit size. For example, in the case of a single youth who will occupy one bedroom in a 4-bedroom house, the FMR used would be the youth's pro-rata share of the 4 bedroom FMR (i.e. ¼ of the 4- bedroom FMR).

**Projects or activities that can be applied for and funded under YHDP, are renewable, and DO require an exception include:**

- **Rapid-rehousing 2.0.** Under current program regulations rapid-rehousing is limited to short and medium-term tenant-based rental assistance by 24 CFR 578.37(a)(ii). HUD recognizes that not all youth might be best served by this model. Some youth may need longer term assistance. Others may be unable to find landlords that are willing to rent to minors or young adults, in which case alternatives such as sponsor-based rental assistance, or the recipient using leasing funds to rent a unit it then would sublease to the youth, may better meet the needs of the individual homeless youth. HUD encourages applicants to design projects that will allow them to address the actual needs of the homeless youth they serve. This could include requesting funds for both rental assistance and leasing in the same project, with an assurance that the funds would not be used for the same individual or family and not in the same unit. HUD will consider exception requests to waive regulations that limit rapid re-housing to short- or medium-term tenant-based rental assistance. HUD will also consider exception requests to waive the prohibition against combining rental assistance and leasing costs or rental assistance and operating costs in the same structure that is found in 578.87(c)(4) & (5), however the assistance may not be provided to the same individual or family or the same unit.
- **Transition Aged Youth Rental Assistance.** Applicants could design a PH-RRH project that would provide medium-term rental assistance under 24 CFR 578.51(a)(1)(i) to transition aged youth for 12 months or until the program participant turns 25, whichever is longer. To serve program participants who are under 23 years old, applicants would need to secure an exception of 24 CFR 578.37(a)(1)(ii)(C), so that rental assistance could be provided for more than twenty-four months. HUD will also consider exception requests of 24 CFR 578.37(a)(1)(ii)(E), the requirement to reassess a program participant's continued eligibility for assistance annually because HUD recognizes that some youth may exit a program but not necessarily into stable housing and may need ongoing but intermittent assistance. Project Applicants must demonstrate in their application that the CoC has

developed policies and procedures for determining and prioritizing which eligible youth will receive this assistance.

- **Increased Security Deposits.** Because some landlords are reluctant to rent to youth for reasons such as lack of credit history and have concerns about property damage, they may demand additional security to rent units to be occupied by youth. To address this barrier to housing, HUD will consider exception requests for the two-month limitation on security deposits found at 578.49(b)(4) for leasing funds and 578.51(a)(2) for rental assistance. When requesting an exception, applicants need to show good cause for the exception and that landlords are requesting additional security for units that will be occupied by youth. The security deposits paid must be required in the written lease. For example, the lease must say a security deposit in the amount of 4 months' rents is required. Good cause for an exception would require showing that individual landlords are demanding extra security for minor and youth tenants and would also require showing that the increased deposit is permitted under state and local laws and ordinances. In jurisdictions where security deposits are limited by law to 2 months, no exception can be granted.

## II. ADDRESSING HUD'S PRINCIPLES ON YOUTH HOMELESSNESS

HUD requires that the following principles be incorporated into the community's overall approach to preventing and ending youth homelessness, as well as the individual interventions that support such an approach. These principles are incorporated into the Oahu YHDP Scoring Tool and project applications will be evaluated based on the extent to which they are incorporated into the project proposal.

1. **USICH Youth Framework and the Four Core Outcomes:** Project applications must demonstrate a commitment to the principles of the USICH Youth Framework to End Youth Homelessness published in 2012 and to its four core outcomes:
  - a. **Stable housing** includes a safe and reliable place to call home;
  - b. **Permanent connections** include ongoing attachments to families, communities, schools, and other positive social networks;
  - c. **Education/employment** includes high performance in and completion of educational and training activities, especially for younger youth, and starting and maintaining adequate and stable employment, particularly for older youth;
  - d. **Social-emotional well-being** includes the development of key competencies, attitudes, and behaviors that equip a young person to succeed across multiple domains of daily life, including school, work, relationships, and community.
2. **Special Populations:** USICH, together with its partner agencies, has identified several special populations that are especially vulnerable to homelessness and which have been shown to experience homelessness, including pathways to homelessness, in ways that are distinct from the general population of youth. For these vulnerable and often overrepresented young people, there is a need for identification methods, infrastructure considerations, housing and service-delivery that are specific to their needs. Project applications must identify and address the local impact of homelessness on these subpopulations and specifically address how the system will meet the needs of lesbian, gay, bisexual, transgender, and questioning (LGBTQ) youth; youth who are gender-non-conforming; minors (under the age of 18), pregnant and parenting youth; youth involved with juvenile justice and foster care systems; and victims of sexual trafficking and exploitation.
3. **Equity:** Research has found significant racial and ethnic disparities in rates of homelessness. Specifically, black and Native American persons experience homelessness at disproportionately

higher rates compared to other races. Community efforts to prevent and end homelessness should consider and address racial inequities to successfully achieve positive outcomes for all persons experiencing homelessness. Project applications must address how they will measure and address racial inequities and other disparities in the experiences of youth experiencing homelessness, consistent with fair housing and civil rights requirements.

- 4. Positive Youth Development (PYD) and Trauma Informed Care (TIC):** Both PYD and TIC are accepted best practices in housing and service delivery for youth and include principles and service frameworks endorsed by many branches of the federal government, including HUD, the U.S. Department of Health and Human Services (HHS), and the U.S. Department of Education (Ed). Project applications must address how PYD and TIC will be incorporated into all aspects the youth crisis response system.
- 5. Family Engagement:** HUD believes that the best outcome for young people is to never have to engage with crisis response resources. Further, HUD believes that the best diversion and intervention strategy is to engage families, whenever appropriate, through community partnerships with organizations such as child welfare agencies, schools, youth providers, and other community human services and homeless services providers. Project applications must address family engagement strategies and services designed to strengthen, stabilize, and/or reunify families. Potential services include but are not limited to family counseling, conflict resolution, parenting supports, relative or kinship caregiver resources, and targeted substance abuse and mental health treatment.
- 6. Immediate access to housing with no preconditions:** Housing is a cornerstone for meeting a multitude of basic needs necessary for success. Young people should be provided with rapid access to safe, secure and stable housing that meets their needs as quickly as possible, without the condition that they are “ready” for housing. Project applications must address how all youth will be offered immediate access to safe, secure and stable housing with no preconditions.
- 7. Youth choice:** The capacity for self-determination may be a critical factor in obtaining many positive outcomes for Transition Aged Youth (Carter, Lane, Pierson, & Stang, 2008), and is closely related to the principles of PYD. Consistent with federal youth policy, allowing youth to exercise self-determination is a youth-centered approach that values youths’ expressed needs, self-awareness, and community knowledge. This youth-centered approach emphasizes youth choice in terms of the kind of housing youth need and the extent and nature of supports and services they access, and promotes presenting alternative options for youth who avoid programs with barriers like sobriety or abstinence. Project applications must address how youth choice will be integrated into all aspects of the youth crisis response system.
- 8. Individualized and client-driven supports:** The coordinated community plan must acknowledge that the needs of the young people to be served will be unique. Housing and support packages that help prevent and end homelessness among youth must recognize and respond to individual differences in order to serve each youth appropriately and efficiently. Communities must design the system flexibly in order to accommodate individuals with both high and low service needs, as well as the need for short-term or long-term supports. Project applications must address how the youth crisis response system will provide individualized and client driven supports.

9. **Social and community integration:** The goal of youth homelessness services should be a successful transition to adulthood, including the successful integration into a community as a positive contributing community member. To accomplish this requires the community and projects to provide socially supportive engagement and the opportunity for youth to participate in meaningful community activities.
10. **Coordinated entry:** Coordinated entry processes are necessary components of a high functioning crisis response system and must be developed intentionally to incorporate youth. All selected projects must agree to participate in Oahu Coordinated Entry.

### III. ALIGNMENT WITH OAHU'S COORDINATED COMMUNITY PLAN TO PREVENT AND END YOUTH HOMELESSNESS

All projects must align with the vision and goals of the Coordinated Community Plan to End Youth Homelessness in Oahu, Hawaii.

#### A. VISION

There are no youth sleeping in tents on sidewalks or sleeping in parks on Oahu. Youth are safe, have a roof over their head, and are not exposed to violence or exploitation. If youth become homeless, it is a temporary situation because there is a well-run system in place to help them – as soon as they are ready and want help.

#### B. GOALS

Oahu's Coordinated Community Plan to Prevent and End Youth Homelessness establishes six goals to build a system intended to end youth homelessness:

- Goal 1: The Oahu CoC has effectively mobilized and prepared cross sector stakeholders, including youth with lived experience, to address youth homelessness as a priority concern.
- Goal 2: All youth are connected to stable, caring, positive individuals who can guide and support them as they transition to adulthood.
- Goal 3: The numbers of youth who experience first time homelessness, or returns to homelessness, has been drastically reduced.
- Goal 4: All youth who experience homelessness have access to safe and supportive housing and any needed wraparound services.
- Goal 5: All youth who experience homelessness have access to a diverse array of educational or vocational training options that meet their needs and leads to sustainable employment that is meaningful and self-determined.
- Goal 6: All youth who experience homelessness have access to client-centered, culturally appropriate, and affordable or free services that support health and wellbeing.

## ELIGIBLE COSTS TO INFORM PROJECT DESIGN

This section includes a detailed description of allowable CoC expenses for these eligible costs:

1. Leasing
2. Rental assistance
3. Operations
4. Supportive services
5. HMIS
6. Indirect Costs
7. Administration

Information about other eligible costs can be found in the CoC Program Interim Rule, 24 CFR 578. A useful version of the CoC Program Interim Rule can also be found at:

[https://www.hudexchange.info/resources/documents/CoCProgramInterimRule\\_FormattedVersion.pdf](https://www.hudexchange.info/resources/documents/CoCProgramInterimRule_FormattedVersion.pdf)

**But remember that we can ask for exceptions! If you have an idea that doesn't seem to fit, let's talk about it and see if we can ask for an exception!**

A few things to highlight because they *have changed in recent years* include:

- Program income can be used at match. Program income must always be used for eligible activities under the grant.
- Indirect costs (also known as “facilities and administrative costs” defined at 2 CFR 200.56) are eligible under the CoC Program, and if the applicant does not have an approved federally negotiated indirect cost rate, the applicant may use a de minimis rate of 10 percent of Modified Total Direct Costs. (See call out box on next page for more detail.)

Also remember:

- Administrative costs do not include staff and overhead costs directly related to carrying out other eligible activities (e.g., rental assistance), because those costs are eligible as part of those activities.

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### A. LEASING

Leasing structures or individual units to provide supportive housing or supportive services to homeless persons during the period covered by the grant is an eligible cost under the CoC program. In a leasing project, the lease is between the owner and the recipient/subrecipient.

**Leasing funds may not be used to lease units or structures owned by the recipient, subrecipient, their parent organization(s), any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.**

Uses of Leasing Funds: The grantee or project sponsor may use grant funds to pay up to 100 percent of the rent charged by a property owner (within rent limitations described below). If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds, but not cable, phone, or internet. Recipients and subrecipients may also use leasing funds to pay security deposits, in an amount

not to exceed 2 months of actual rent. An advance payment of the last month's rent may be provided to the landlord in addition to the security deposit and payment of the first month's rent.

Rent Limitations: When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space. When grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents (FMRs).

Occupancy Charges and Rent: Leasing programs may charge occupancy charges or rent to program participants. Occupancy charges and rent from program participants must be calculated as provided in § 578.77 of the CoC Interim Rule. Occupancy charges and rent collected from program participants are program income. Program income earned during the grant term must be used for eligible activities under the grant, and can be used as match. Costs incident to the generation of program income may be deducted from gross income to calculate program income, provided that the costs have not been charged to grant funds. In addition, rents and occupancy charges collected from residents of transitional housing may be reserved, in whole or in part, to assist the residents from whom they are collected to move to permanent housing.

Leases: Leasing projects are required to have occupancy agreements and/or subleases. Program participants in permanent housing must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party. Program participants in transitional housing must enter into a lease agreement or occupancy agreement for a term of at least one month. The agreement must be automatically renewable upon expiration, except on prior notice by either party, up to a maximum term of 24 months.

Housing Standards: Housing leased with Continuum of Care program funds must meet the applicable housing quality standards (HQS). Before any assistance will be provided on behalf of a program participant, the recipient, or subrecipient, must physically inspect each unit to assure that the unit meets HQS. Assistance will not be provided for units that fail to meet HQS, unless the owner corrects any deficiencies within 30 days from the date of the initial inspection and the recipient or subrecipient verifies that all deficiencies have been corrected. Recipients or subrecipients must inspect all units at least annually during the grant period to ensure that the units continue to meet HQS.

Limitations on Leasing Assistance: If grant funds are used for leasing assistance, the project may not receive rental assistance, acquisition, rehabilitation or new construction assistance.

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## B. RENTAL ASSISTANCE

Grant funds may be used for rental assistance for homeless individuals and families. Except for Sponsor-based Rental Assistance (described below), in rental assistance, the lease is between the program participant and the owner.

Types of Rental Assistance: The rental assistance may be short-term, up to 3 months of rent; medium-term, for 3 to 24 months of rent; or long-term, for longer than 24 months of rent. (Short- or medium-term rental assistance, and any tenant-based rental assistance, cannot be used in properties supported with CoC acquisition, rehabilitation, or new construction funds.) The rental assistance may be tenant-based, project-based, or sponsor-based, and may be for transitional or permanent housing.

- **Tenant-based Rental Assistance** is rental assistance in which program participants choose housing of an appropriate size in which to reside. To facilitate services, program participants may be required to live in a specific area or a specific structure, in some cases. Program participants who have complied with all program requirements during their residence retain the rental assistance if they move. Certain households with domestic violence experience may retain the assistance outside the CoC's area. Other program participants may also choose housing outside the CoC's geographic area, if the recipient is able to meet all CoC requirements in the area where the participant chooses housing. If unable to meet the requirements, the recipient may refuse to permit the participant to retain TBRA if the participant moves outside of the geographic area.
- **Sponsor-based Rental Assistance** is rental assistance provided through contracts between the recipient and a sponsor organization. Program participants must reside in housing owned or leased by the sponsor. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization.
- **Project-based Rental Assistance** is rental assistance provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

Uses of Rental Assistance: Grant funds may be used for rental assistance for homeless individuals and families. Grant funds also may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit. If a unit is vacated before the expiration of the lease, the assistance for the unit may continue for a maximum of 30 days from the end of the month in which the unit was vacated, unless occupied by another eligible person. No additional assistance will be paid until the unit is occupied by another eligible person. Brief periods of stays in institutions, not to exceed 90 days for each occurrence, are not considered vacancies. Recipients and subrecipients may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. This shall be a one-time cost per participant, incurred at the time a participant exits a housing unit.

Rental assistance administrator: Rental assistance may be administered by a State, unit of general local government, a public housing agency, or a non-profit agency.

Grant amount: The amount of rental assistance in each project will be based on the number and size of units proposed by the applicant to be assisted over the grant period. The amount of rental assistance in each project will be calculated by multiplying the number and size of units proposed by the FMR of each unit on the date the application is submitted to HUD, by the term of the grant.

Rent reasonableness: Although awards are made based on FMR, HUD will only provide rental assistance for a unit if the rent is reasonable. The recipient or subrecipient must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities,



and management and maintenance of each unit. Reasonable rent must not exceed rents currently being charged by the same owner for comparable unassisted units.

Resident rent: Rental assistance programs must charge rent to program participants. Rent from program participants must be calculated as provided in § 578.77 of the CoC Interim Rule. Rent collected from program participants is program income. Program income earned during the grant term must be used for eligible activities under the grant, and may be used as match. Costs incident to the generation of program income may be deducted from gross income to calculate program income, provided that the costs have not been charged to grant funds. In addition, rents collected from residents of transitional housing may be reserved, in whole or in part, to assist the residents from whom they are collected to move to permanent housing.

Leases: Program participants in permanent housing must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party. Program participants in transitional housing must enter into a lease agreement for a term of at least one month. The lease must be automatically renewable upon expiration, except on prior notice by either party, up to a maximum term of 24 months.

Restrictions: Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

Housing Standards: Housing for which rental assistance payments are made must meet the applicable housing quality standards (HQS), except that 24 CFR 982.401(j) applies only to housing occupied by program participants receiving tenant-based rental assistance. Before any assistance will be provided on behalf of a program participant, the recipient, or subrecipient, must physically inspect each unit to assure that the unit meets HQS. Assistance will not be provided for units that fail to meet HQS, unless the owner corrects any deficiencies within 30 days from the date of the initial inspection and the recipient or subrecipient verifies that all deficiencies have been corrected. Recipients or subrecipients must inspect all units at least annually during the grant period to ensure that the units continue to meet HQS.

CoC Written Standards: Rental assistance must be administered in accordance with the policies and procedures established by the Continuum for providing Continuum of Care assistance, including about evaluating individuals' and families' eligibility for assistance, determining and prioritizing which eligible individuals and families will receive transitional housing, rapid rehousing, or permanent supportive housing, and what percentage or amount of rent each program participant must pay while receiving rapid rehousing assistance.

Payment of grant: The amount of rental assistance in each project will be reserved for rental assistance over the grant period. Recipients will make draws from the grant funds to pay the actual costs of rental assistance for program participants. A recipient must serve at least as many program participants as shown in its application for assistance. If the amount in each grant reserved for rental assistance over the grant period exceeds the amount that will be needed to pay the actual costs of rental assistance, due to such factors as contract rents being lower than FMRs and program participants being able to pay a portion of the rent, recipients or subrecipients may use the excess funds for covering the costs of rent

increases, certain staffing costs related to rental assistance, or for serving a greater number of program participants.

Limitations on Rental Assistance: If grant funds are used for rental assistance, the project may not receive leasing or operating assistance. In addition, if grant funds are used for short- or medium-term rental assistance or tenant-based rental assistance, the project may not receive acquisition, rehabilitation or new construction assistance.

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## C. SUPPORTIVE SERVICES

Uses of Supportive Services Funds: Grant funds may be used to pay the eligible costs of supportive services that address the special needs of the program participants. If the supportive services are provided in a supportive service facility not contained in a housing structure, the costs of day-to-day operation of the supportive service facility, including maintenance, repair, building security, furniture, utilities, and equipment are eligible as a supportive service.

Need for Services: Supportive services must be necessary to assist program participants obtain and maintain housing. Recipients and subrecipients shall conduct an annual assessment of the service needs of the program participants and should adjust services accordingly.

Duration of Services: For a transitional housing project, supportive services must be made available to residents throughout the duration of their residence in the project. Permanent supportive housing projects must provide supportive services for the residents to enable them to live as independently as is practicable throughout the duration of their residence in the project. Services may also be provided to former residents of transitional housing and current residents of permanent housing who were homeless in the prior 6 months, for no more than 6 months after leaving transitional housing or homelessness, respectively, to assist their adjustment to independent living.

Eligible Costs: **Any cost that is not described as an eligible cost under this section is not an eligible cost of providing supportive services using Continuum of Care program funds.**

Eligible costs include:

- Annual Assessment of Service Needs
- Assistance with moving costs
- Case management – costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s). Eligible component services and activities consist of: counseling, coordinating services, using the centralized or coordinated assessment system, obtaining benefits, monitoring participant progress, providing referrals, providing risk assessment/safety planning with victims of domestic violence, and developing individualized housing and service plans.
- Child care – costs of establishing and operating child care, and providing child-care vouchers, for children under the age of 13 (unless disabled, then 18) from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities. **The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.**
- Education services – costs of improving knowledge and basic educational skills. Eligible services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development

(GED). Eligible component services or activities are screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.

- Employment assistance and job training – costs of establishing and operating employment assistance and job training programs, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost.
- Food – cost of providing meals or groceries to program participants
- Housing search and counseling services – costs of assisting eligible program participants to locate, obtain, and retain suitable housing. Eligible component services or activities are tenant counseling; assisting individuals and families to understand leases; securing utilities; and making moving arrangements. Other eligible costs are: mediation with property owners and landlords on behalf of eligible program participants; credit counseling, accessing a free personal credit report, and resolving personal credit issues; and the payment of rental application fees.
- Legal services – fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing. Eligible subject matters are child support; guardianship; paternity; emancipation; legal separation; orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking; appeal of veterans and public benefit claim denials; landlord tenant disputes; and the resolution of outstanding criminal warrants. Eligible component services or activities may include receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling. Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services. **Legal services for immigration and citizenship matters and issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are ineligible.**
- Life skills training – costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance abuse, and homelessness. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.
- Mental health services – the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Eligible component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
- Outpatient health services – the direct outpatient treatment of medical conditions when provided by licensed medical professionals including: Providing an analysis or assessment of an individual's health problems and the development of a treatment plan; Assisting individuals to understand their health needs; Providing directly or assisting individuals to obtain and utilize

appropriate medical treatment; Preventive medical care and health maintenance services, including in-home health services and emergency medical services; Provision of appropriate medication; Providing follow-up services; and Preventive and non-cosmetic dental care.

- Outreach services – costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants. Eligible costs include the outreach worker’s transportation costs and a cell phone to be used by the individual performing the outreach. Eligible component activities and services consist of: initial assessment; crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; actively connecting and providing people with information and referrals to homeless and mainstream programs; and publicizing the availability of the housing and/or services provided within the CoC’s area.
- Substance abuse treatment services – costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible.
- Transportation – the costs of program participant’s travel on public transportation or in a vehicle provided by the recipient or subrecipient to and from medical care, employment, child care, or other eligible services; mileage allowance for service workers to visit program participants and to carry out housing quality inspections; the cost of purchasing or leasing a vehicle in which staff transports program participants and/or staff serving program participants; the cost of gas, insurance, taxes, and maintenance for the vehicle; the costs of recipient or subrecipient staff to accompany or assist program participants to utilize public transportation; and if public transportation options are not sufficient within the area, the recipient may make a one-time payment on behalf of a program participant needing car repairs or maintenance required to operate a personal vehicle, subject to certain restrictions.
- Utility deposits – this form of assistance consists of paying for utility deposits. Utility deposits must be a one-time fee, paid to utility companies.
- Direct provision of services – if the service described above is being directly delivered by the recipient or subrecipient, eligible costs for those services also include the costs of labor or supplies, and materials incurred by the recipient or subrecipient in directly providing supportive services to program participants; and the salary and benefit packages of the recipient and subrecipient staff who directly deliver the services.

Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services are not eligible supportive services costs.

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## D. OPERATIONS

Operations funds may be used to pay the costs of the day-to-day operation of transitional and permanent housing in a single structure or individual housing units.

Eligible Uses of Operations Funds: Operations can be used for:

- The maintenance and repair of housing
- Property taxes and insurance
- Scheduled payments to a reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost)
- Building security for a structure where more than 50 percent of the units or area is paid for with grant funds

- Electricity, gas, and water
- Furniture (which cannot be retained by program participants at the end of the program)
- Equipment.

Not in Rental Assistance or SSO Projects: **CoC Program funds may not be used for rental assistance and operating costs in the same project.** CoC Program funds may not be used for the operating costs of emergency shelter- and supportive service-only facilities. CoC Program funds may not be used for the maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

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## E. HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)

HMIS funds may be used to pay the costs of contributing data to the HMIS designated by the Continuum of Care. Activities funded under this section must comply with the HMIS requirements.

Eligible Costs: Eligible HMIS costs for CoC programs include the costs of:

- Purchasing or leasing computer hardware
- Purchasing software or software licenses
- Purchasing or leasing equipment, including telephones, fax machines, and furniture
- Obtaining technical support
- Leasing office space
- Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS
- Paying salaries for operating HMIS, including: Completing data entry; Monitoring and reviewing data quality; Completing data analysis; Reporting to the HMIS Lead; Training staff on using the HMIS; and Implementing and complying with HMIS requirements;
- Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS
- Paying staff travel costs to conduct intake
- Paying participation fees charged by the HMIS Lead, as authorized by HUD, if the recipient or subrecipient is not the HMIS Lead.

If the recipient or subrecipient is the HMIS Lead (the only entity that may receive a grant in the HMIS component), it may also use these funds to pay the costs of:

- Hosting and maintaining HMIS software or data
- Backing up, recovering, or repairing HMIS software or data
- Upgrading, customizing, and enhancing the HMIS
- Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems
- Administering the system
- Reporting to providers, the Continuum of Care, and HUD
- Conducting training on using the system, including traveling to the training.

Victim Services and Legal Services Providers: If the recipient or subrecipient is a victim services provider, or a legal services provider, it may use HMIS funds to establish and operate a comparable database that complies with HUD'S HMIS requirements.

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## F. INDIRECT COSTS

Indirect costs (also known as “facilities and administrative costs” defined at 2 CFR 200.56) are those costs incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs. Indirect cost pools should be distributed to benefited cost objectives on bases that will produce an equitable result in consideration of relative benefits derived. Refer to 2 CF 200.413 and 200.414 for additional information on determining if costs charged to the award are direct or indirect.

Applicants selected for funding pursuant to this NOFA may charge indirect costs to the award.

- Applicants with an approved federally negotiated indirect cost rate must submit with their application a copy of their approved Indirect Cost Rate Proposal to substantiate their request.
- Applicants that do not have an approved federally negotiated indirect cost rate may charge a maximum rate of 10 percent of modified total direct costs. 2 CFR 200.414(f) states that nonfederal entities that have never received a negotiated indirect cost rate (except a governmental department or agency unit that receives more than \$35 million in direct Federal funding) may elect to charge a de minimis rate of 10 percent of modified total direct costs, which may be used indefinitely. If chosen, this methodology must be used consistently for all federal awards until the entity chooses to submit an indirect cost rate proposal and negotiate for a rate.
- If an applicant chooses to negotiate for an indirect cost rate, the applicant must contact the designated cognizant agency for indirect costs. For information about cognizant agencies for indirect cost rates, see 2 CFR 200.19.

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## G. ADMINISTRATIVE COSTS

The recipient or subrecipient may receive funding for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out other eligible activities, because those costs are eligible as part of those activities.

Use of Administrative Funds: Eligible administrative costs include:

- Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - Salaries, wages, and related costs of the recipient’s staff, the staff of subrecipients, or other staff engaged in program administration. Program administration assignments include the following:
    - Preparing program budgets and schedules, and amendments to those budgets and schedules
    - Developing systems for assuring compliance with program requirements
    - Developing agreements with subrecipients and contractors to carry out program activities
    - Monitoring program activities for progress and compliance with program requirements
    - Preparing reports and other documents directly related to the program for submission to HUD

- Coordinating the resolution of audit and monitoring findings
- Evaluating program results against stated objectives
- Managing or supervising persons whose primary responsibilities with regard to the program include these administrative tasks.
- Travel costs incurred for monitoring of subrecipients
- Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services
- Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space
- Costs of providing training on Continuum of Care requirements and attending HUD-sponsored Continuum of Care trainings and
- Costs of carrying out the environmental review responsibilities.

Allocation of Costs: In charging costs to this category, the recipient may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The recipient may use only one of these methods for each fiscal year grant.

Sharing Requirement: Recipients must share at least 50% of project administrative funds with its subrecipients.

## FREQUENTLY ASKED QUESTIONS: WHO IS HOMELESS?

*Are youth who are within 14 days of exiting the foster care system who have not identified other permanent housing and have no other resources or support networks to obtain permanent housing defined as homeless under Category 2 of the definition of homeless?*

No. Youth who are within 14 days of exiting the foster care system who have not identified other permanent housing and who have no other resources or support networks to obtain permanent housing are not defined as homeless under Category 2 of the definition of homeless.

The HEARTH Act amendments changed the definition of homeless for HUD's Homeless Assistance programs and HUD began implementing the changes through the FY2011 Homeless Assistance Grants Program competition. In most instances, the definition was broadened; however, in this one instance, the definition was narrowed.

The statutory language in Section 103(5), which HUD further clarified through the regulations, defines as homeless, "An individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided." Through the regulation, HUD further clarified that individuals exiting systems of care, including institutions and foster care, are no longer defined as homeless if they have resided there for more than 90 days and were not previously living on the streets or in emergency shelter prior to entering the institution or system of care. This means that unaccompanied youth being emancipated from the foster care system are not defined as homeless under Category 1, unless they are residing on the streets or in an emergency shelter at the point of intake. Additionally, HUD has determined that individuals exiting institutions, or systems of care, are not defined as homeless under paragraph (2) of the definition of homeless even if they are within 14-days of discharge and no subsequent residence has been identified. This means that unaccompanied youth who are being emancipated from the foster care system are not defined as homeless under Category 2, and are therefore not eligible for those projects that serve Category 2 in the CoC Program.

### **Definition of "Persons with Disabilities":**

- A person shall be considered to have a disability if he or she has a disability that:
  - Is expected to be long-continuing or of indefinite duration;
  - Substantially impedes the individual's ability to live independently;
  - Could be improved by the provision of more suitable housing conditions; and
  - Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury.
- A person will also be considered to have a disability if he or she has a developmental disability.<sup>1</sup>

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<sup>1</sup> Developmental disability means, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002): (1) A severe, chronic disability of an individual that—  
(i) Is attributable to a mental or physical impairment or combination of mental and physical impairments;  
(ii) Is manifested before the individual attains age 22;  
(iii) Is likely to continue indefinitely;  
(iv) Results in substantial functional limitations in three or more of the following areas of major life activity:  
(A) Self-care;  
(B) Receptive and expressive language;  
(C) Learning;  
(D) Mobility;  
(E) Self-direction;



- A person will also be considered to have a disability if he or she has acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).
- The term person with disabilities also includes, except in the case of the SRO component,
  - Two or more persons with disabilities living together,
  - One or more such persons living with another person who is determined to be important to their care or well-being, and
  - The surviving member or members of any disabled household who were living, in a unit assisted with CoC funds, with the deceased member of the household at the time of his or her death. (The right to rental assistance under this part will terminate at the end of the grant period in which the deceased member was a participant.)

Key to the definition of disability is determining that the impairment is of long-continued or indefinite duration and **substantially impedes** the person’s ability to live independently. For example, drug or alcohol abuse that does not substantially impede a person’s ability to live independently **does not** qualify as a disability.

## PROGRAM REQUIREMENTS

### I. OTHER RESOURCES

#### A. MATCH

Recipients and subrecipients are required to provide cash or in-kind match from sources outside of this grant funding request in accordance with the CoC regulations.

- The recipient or subrecipient must match all grant funds, except for leasing funds, with no less than **25 percent** of funds or in-kind contributions from other sources. The 25 percent match must be provided on a grant-by-grant basis.
- **Cash Match:** A recipient or subrecipient may use funds from any source, including any other federal sources (excluding Continuum of Care program funds), as well as state, local, and private sources, provided that funds from the source are not statutorily prohibited to be used as a match. (The recipient must ensure that the rules governing match funds allow them to be match for the CoC Program.)
  - **The cash must be used for activities that are eligible under Subpart D of the CoC Interim Rule.**

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(F) Capacity for independent living;  
 (G) Economic self-sufficiency; and  
 (v) Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.  
 (2) An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting three or more of the criteria described in paragraphs (1)(i) through (v) of the definition of “developmental disability” if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- **NOTE: Program income CAN be used as match.** Project applicants that intend to use program income as match must provide an estimate of how much program income will be used for match.
- **In-kind Match:** The recipient or subrecipient may use the value of any real property, equipment, goods, or services contributed to the project as match, provided that, if the recipient or subrecipient had to pay for them with grant funds, the costs would have been eligible.
  - Before grant execution, services to be provided by a third party must be documented by a memorandum of understanding (MOU) between the recipient or subrecipient and the third party that will provide the services.
    - Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization.
    - The MOU must establish the unconditional commitment, except for selection to receive a grant, by the third party to provide services, the specific service to be provided, the profession of the persons providing the service, and the hourly cost of the service to be provided.

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## B. DOCUMENTATION OF MATCH

Applicants are required to document all match commitments for HUD. Documentation must be dated to correspond with the program operating year.

The following pages provide a form for documentation and potential sources of match. The agency may write a letter instead of using the chart on the following page, but the letter must include each of the pieces of information represented.

In the project application, projects must list the type of source and the value of each match commitment, but will NOT be required to attach the match letter. The match information entered in e-snaps should be based on the current commitments at the time of project application, covering the requested grant operating period, and NOT based on projections. The application should be accurate, with a commitment letter(s) in place that includes the amount(s) listed.

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## C. FORM OF MATCH LETTER

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

In the chart below is information regarding the resource being provided by this agency.

Name of organization providing the resource	
Type of contribution*	
Value of the contribution**	
Name of project	

Name of grant recipient and/or subrecipient	
Date the contribution will be available	Anticipated start date of the project
Name of person authorized to commit these resources	
Title of person authorized to commit these resources.	
Signature of person authorized to commit these resources.	
Date	Must be dated between 1/12/18 and 2/21/18

\* E.g., cash, childcare, case management, health care, etc.

\*\* If possible, identify the formula and values used in calculating the value.

#### D. EXAMPLES OF OTHER RESOURCES

##### **Advocacy**

Assistance to immigration  
 Benefits advocacy  
 Housing advocacy  
 Legal assistance, advocacy, representation, and referrals  
 Peer advocacy  
 Tenant rights workshops

##### **Children**

After-school children's program  
 Child development consultation  
 Child care services  
 Children's books, loaned television, videos, art supplies as available, training, tickets for special events  
 Children's art program  
 Children's books  
 Children's circus program

Children's holiday party and shopping spree  
 K-12 homeless education  
 Parenting classes  
 Summer camp  
 Therapeutic day Care  
 Weekly children's art program

##### **Counseling**

Bereavement counseling and pastoral services  
 Counseling services  
 Crisis intervention  
 Landlord/tenancy counseling  
 Pre-treatment counseling, support groups, counseling, and housing assistance  
 Recovery groups  
 Support groups  
 Therapy

##### **Education, Employment and Training**

After school and associated summer school activities  
Aftercare services  
Basic computer skills classes and individual tutoring for residents and graduates  
Benefits and Work Incentive Workshops

Computer literacy training  
Employment and training services  
Education/courses  
Education Counseling  
ESL  
Job development and employment services  
Job research  
Job placement  
Job retention  
Leadership training  
Life skills training  
Literacy  
Nutrition education/cooking classes  
School supplies for children  
Sewing classes  
Training tuition  
Training videos and games  
Transitional housing  
Tutoring  
Uniform vouchers  
Vocational services

### **Financial Services**

Asset/resource management services  
Money management  
Representative payee services

### **Health**

Acupuncture services  
Adult day health care  
AIDS-related services  
Dental screening services  
Detoxification services  
Dual diagnosis services  
Emergency room services  
Gynecological services  
Health care resources and education  
Healthcare services  
Medical services  
Medical, psychiatric and pharmacy services

Medication support  
Mental health services  
Peer support  
Pregnancy testing  
Preventative Health Care Services  
Psychiatric disability evaluations  
Psychotherapy  
Residential and outpatient treatment services  
Respite care  
Substance abuse services  
Triage

### **Housing**

Construction loans cash match  
Emergency motel vouchers  
Emergency shelter  
Financial move in grants, housing search support and monthly housing clinics  
Housing  
Housing placement  
Housing search assistance  
Leasehold value of building  
Maintenance and repair projects/beautification project  
Move-In assistance  
Property management  
Rental assistance and financial assistance for move-in costs  
Rental subsidies

### **Human Resources**

Americorps VISTA Volunteers  
Advertising  
Applicant interview  
Consultation staff  
Mental health advocacy staff  
New employee orientation  
Pre-Employment process  
Volunteer hours

### **In-Kind**

Cash/Grants  
Clothing  
Equipment  
Food  
Furnishings  
Household items  
Welfare benefits

### **Operations**

Administrative support  
Clerical services  
Consulting and practical support  
Facility Space  
Indirect Expenses  
Mail service  
Office/workshop space  
Programming  
Voice mail

### **Supportive Services**

Artistic services to residents  
Assessment services  
Case management  
Community development  
Family Support Services  
Grooming  
Independent living services  
Mentoring services  
Outreach  
Recreational trips and activities  
Referrals  
Restraining order assistance, court  
accompaniment and consultation  
Shelter services  
Story telling  
Support services supervision  
Team Leader  
Technical assistance  
Translation services  
Veteran's services assistance  
YMCA membership & joining fees  
Transportation  
Subsidized/free bus passes  
Transportation  
Vehicle

## II. LATER RESPONSIBILITIES FOR RECIPIENTS AND SUBRECIPIENTS

If your application is conditionally awarded during Oahu's rank and review, and by HUD, you will have a number of responsibilities. **Please be sure that you are capable of carrying all of them out before submitting your application.** The list that follows includes some of the recipient responsibilities. **All applicants should read these three documents carefully.**

### A. PRE-CONTRACT REQUIREMENTS

- Proof of site control, match, environmental review, and the documentation of financial feasibility must be completed within 12 months of the announcement of the award, or 24 months in the case of funds for acquisition, rehabilitation, or new construction. The 12-month deadline may be extended by HUD for up to 12 additional months upon a showing of compelling reasons for delay due to factors beyond the control of the recipient or subrecipient.
- **Environmental Review:** All grants for leasing must demonstrate that the project site is free of hazardous materials that could affect the health and safety of the occupants.
- **Section 3 Compliance:** Projects using housing assistance funding for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement) or housing construction, are subject to Section 3 of the Housing and Urban Rehabilitation Act of 1968.
- **Building Codes:** Housing and facilities constructed or rehabilitated with assistance under this part must meet State or local building codes, and in the absence of State or local building codes, the International Residential Code or International Building Code (as applicable to the type of structure) of the International Code Council.
- **Other like requirements** (e.g., lead based paint, environmental requirements, real property acquisition and relocation, etc.)

### B. ALL PROJECT REQUIREMENTS

- **Annual Audits:** Any recipient expending \$750,000 or more in a year in Federal Funds must conduct a single or program-specific audit for that year in accordance with the provisions of Title 2, CFR Part 200.
- **Reporting:**
  - **Annual Performance Reports (APR):** Your agency will be responsible for submitting an APR for each project every year, which provides client data, service utilization information, program outcomes, and financial information. HUD may terminate the renewal of any grant and require repayment if the APR is not filed on time or if HUD deems the APR unacceptable or showing noncompliance with grant requirements
  - **Record-keeping:** Recipients must maintain records and within the timeframe required, make any reports, including those pertaining to race, ethnicity, gender, and disability status that HUD may require. CoC applicants may report this data as part of their APR submission to HUD.
  - **Transparency Act:** Award notices may also include requirements for sub-award reporting in compliance with the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006 (Pub. L. 109-282)

(Transparency Act) and Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417)

- **Impact/Success Indicators:** All projects, except for HMIS, must provide systematic indicators for evaluating the positive impact/success the project will have on clients and reducing homelessness in the community. HUD will require projects to include measures for: length of time in the project; recidivism; movement to and stability in permanent housing; connection with mainstream benefits; and job and income growth for persons who are homeless. Projects may also indicate additional measures on which the project will chart success.
- **Other Data Requests:** Your agency must provide performance and other requested data to the CoC for community-level analysis and planning.
- **Match Documentation:** Your agency must maintain documentation of any required match funding in your financial reports on a grant-specific basis.
- **HMIS Participation:** Your agency must participate in the CoC's Homeless Information Management System and enter data consistent with the applicable HMIS Data Standards.
- **Performance:** Your agency must perform the tasks outlined in your application and grant agreement, including complying with all of the language in the Applicant Certifications, and following all HUD statutes and regulations applicable to the grant.
- **Documentation of Homeless Status and Disability Status:** HUD requires all recipients to document the homeless status, and in some cases the disability status, for all clients.
- **Housing Related Requirements:** HUD required recipients to ensure: compliance with HQS, that housing is appropriate to the needs of the persons served, suitable dwelling size, and that housing rental amount is within HUD's guidelines.
- **Service Related Requirements:** Supportive housing programs must provide meals or meal preparation facilities, and residential supervision. All programs must provide ongoing assessment of supportive services.
- **Fair Housing:** HUD requires compliance with requirements related to Fair Housing and Equal Opportunity, Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity, and Resolution of Outstanding Civil Rights Matters. This includes outreach to underserved populations, including those with Limited English Proficiency.
- **Calculation of Client Rent:** HUD determines the amount of rent that can be charged to clients, and recipients must show documentation of rental calculations.
- **No program fees:** Recipients and subrecipients may not charge program participants program fees.
- **Policies:** All CoC recipients are required to institute certain policies including: participant participation, grievance procedures, due process for participant termination, staff rules, emergency safety and evacuation procedures, confidentiality restrictions, non-discrimination, free from religious influences, conflict of interest, anti-lobbying, drug-free workplace, etc.
- **State and Local Requirements:** Services provided with CoC program funds must be provided in compliance with all applicable State and local requirements, including licensing requirements.
- **Mainstream Resources:** You must coordinate and integrate your program with other mainstream health, social services and employment programs for which your clients may be eligible

- **Prevention and Discharge Planning:** Any governmental entity serving as an applicant must agree to develop and implement to the maximum extent practical and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care other youth facilities, or corrections programs and institutions) in order to prevent such discharge from immediately resulting in such persons entering the homeless system.
- **Coordination with Educational Agencies:** Any program serving homeless families will have to certify that their programs will establish policies and practices that are consistent with, and do not restrict the exercise of rights provided by the education subtitle of the McKinney Vento Act and other laws relating to the provision of education and related services to individuals and families experiencing homelessness. They must also designate a staff person to ensure that children are enrolled in school and connected to appropriate services within the community.
- **Limited English Proficiency:** Recipients and subrecipients must comply with Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency (LEP)"
- **Ethics:** Recipients and subrecipients must not be debarred or suspended, not have delinquent federal debts, conduct business in accordance with core values and ethical standards/code of conduct.



## RESOURCES

- YHDP NOFA: <https://files.hudexchange.info/resources/documents/FY-2018-YHDP-NOFA.pdf>
  - Appendix A: Project Selection Process: <https://files.hudexchange.info/resources/documents/FY-2018-YHDP-NOFA-Appendix-A.pdf>
- CoC Program Interim Rule (24 CFR part 578): <https://www.hudexchange.info/resource/2035/coc-program-interim-rule-formatted-version>
- New Project Application Instructional Guide and Detailed Instructions: <https://www.hudexchange.info/resource/2909/coc-project-application-instructions-for-new-projects/>
- Adding and Deleting Registrants in e-snaps: <https://www.hudexchange.info/resources/documents/Adding-Deleting-Registrants.pdf>
- Funding Application: <https://esnaps.hud.gov/grantium/frontOffice.jsf>
- HUD Websites:
  - [www.hud.gov](http://www.hud.gov)
  - [www.hudexchange.info](http://www.hudexchange.info)
- Training and Resources: [www.hudexchange.info/homelessness-assistance/](http://www.hudexchange.info/homelessness-assistance/)
- HUD Exchange Ask A Question (AAQ): [www.hudexchange.info/get-assistance](http://www.hudexchange.info/get-assistance)
- Listserv: [www.hudexchange.info/maillinglist](http://www.hudexchange.info/maillinglist)