**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**
**[Docket No. FR-5900-N-18A]**

# Notice of Fiscal Year (FY) 2015 Opportunity to Register and Other Important Information for Electronic Application Submission for the Continuum of Care (CoC) Program Competition

**AGENCY:** Office of Community Planning and Development (CPD), HUD.

**ACTION**: Notice.

**SUMMARY:** For Fiscal Year (FY) 2015, HUD requires each Continuum of Care (CoC) Collaborative Applicant (also known as the CoC applicant) to register in advance of applying for the approximately $1.89 billion of funding available under the FY 2015 CoC Program Competition. Collaborative Applicants must complete the registration using *e-snaps*, a web-based portal accessible at www.hud.gov/esnaps. CoC Registration will not be available at www.grants.gov.

This Notice is intended to provide Collaborative Applicants with the information necessary to register CoCs in preparation for the FY 2015 CoC Program Competition as well as provide HUD's homeless policies and priorities. HUD strongly recommends referring to the CoC Program interim rule (24 CFR part 578) in conjunction with this Notice. The registration process described within this Notice applies only to Collaborative Applicants who will register to submit project applications for FY 2015 CoC Program funds. This registration process does not apply to project applicants or private individuals. HUD does not provide funding to private individuals. Therefore, such individuals should not attempt to complete the registration process, or apply for funding under the FY 2015 CoC Program Competition.

**DATES:** The registration deadline is 7:59:59 p.m. Eastern Time on May 18, 2015. Registration submission must be received in *e-snaps* on or before the registration deadline. HUD will not accept registration submissions from Collaborative Applicants that do not submit a registration in *e-snaps* on or before the registration deadline. Failure to submit a registration in *e-snaps* by the deadline will result in the Collaborative Applicant being unable to access the FY 2015 CoC Consolidated Application, which includes the CoC Application, CoC Priority Listing, and project applications for new and renewal project applications. It is imperative that ALL Collaborative Applicants meet this registration deadline. Collaborative Applicants that receive HUD approval of their registration submission must acknowledge that approval in *e-snaps*. Collaborative Applicants that do not receive HUD approval of their registration submission will be notified via *e-snaps* and will not be permitted to access or submit the FY 2015 CoC Consolidated Application in the FY 2015 CoC Program Competition. HUD will notify and remind Collaborative Applicants of the registration deadline through its websites located at www.hud.gov and www.hudexchange.info and via the CoC Program email-based listserv. Visit the following website to join the listserv at www.hudexchange.info/mailinglist/.

**FOR FURTHER INFORMATION CONTACT:** HUD staff will be available to provide general clarification on the content of this Notice and the CoC Program requirements. However, HUD staff is prohibited from assisting any applicant in preparing its registration or application in *e-snaps*.

A. **Local HUD CPD Field Office.** For further guidance on the registration submission requirements, including the FY 2015 Grant Inventory Worksheet(s) (GIWs), and the requirements imposed under the McKinney-Vento Homeless Assistance Act and 24 CFR part 578, Collaborative Applicants may contact the HUD CPD field office serving their area listed at www.hudexchange.info/manage-a-program/cpd-field-office-directory/.

B. **Training and Resources.** Collaborative Applicants that need assistance completing the registration process in *e-snaps* or understanding the program requirements under the CoC Program may access the CoC Program interim rule, training materials, and program resources at www.hudexchange.info/homelessness-assistance.

C. **The HUD Exchange Ask A Question (AAQ).** Collaborative Applicants that require information and technical support concerning this Notice and the registration in *e-snaps* may submit an electronic inquiry via the HUD Exchange Ask A Question at www.hudexchange.info/get-assistance. The AAQ Help Desk is accessible 24 hours daily. Starting 2 days prior to the registration submission deadline, the AAQ Help Desk will respond only to emergency technical support questions up to the deadline of May 18, 2015 at 7:59:59 p.m. Eastern Time. Collaborative Applicants that are experiencing technical difficulty should contact the AAQ immediately for assistance and document the attempts to obtain assistance.

   Additionally, Collaborative Applicants and project applicants that have questions about the McKinney-Vento Homeless Assistance Act or 24 CFR part 578 should submit these questions to the AAQ Help Desk.

D. **HUD Homeless Assistance Listserv.** HUD will notify and remind Collaborative Applicants of registration availability and deadlines, including the availability of the FY 2015 CoC Program Competition NOFA through its websites located at www.hud.gov and at www.hudexchange.info/e-snaps/fy-2015-coc-program-nofa-coc-program-competition, and via the CoC Program email-based listserv. Visit the following website to join the listserv at www.hudexchange.info/mailinglist.

## FULL TEXT OF ANNOUNCEMENT

This Notice is divided into five sections. Section I. provides background information on the CoC Program and an overview of the Continuum of Care (CoC) planning process. Section II. contains key terms used throughout this Notice and the registration process. Section III. provides detailed information on completing the CoC registration process in *e-snaps*. Section IV. provides information about policies being implemented for the FY 2015 CoC Program Competition and certain requirements that all applicants should consider. Section V. provides registration resources to help Collaborative Applicants to successfully complete the registration process and to prepare for submission. This Notice includes citations from 24 CFR part 578, which applicants and stakeholders are expected to read to increase their knowledge and understanding of the CoC Program requirements.

# I. OVERVIEW INFORMATION

## A. Background

Provisions at 24 CFR part 578 include the requirements for implementation and administration of the CoC Program found in Subtitle C of Title IV of the Act. This regulation governs the FY 2015 CoC Program Competition.

It is imperative that Collaborative Applicants and project applicants read 24 CFR part 578 to gain an understanding of the requirements of this program before applying for FY 2015 CoC Program funding.

The appropriation for this program is made available through the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235, approved December 16, 2014) the "HUD Appropriations Act." While the McKinney-Vento Act and 24 CFR part 578 authorize increases in project administrative costs, leasing, rental assistance, and operating funds for renewal projects, HUD will not fund all of these increases at the maximum authorized levels. Collaborative Applicants may request CoC planning costs up to the full 3 percent or $1,250,000, whichever is less, of the FY 2015 Final Pro Rata Need (FPRN). HUD will consider only one CoC planning application per CoC, and the organization applying for the funds can only be the Collaborative Applicant designated by the CoC. However, although the maximum amount authorized for Unified Funding Agency (UFA) costs is 3 percent, Collaborative Applicants that are designated as UFAs in the FY 2015 CoC Registration may only request 1.50 percent of the FPRN or $500,000, whichever is less.

Additionally, in order to create new projects, CoCs may use the reallocation process as stated in Section II.A.2.j. of this Notice to create: new permanent supportive housing projects that serve chronically homeless individuals and families, including unaccompanied youth; new rapid re-housing projects for homeless individuals and families, including unaccompanied youth, coming directly from the streets or emergency shelter or fleeing domestic violence; new projects for dedicated HMIS; or new Supportive Services Only (SSO) projects for centralized or coordinated assessment systems.

On December 26, 2014, 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Guidance*, went into effect and applies to the CoC Program beginning with the FY 2015 CoC Program Competition. HUD will publish conforming rule changes for the CoC Program and will provide notification of these changes when they are made. These changes will update the interim rule at 24 CFR part 578 to revise the sections that refer to the Office of Management and Budget (OMB) Circulars and HUD regulations in 24 CFR parts 84 and 85, as well as to reflect the provisions of 2 CFR part 200 that are not applicable because they are inconsistent with the McKinney-Vento Homeless Assistance Act or because OMB has given an exception to specific requirements. HUD issued a notice on February 26, 2015, *Transition to 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Guidance* (the Transition Notice), to identify and explain significant changes made in 2 CFR part 200, and provide transition guidance and links to additional resource materials for HUD and its program stakeholders and other recipients of Federal financial assistance from HUD. Collaborative Applicants and project

applicants should review and become familiar with both 2 CFR part 200 and the Transition Notice.

## B. Summary of Registration

Each Collaborative Applicant must complete and submit a registration on behalf of the CoC in *e-snaps*. Registration in *e-snaps* allows:

**a.** Collaborative Applicants to confirm and/or update the CoC geographic area and merger status;

**b.** HUD to apportion "Preliminary Pro Rata Need" (PPRN) dollars associated with the CoC's geographic area;

**c.** Collaborative Applicants to identify grants that are eligible for renewal funding in the FY 2015 CoC Program Competition and record the Annual Renewal Demand (ARD) through the use of the GIW;

**d.** HUD to calculate the Collaborative Applicant's FPRN amount for FY 2015 CoC Program Competition;

**e.** HUD to inform each CoC of the amount available for CoC planning funds for which the CoC designated Collaborative Applicant may apply;

**f.** Collaborative Applicants to apply for Unified Funding Agency (UFA) designation;

**g.** HUD to inform Collaborative Applicants designated as a UFA of the amount available for UFA costs;

**h.** Collaborative Applicants to request High Performing Community (HPC) designation;

**i.** HUD to inform each Collaborative Applicant that applies if HPC designation has been granted; and

**j.** Collaborative Applicants to confirm their intent to submit a CoC Consolidated Application in the FY 2015 CoC Program Competition on behalf of the CoC.

HUD advises Collaborative Applicants to immediately register in *e-snaps* after carefully reading this Notice in conjunction with the General Section of HUD's FY 2015 NOFAs for Discretionary Programs (General Section), which was posted to www.grants.gov on October 21, 2014, and 24 CFR part 578, which is posted on the HUD Exchange. The General Section is also available on the FY 2015 Continuum of Care (CoC) Program Competition: Funding Availability page on the HUD Exchange. All project applicants are also required to register with Dun and Bradstreet (DUNS) if they have not already, and to complete or renew their registration in the System for Award Management (SAM) registration. For more information on DUNS numbers and SAM registration go to: http://portal.hud.gov/portal/page/portal/HUD/topics/grants.

Collaborative Applicants must fully complete and update all parts of the CoC Applicant Profile in *e-snaps* during the CoC Registration process. Although the CoC Registration process does not apply to project applicants, HUD encourages project applicants to immediately begin the process of verifying and updating information contained in the *e-snaps* Project Applicant Profile in order to be ready to apply for funding when the

FY 2015 Continuum of Care Program Competition Notice Of Funding Availability (NOFA) is published and the project applications become available in *e-snaps*. The CoC and Project Applicant Profiles are available for Collaborative Applicants and project applicants in *e-snaps* both during and outside of the annual CoC Competition period. The CoC Competition period begins when HUD publishes the CoC Program Competition NOFA and ends when HUD announces the conditionally awarded funds.

As an alternative to the electronic registration in *e-snaps,* Section III.E. of this Notice provides specific instructions for Collaborative Applicants:

**a.** located in one or more areas declared to be major disaster areas by President Obama under Title IV of the Robert T. Stafford Act; **and**

**b.** that intend to complete the FY 2015 CoC Program application process but do not have the ability to complete and submit the registration in *e-snaps* by the deadline established in this Notice.

## C. CoC Program

Detailed requirements for the CoC Program, including standards for application review, standards used in award selection, requirements for grant execution, eligible uses of CoC Program funds and matching funds, recipient reporting requirements, and standards for compliance monitoring are included in 24 CFR part 578 and govern the FY 2015 CoC Program Competition and the administration of all grants funded in the FY 2015 CoC Program Competition.

The Collaborative Applicant approved by HUD during the FY 2015 registration process must be the same entity that submits the CoC Consolidated Application–which includes the CoC Application, CoC Priority Listing, and the project applications–during the FY 2015 CoC Program Competition. CoCs should not attempt to change Collaborative Applicants during the FY 2015 CoC Program Competition period without HUD's prior approval. HUD will approve Collaborative Applicant changes after the registration process under certain circumstances that include:

**a.** an error made by the Collaborative Applicant when entering the Collaborative Applicant's name in the CoC Applicant Profile;

**b.** the Collaborative Applicant chosen by the CoC is no longer in business;

**c.** the Collaborative Applicant withdrew; or

**d.** the CoC selected a new Collaborative Applicant.

In cases where the CoC needs to change the Collaborative Applicant approved during registration, the CoC must notify the local HUD CPD field office in writing stating the reason for the Collaborative Applicant change. The notice to the local HUD CPD field office must include documentation of the CoC's approval of the change (e.g., a copy of the meeting minutes, to include the date and attendees).

CoC Program funds may be used for projects under five program components:

**a.** permanent housing;

**b.** transitional housing;

**c.** supportive services only;

**d.** Homeless Management Information System (HMIS); and

**e.** homelessness prevention, which is only an allowable component in CoCs designated as a High Performing Community (HPC), since only designated HPCs may carry out homelessness prevention activities through the CoC Program. CoCs that would like to be considered for HPC designation should apply during the FY 2015 CoC Registration process (see Section III.D.4. of this Notice for more information).

**D. For the FY 2015 CoC Program Competition, project applicants may request project administrative costs up to 10 percent of the total project budget.**

*First-Time CoC Program Renewals.* Projects that are requesting renewal under the CoC Program for the first time may request project administrative funds from HUD in an amount up to 7 percent of the total project budget without being required to move funds from another budget line item. This increase in the amount previously authorized under the Supportive Housing (SHP) and Shelter Plus Care (S+C) Programs will be funded by HUD. Projects may request up to 10 percent of the total project costs for project administrative costs, however, any amount above 7 percent must be moved from other budget line items. Applicants should be aware that the movement of funds from another budget line item may adversely impact the ability to carry out the activities related to that budget line item.

*CoC Program Renewal Projects.* Projects funded under the CoC Program in FY 2014 that intend to increase their project administrative requests to greater than the amount approved in FY 2014 (up to the 10 percent maximum allowed in 24 CFR 578.59) may move an amount from another budget line item to add to the project administrative costs budget line item, provided that the total annual renewal amount for the project application does not increase. Applicants of renewing projects with rental assistance may move funds out of the rental assistance budget line item to increase the project administrative costs budget line item up to 10 percent; however, applicants are prohibited from reducing the number of units assisted contained in the grant being renewed. Applicants should note that the movement of funds from another budget line item may adversely impact the ability to carry out the activities related to that budget line item.

*New Projects.* As registration does not affect new projects, HUD will provide information regarding project administrative cost requests for new projects in the FY 2015 CoC Program Competition NOFA.

Project administrative costs may only be used for the administration of the awarded grant as outlined in 24 CFR578.59.

Additionally, CoCs may request up to 3 percent of the FY 2015 FPRN amount or $1,250,000, whichever is less, for CoC planning costs. Collaborative Applicants that are designated as a UFA may request up to an additional 1.5 percent of FPRN or $500,000, whichever is less, for UFA costs. To apply for funding under the FY 2015 CoC Program Competition, the Collaborative Applicant for each CoC is required to complete its GIW and submit to the local HUD CPD field office for review and conditional approval to determine the CoC's ARD, which must be recorded in *e-snaps* by the registration submission deadline. The GIW must include all eligible renewal projects and reflect accurate budget amounts. For the FY 2015 CoC Registration process, the GIW is not a required attachment in *e-snaps*. However, the final HUD-approved GIW, which confirms that all projects listed are eligible

for renewal in the FY 2015 CoC Program Competition and that the requested amount is consistent with the current grant agreement, will be a required submission as part of the Collaborative Applicant's FY 2015 CoC Consolidated Application submission and CoCs will be held to the final HUD-approved ARD amount. See Section III.A.1. of this Notice for additional information.

## II. KEY TERMS USED AS PART OF THE REGISTRATION PROCESS

**A. Definitions. The key terms contained in this Notice are important for Collaborative Applicants to understand and complete the FY 2015 registration in *e-snaps* on behalf of the CoC. A more extensive list of definitions can be found at 24 CFR 578.3.**

1. The following terms are defined in 24 CFR 578.3, which must be carefully reviewed by all applicants for the definitions contained in this section.

   a. ***Annual Renewal Amount (ARA)***

   b. ***Centralized or Coordinated Assessment System***

   c. ***High Performing Community (HPC)***

   d. ***Permanent Supportive Housing (PSH)***

   e. ***Subrecipient***

   f. ***Unified Funding Agency (UFA)***

2. **CoC Registration Notice Definitions and Concepts.** The following terms are not found in 24 CFR 578.3 but are used in this FY 2015 CoC Registration Notice to define concepts that pertain specifically to the CoC Registration process:

   a. ***Annual Renewal Demand (ARD).*** The ARD is the sum of the ARA amounts for projects eligible for renewal in the FY 2015 CoC Program Competition. ARD incorporates funding only for eligible activities–operating, supportive services, leasing, rental assistance, Homeless Management Information Systems (HMIS), and project administrative costs–that were funded in the original grant, or the original grant as amended, less the non-renewable activities–new construction, acquisition, rehabilitation, and any project administrative costs related to these activities.

   CoCs that fail to list any eligible renewal project on their GIW, risk losing funding for that project.

   Any funding for new construction, acquisition, or rehabilitation, and any project administrative costs related to those activities, is not renewable and therefore, should not be calculated in the project ARA. If the eligible renewal grant includes these non-renewable activities, project administrative costs must be recalculated to reduce the amount for such related activities. Project administrative costs must not exceed 10 percent of the grant awarded, the maximum allowed in 24 CFR 578.59. See Section I.D. of this Notice for further information on project administrative costs.

b. ***Continuum of Care Final Pro Rata Need* (FPRN).** The higher of PPRN or ARD for the CoC is the FPRN, which is the basis for the maximum award amount. FPRN is also used to determine the maximum CoC planning costs and UFA costs (if applicable).

c. ***Continuum of Care Merger Process***. The Continuum of Care Merger is a process to merge two or more CoCs that registered separately in the FY 2013 - FY 2014 CoC Program Competition. The process is used if one CoC has FPRN based on the ARD amount that exceeds the PPRN and at least one other CoC has a FPRN based on PPRN. Under this process, HUD calculates the newly merged CoC's FPRN based on the higher FPRN for each CoC that participates in the merger process. The CoC merger process may be used by all CoCs regardless of ARD or PPRN status. HUD encourages smaller CoCs that struggle with funding to merge together, merge with a regional CoC, or merge with a Balance of State CoC.

   CoCs that voluntarily choose to change their geographic area are asked to notify Michael Roanhouse at Michael.Roanhouse@hud.gov to obtain a new CoC name that clearly identifies the geographic area of the newly formed CoC. HUD will accept requests submitted for the following actions during the CoC Program Registration process but not later than 5 days before the end of the CoC Program Registration period:

   **(1)** The merger of two or more CoCs;

   **(2)** The separation of one or more geographic areas from one or more CoCs to other CoCs; or

   **(3)** The splitting of an existing CoC and the division of the geographic resources into two or more CoCs.

d. ***Continuum of Care Preliminary Pro Rata Need* (PPRN).** The amount of funds a CoC could receive based upon the claimed geographic areas HUD approves in the FY 2015 CoC Program Registration. To determine the homeless assistance need of a particular metropolitan city, urban county, or other county, HUD will use the formula set forth in the CoC Program interim rule at 24 CFR 578.17(a). These amounts are published annually on the HUD Exchange website. A CoC's PPRN is determined by adding together the published PPRN of each metropolitan city, urban county, or other county within the HUD-approved CoC.

e. ***Continuum of Care Registration.*** The first step in the annual CoC Program application process, which requires that each CoC review its geographic area, designate a Collaborative Applicant that will be responsible for submitting the electronic registration and application in *e-snaps* and for completing the GIW, which must be reviewed and updated in order to obtain the ARD amount that must be recorded in the registration forms in *e-snaps*.

   This process establishes the CoC's FPRN amount, CoC planning, and UFA costs that CoCs are eligible to request. The process also confirms the Collaborative Applicant's intent to submit a CoC Consolidated Application in the FY 2015 CoC Program Competition on behalf of the CoC.

f. ***Grant Inventory Worksheet (GIW).*** The GIW is an inventory of all projects within a CoC's geographic area eligible for renewal in a particular year submitted on a HUD-issued Excel spreadsheet. The GIW is a tool that is used to determine which projects are eligible to receive renewal funding and to ensure an accurate calculation of the CoC's ARD. The Collaborative Applicant is required to attach the final HUD-approved GIW to the CoC Priority Listing in *e-snaps* prior to submitting the CoC's Priority Listing in the FY 2015 CoC Program Competition. HUD will make adjustments where the amount requested by the CoC exceeds the ARD amount listed in the final HUD-approved GIW.

The GIW must include the correct budget line item information for each project and the correct unit configuration for rental assistance projects in order to calculate the ARD for the CoC. HUD will only approve project budget requests submitted in the project application that reflect the information exactly as submitted on the final HUD-approved GIW as recorded on the most recent grant agreement, or grant agreement as amended by the local HUD CPD field office. HUD expects CoCs, through the designated Collaborative Applicants, to work with all project applicants that have eligible renewal projects to ensure the renewal projects are accurately listed on the GIW and to make the GIW publicly available by posting the final HUD-approved GIW to their website, or distribute to all project applicants and stakeholders via email.

Project applicants, and CoCs, through the designated Collaborative Applicants, are responsible for ensuring that the renewal budget and total number of units for all renewal projects match the amounts and units approved by HUD on the GIW. HUD will apply all Fair Market Rent (FMR) updates to the operating, leasing, and rental assistance budget line items after the competition closes, but before grants are conditionally awarded. As necessary, HUD will reduce the requested budgets and units to match the budgets and total number of units on the CoC's final HUD-approved GIW(s).

g. ***Homeless Management Information Systems (HMIS) (24 CFR 578.3 and 578.57).*** An HMIS is a computerized data collection application designed to capture client-level information over time on the characteristics of housing and service needs of men, women, and children experiencing homelessness, while also protecting client confidentiality. An HMIS aggregates client-level data to generate an unduplicated count of clients served within a community's system of homeless services, and can provide data on client characteristics and service utilization. HUD will allow only one applicant for all HMIS dedicated grants within a CoC. This applicant must be the HMIS Lead designated by the CoC and must be listed on the HMIS Lead form in the CoC Applicant Profile in *e-snaps*. HUD may reject the project application without review if the HMIS Lead in the CoC Applicant Profile does not match the organization that submits the dedicated HMIS project application(s).

h. ***Homeless Management Information Systems (HMIS) Lead (24 CFR 578.3).*** The HMIS Lead is designated by the CoC as the responsible entity to manage the CoC's HMIS. The HMIS Lead is the only entity eligible to apply for dedicated HMIS funds including leasing a structure in which the HMIS project is located,

and for HMIS costs related to establishing, operating, and customizing a CoC's HMIS.

i. ***Project Applicant.*** The project applicant is the entity that completes a project application for CoC Program funding to operate a project.

j. ***Reallocation.*** A CoC may reallocate funds in whole or part from existing eligible renewal projects to create one or more new projects. All CoCs may use the reallocation process, regardless of their funding status, based on local CoC needs and priorities. In the FY 2015 CoC Program Competition, CoCs may use the reallocation process to create: new permanent supportive housing projects that serve chronically homeless individuals, including unaccompanied youth, and families; new rapid re-housing projects for homeless individuals, including unaccompanied youth, and families coming directly from the streets or emergency shelter or fleeing domestic violence; new projects for dedicated HMIS; or new Supportive Services Only (SSO) projects for centralized or coordinated assessment systems. CoCs may choose to eliminate or reduce one or more eligible renewal projects to create one or more reallocated projects. The amount eliminated or reduced for the purposes of reallocation will be retained by the CoC, provided that the new proposed project(s) meets eligibility and quality thresholds established by HUD in the FY 2015 CoC Program Competition NOFA in order to be conditionally selected for funding. CoCs are prohibited from reallocating administrative costs to create new projects.

## III. COMPLETING THE REGISTRATION PROCESS

Accessing and completing the registration process in *e-snaps* will include the following steps:

### A. Step One: Obtain and Complete the HUD-issued Grant Inventory Worksheet (GIW).

1. ***Identifying Projects to be Included on the GIW.*** Before beginning the registration process in *e-snaps*, CoCs completed an inventory of all projects eligible for renewal funding in the FY 2015 CoC Program Competition, which are projects expiring during Calendar Year (CY) 2016 (between January 1, 2016 and December 31, 2016). CoCs entered the inventory on the HUD-issued Excel spreadsheets (GIW). HUD Headquarters emailed the GIWs to the CoC Primary and Alternate contacts listed in the CoC Applicant Profile in *e-snaps*, with a copy to the appropriate local HUD CPD field office.

   Collaborative Applicants submitted the GIW to the appropriate HUD CPD field office for review within 2 weeks of receipt from HUD Headquarters. The local HUD CPD field office and HUD Headquarters reviewed and issued the final HUD-approved GIW prior to issuance of this Notice. Collaborative Applicants will use the final HUD-approved GIW to establish the CoC's FY 2015 ARD, which must be recorded in the Maximum Funding Need form in *e-snaps*. The GIW will be used by HUD as the basis for award amounts approved for all eligible renewal projects. Any changes to the GIW after CoC Registration must be approved by the local HUD CPD field office, in consultation with HUD Headquarters, within 10 calendar days after FY 2015 CoC Program Competition NOFA is published. Collaborative Applicants will be required to attach the HUD-approved GIW that contains the final HUD-approved ARD to the FY 2015 CoC Priority

Listing, a component of the CoC Consolidated Application. No changes to the GIW will be considered after the 10-day grace period.

Collaborative Applicants are responsible for ensuring that the GIWs accurately list all projects eligible for renewal funding in the FY 2015 CoC Program Competition. To assist in this process, HUD pre-populated the GIWs with the grants that were awarded 1 year of funding, renewal and new, in FY 2014 funding through the FY 2013 – FY 2014 CoC Program Competition and grants that might not have been submitted for renewal funding yet from the FY 2009 CoC Homeless Assistance Grants Competition. CoC planning and UFA Costs projects awarded in the FY 2014 CoC Program funds are not included on the pre-populated GIWs as these projects do not contribute to a CoC's ARD amount nor are these projects included in the national ARD amount. The FY 2015 CoC Program Competition NOFA will provide more information on how to apply for CoC planning and UFA Costs projects.

This initial listing may be incomplete or inaccurate, therefore the Collaborative Applicant, in consultation with the local HUD CPD field office, was required to ensure that the following eligible projects are included on the GIWs:

**a.** Grants awarded prior to FY 2014 funding through the FY 2013 – FY 2014 CoC Program Competition, i.e., CoC Program, SHP, or S+C grants, that expire in CY 2016 (January 1, 2016 through December 31, 2016).

**b.** Any renewal grants that received 1 year of FY 2014 funding through the FY 2013 – FY 2014 CoC Program Competition.

**c.** Any new 1-year grants awarded under the FY 2014 funding through the FY 2013 – FY 2014 CoC Program Competition that will expire in CY 2016, except for grants for CoC planning or UFA Costs.

**d.** Any S+C grants awarded prior to FY 2002 for which funding is expected to run out in CY 2016, and which have never received renewal funding.

**e.** Any grants originally awarded in the FY 2009 CoC Homeless Assistance Grants Competition, that have funds expiring in CY 2016 or later and have not been renewed in a previous competition. Funds for these grants will expire and will no longer be available after September 30, 2016. Therefore, renewal funding is imperative for continued project operations. Funds from these expiring grants will be recaptured and returned to the U.S. Treasury and will no longer be available for expenditure, regardless of whether the end date established in the grant agreement is beyond September 30, 2016. Grants awarded in the FY 2009 CoC Homeless Assistance Grants Competition are not eligible for renewal with FY 2015 CoC Program funds if they expire in CY 2015 (January 1, 2015 through December 31, 2015), and were not renewed in a previous competition, or were not approved for extension into CY 2016 or later.

**2.** ***First-Time TRA and SRA Renewals.*** For applicants with projects previously funded as Tenant Based Rental Assistance (TRA) and Sponsor Based (SRA) components of S+C that renew with FY 2015 funds for the first time and request more units than approved in the original application, the number of renewable units is determined by the number of

units under lease at the time of submission of the GIW to HUD. To support the addition of units beyond the initial award, the applicant must provide the local HUD CPD field office with copies of all executed leases at the time of submission of its GIW. HUD will consider the additional units under lease at the time of GIW submission to determine the maximum number of units that can be renewed in FY 2015. Renewal projects that increase the number of units are subject to the requirements for renewals as stated in 24 CFR 578.33(d). For additional information about that provision, please refer to HUD's December 18, 2012, webinar entitled *Homeless Programs: Transition Policies and Changes* at www.hudexchange.info/resource/2727/homeless-programs-transition-policies-and-changes-webinar/.

3. ***Failure to Include Renewal Projects on the GIW.*** If the CoC fails to include a project on its GIW, this could result in the project not receiving renewal funding from HUD. Including a project on the GIW does not guarantee that the project will receive funding in the FY 2015 CoC Program Competition as the project must meet the threshold requirements and be prioritized through the ranking process as detailed in the FY 2015 CoC Program NOFA. Applicants must submit a project application in *e-snaps* in the FY 2015 CoC Program Competition for renewal funding. HUD will not fund projects that fail to submit a project application in *e-snaps* by the Competition deadline regardless of whether the project was included on the GIW and/or CoC Priority Listing. HUD retains the discretion to withhold funding, in whole or part, for any project that has significant capacity issues related to performance, financial management, or other unresolved audit or monitoring findings.

4. ***Special Instructions for CoCs without Expiring Renewal Grants.*** CoCs that do not have any projects within their geographic area that are eligible for renewal funding in the FY 2015 CoC Program Competition and that **will not** request UFA or HPC designation or funding for new projects or CoC planning or UFA costs in FY 2015 are not required to complete the registration. However, CoC Registration is strongly encouraged so that HUD is informed of the CoC's active status.

5. ***Submit the Completed GIW to the Appropriate HUD Field Office for Review.*** Collaborative Applicants were required to submit the completed GIW to local HUD CPD field offices prior to submission of CoC Registration and received, after review and reconciliation with HUD, the final HUD-approved GIW.

**B. Step Two: Log in to *e-snaps* to Access the Registration Forms.** Any Collaborative Applicant primary contact person, who has accessed the registration forms in *e-snaps* in previous competitions, is referred to by HUD as a "returning *e-snaps* user." These users will have access to the FY 2015 registration forms in *e-snaps*. For FY 2015, returning users may use the same username and password previously created. First-time users of *e-snaps* must create an *e-snaps* user account by completing the *e-snaps* user profile information. Each person who creates a user account for the first time must be granted permission by the primary authorized *e-snaps* user of the Collaborative Applicant in order to access the FY 2015 registration forms.

The HUD Exchange AAQ is also available to provide assistance with adding and deleting users in *e-snaps*. For instruction on contacting the AAQ, see Section C of the "FOR FURTHER INFORMATION CONTACT" section at the beginning of this Notice.

C. **Step Three: Complete/Update Applicant Profile.** The Applicant Profiles allow CoC and project applicants to update the contact information for the primary and alternate contacts to ensure that HUD has up-to-date information on file. It is imperative that both the CoC and Project Applicant Profiles have accurate and up-to-date primary and alternate contact information. The contact information is used by HUD to distribute GIWs to the CoC designated Collaborative Applicants, and to contact applicants for any curable deficiencies. The information in the Applicant Profiles is available for updates throughout the year and applicants are strongly encouraged to update the contact information as changes occur. Returning Collaborative Applicants must update, as necessary, the CoC Applicant Profile in *e-snaps*. This will include any required changes to the Collaborative Applicant Primary and Alternate contacts, which HUD uses to notify Collaborative Applicants of GIW availability. HMIS Lead and Contact Person, and Homeless Resources Contact Person. Collaborative Applicants representing new CoCs must complete the Applicant Profile information in full. Information on how to complete or update the Applicant Profile can be found at the HUD Exchange.

D. **Step Four: Complete the Registration Forms.** All Collaborative Applicants registering for the first time or returning must input all information relevant to the FY 2015 registration. The CoC Registration Instructional Guide provides instruction on how to complete this process. The rest of this section highlights information that must be entered into *e-snaps* to complete and submit the registration.

1. ***CoC Type.*** CoC Applicants will have the option to register as a Collaborative Applicant or a Collaborative Applicant applying for Unified Funding Agency (UFA) designation. HUD will notify Collaborative Applicants of the final approved designation as Collaborative Applicant or UFA during the CoC Registration process. Collaborative Applicants requesting UFA designation must meet the selection criteria as outlined in 24 CFR 578.11 and have financial systems that meet the standards set forth in 2 CFR 200.302. Collaborative Applicants requesting UFA designation must fully answer all questions in the FY 2015 CoC Registration forms and attach all required documents in order to submit the registration in *e-snaps*. If the Collaborative Applicant is unable to answer all questions or attach the required documentation, it will be required to change the designation request from UFA to Collaborative Applicant before the registration forms may be submitted.

2. ***Identify CoC Mergers.*** For CoCs that merge before the end of the registration process, the FY 2015 CoC registration must capture the total ARD amount and the total FPRN of the merged CoCs. To determine these totals, HUD will make available guidance on eligibility and procedures via the *CoC Merger Worksheet and Guidance on CoC Merger.*

   The *Worksheet* will indicate whether a CoC may benefit from merging under the CoC Merger option in FY 2015 and will be available in *e-snaps* and at www.hudexchange.info. In FY 2015, the completed *Worksheet* must be attached in *e-snaps* to the CoC's registration submission, except where all of the merging CoCs are in the same need status (i.e., all CoCs are in ARD status or all in PPRN status). In

FY 2015, CoCs that use the merger process must enter in *e-snaps* the FY 2015 ARD amount and the merged FPRN amount as calculated by the *Worksheet*.

3. ***Review the CoC's Geographic Area.*** All Collaborative Applicants must notify HUD of the geographic area(s) covered by the CoC. This notification is completed in *e-snaps* during CoC Registration. Each geographic area is associated with a PPRN amount. HUD has posted a list of each geographic area and the associated PPRN amount at: www.hudexchange.info/e-snaps/fy-2015-coc-program-nofa-coc-program-competition.

   Due to changes in the allocation of funds for metropolitan cities, urban counties, and other counties under the Community Development Block Grant (CDBG) formula, HUD has made changes to the metropolitan cities, urban counties, and all other counties eligible to receive a PPRN amount in the FY 2015 CoC Program Competition. Information regarding the PPRN formula and the role of CDBG in determining the formula and geographic areas can be found at 24 CFR 578.17(a). It is important that Collaborative Applicants identify all areas within the CoC's geographic area during the registration process in *e-snaps* as additional metropolitan cities, urban counties, and/or all other counties might exist within the CoC's geographic area. The following 12 geographic areas have been added to the PPRN calculation in the FY 2015 CoC Program Competition: Douglas City, Arizona; Sierra Vista City, Arizona; Sebastian City, Florida; Marion City, Illinois; Watertown City, New York; New Bern City, North Carolina; Albany, Oregon; Redmond, Oregon; Pflugerville City, Texas; Lehi City, Utah; Walla Walla City, Washington; and Beckley City, West Virginia.

   The following two metropolitan cities, urban counties, or other counties were removed from the PPRN calculation in the FY 2015 CoC Program Competition: Bibb County, Georgia and Hammonton, New Jersey.

   As stated in 24 CFR 578.35(d) if more than one CoC claims the same geographic area, HUD will award funds to the Collaborative Applicant(s) whose application(s) have the highest total score. No projects will be funded from the lower scoring CoC. No project applications that are submitted in two or more competing CoC Consolidated Applications will be funded. HUD will not correct errors made by Collaborative Applicants, including errors where a Collaborative Applicant failed to claim a geographic area claimed in the past.

4. **HPC Designation.** Collaborative Applicants requesting HPC designation for the CoC will be required to complete the HPC form in *e-snaps* and attach the required information outlined below. HUD will assess all submitted responses, required documents, and information submitted in Homelessness Data Exchange (HDX) to determine if the CoC is eligible for HPC designation. CoCs that meet all requirements based on a pass/fail standard will receive HPC designation for grants awarded in the FY 2015 CoC Program Competition that will allow the CoC, through the Collaborative Applicant, to submit project applications for homelessness prevention.

   a. **HPC Requirements**. Collaborative Applicants requesting HPC designation on behalf of the CoC will be required to provide the following information that will be reviewed by HUD on a pass/fail standard:

**(1)** *CoC Program Expenditures/Allocation Process.* A requirement for HPC consideration is a report generated by CoCs that demonstrates how CoC Program funds received in the preceding year were expended. As the FY 2014 CoC Program funds were awarded on January 26, 2015 CoCs will be unable to report these expenditures; therefore, to satisfy this requirement HUD will require CoCs to generate this report based on the FY 2013 awarded CoC Program funds. Collaborative Applicants will be required to provide a narrative describing the priorities established for the FY 2013 CoC Program funding process and attach the FY 2014 final HUD-approved GIW (which lists the FY 2013 projects that were awarded funds). In order to pass this requirement, Collaborative Applicants must clearly describe the priorities established that include how a fair and open process was used by the CoC to determine which types of projects were submitted to HUD in the FY 2013 CoC Program funding process and ensure the GIW attached is the final-HUD approved FY 2014 GIW that must include a column added by the CoC that includes the amount of funds expended during the grant period for each project listed.

**(2)** *Plan for FY 2015 CoC Program Funds.* Collaborative Applicants will be required to describe how the CoC intends to use the HPC designation, if approved by HUD, during the FY 2015 CoC Program Competition. In order to pass this requirement, the narrative must clearly describe the following:

**(a)** if the CoC intends to use any of the FY 2015 available funding, through renewal or new projects, to carry out activities related to housing relocation and stabilization services as well as short-term and/or medium-term rental assistance to individuals and families at risk of homelessness;

**(b)** how the CoC will determine the need for housing relocation and stabilization services in addition to short-term and/or medium-term rental assistance for those at risk of homelessness;

**(c)** how the CoC will ensure individuals and families served by these types of projects will be prevented from falling into homeless situations; and

**(d)** the types of projects (e.g., Transitional Housing or Supportive Services Only) that the CoC intends to reduce or eliminate in order to create one or more new projects under the HPC designation as the use of reallocation will be the only avenue in which CoCs will be able to submit a project application for HPC designated activities.

**(3)** *Mean Length of Homelessness.* Collaborative Applicants must be able to demonstrate that the CoC satisfies at least one of the following within the CoC geographic area. CoCs must use HMIS data to calculate the

cumulative number of days each homeless individual and family is in any of the following projects: emergency shelter safe haven, and transitional housing during the reporting period and divide the number of days by the total number of unduplicated persons reported in HMIS. To pass this requirement, the Collaborative Applicant must meet one of the following standards:

**(a)** The mean length of episodes of homelessness individuals and families within the CoC's geographic area during the 2-year period ending September 30, 2014 is fewer than 20 days; or

**(b)** The mean length of episodes of homelessness for individuals is reduced by at least 10 percent for the 2-year period ending September 30, 2014, compared to the 2-year period ending September 30, 2013, and the mean length of episodes of homelessness for families is reduced by at least 10 percent for a 2-year period ending September 30, 2014, compared to the 2-year period ending September 30, 2013.

In order pass this requirement, the Collaborative Applicant must attach the reports generated by their HMIS and the methodology used by the CoC to calculate the average length of homelessness which must include how the data used to determine this calculation was de-duplicated.

**(4)** *Reduced Returns to Homelessness.* A Collaborative Applicant must use HMIS data to calculate the percentage of individuals and families who exited emergency shelter, safe havens, or transitional housing for a permanent housing destination, which includes destinations recorded in fields 10, 11, and 19-23 of Universal Data Element *3.12 Destination* as described in *HMIS Data Standards: HMIS Data Dictionary* and then experienced a subsequent episode of homelessness in the following 24 months. To pass this requirement, the Collaborative Applicant must meet one of the following standards:

**(a)** Of homeless individuals and families who exited homelessness programs for a permanent destination in the year ending September 30, 2012, fewer than 5 percent had a subsequent experience of homelessness (return to homelessness) in the 24 months following their exit; or

**(b)** There was a 20 percent reduction in returns to homelessness for homeless individuals and families who exited emergency shelter, safe havens, or transitional housing for a permanent housing destination in the year ending September 30, 2012, compared to individuals and families who exited emergency destination in the year ending September 30, 2011.

**(5)** *HMIS Coverage.* Collaborative Applicants must be able to demonstrate that the CoC's bed coverage rate and service volume coverage is at least

80 percent for emergency shelters, transitional housing, and permanent supportive housing for 2011, 2012, 2013, and 2014 to the extent that these types of projects exists within the CoC's geographic area.

**(a)** For purposes of a CoC's bed coverage rate, this is calculated by dividing the total number of year-round beds reporting into HMIS by the total number of beds for each type of project located in the CoC's geographic area, after excluding beds in domestic violence programs.

**(b)** The information provided by the Collaborative Applicant must match the data provided on the Housing Inventory Count (HIC) for each of the calendar years 2011, 2012, 2013, and 2014 as submitted to the HUD Homelessness Data Exchange (HDX).

An additional HMIS coverage requirement is "service volume coverage" for which HUD has not provided CoCs with information as to how this information should be captured and collected through HMIS. Therefore, HUD will not require CoCs to provide information regarding service volume coverage.

**(6)** *Serving Families and Youth.* No CoCs were approved to serve families with youth as defined by other Federal statutes in the FY 2013 - FY 2014 CoC Program Competition that may have been requested by CoCs in the FY 2013/FY 2014 CoC Application; therefore, there is no means in which to evaluate this HPC requirement in FY 2015.

**(7)** *Community Action.* Collaborative Applicants are required to demonstrate that the all metropolitan cities and counties within the CoC's geographic area have a comprehensive outreach, engagement, and assessment plan, including specific steps for identifying homeless individuals and families and providing referrals to the appropriate housing and services. In order to pass this requirement, the Collaborative Applicant must:

**(a)** Attach evidence of a clear plan established by the CoC that comprehensively addresses the plan in place.

**(b)** Clearly demonstrate in the narrative statement that that the CoC outreach efforts are identifying and meeting homeless individuals and families sleeping in places not meant for human habitation. In order to pass this requirement, the Collaborative Applicant must:

**i.** demonstrate that 100 percent of the CoC's claimed geographic area is covered by street outreach efforts that meet with homeless individuals and families where they are sleeping;

**ii.** clearly identify community partners that conduct street outreach and the areas they cover;

**iii.** clearly identify how and when training for outreach is conducted with a minimum of one training date within the past year identified;

**iv.** include the date of the last training; and

**v.** attach the CoC's street outreach plan that clearly outlines the policies and procedures described in the narrative.

**(c)** CoCs must show that their outreach, engagement, and assessment strategies are linking homeless individuals and families with needed housing resources by demonstrating that the number of individuals that enter emergency shelter, safe havens, transitional housing, and permanent housing projects–including permanent supportive housing, and rapid re-housing–from places not meant for human habitation is higher than the unduplicated number of unsheltered individuals and families identified in the Point-in-Time (PIT) count. CoCs should compare the number of unsheltered homeless counted during the 2014 PIT and data from the HMIS, specifically *Universal Data Element 3.9–Residence Prior to Program Entry*, for all clients who entered emergency shelter, safe havens, transitional housing, and permanent housing projects–including permanent supportive housing or rapid re-housing–in FY 2014. In order to pass this requirement, the number of participants who entered the homelessness programs listed above should be higher than the unduplicated number of unsheltered persons counted in the 2014 PIT. HUD will confirm the information provided in the CoC Registration form for HPC with the data submitted to HUD via the HDX and Annual Performance Reports (APRs).

**(8)** *Renewing HPC Status.* As the FY 2015 CoC Registration process is the first year HUD is permitting CoCs to apply for HPC designation, there is no basis for HUD to determine the effectiveness of CoC Program funds for this activity.

**b. Required Attachments.**

**(1)** FY 2014 final HUD-approved GIW (see Section III.D.4.a.(1) of this Notice);

**(2)** Average or Mean Length of Homelessness Methodology (see Section III.D.4.a.(3) of this Notice); and,

**(3)** CoC's Street Outreach Plan (see Section III.D.4.a.(7)(b) of this Notice).

**c. HPC Comment Period.** Following the CoC Registration deadline of May 18, 2015, HUD will publish the HPC information submitted by each CoC that is requesting HPC designation on the FY 2015 CoC Program Competition page located on the HUD Exchange for public comment as required by

24 CFR 578.67. HUD will issue a listserv to the national CoC, HMIS, and ESG contacts registered with the HUD Exchange to receive email messages alerting all stakeholders that the HPC information is available for review. Stakeholders in the affected CoC geographic area who believe the information submitted by the CoC is inaccurate or fraudulent should submit comments, along with evidence supporting the comment and clearly identify the CoC by number and name (e.g., XX-500), to HUD within 7 calendar days of HUD's publication of the HPC information that will identify the CoC number and name along with a PDF copy of the CoC(s) completed HPC information. All comments must be submitted to HPCComments@hud.gov no later than 11:59:59 p.m. Eastern Time on the May 27, 2015. Any email comments received after the 11:59:59 p.m. Eastern Time on May 27, 2015, will not be considered by HUD during review of a CoC's HPC designation request. At the conclusion of the comment period, HUD will compile all of the timely comments received and email the comments to the Primary and Secondary Contacts designated for the Collaborative Applicant in the CoC Applicant Profile in *e-snaps*. Therefore, it is extremely important that Collaborative Applicants, and the CoC, ensure this contact information is accurate. The Collaborative Applicant will have 5 days to provide any information to HUD in response to the comments. All CoC-level responses must be submitted to HPCComments@hud.gov no later than 11:59:59 p.m. Eastern Time on June 3, 2015. HUD may consider information from the Collaborative Applicant after 11:59:59 p.m. Eastern Time on June 3, 2015, due to the following extenuating circumstance: the primary and secondary contact person for the Collaborative Applicant can provide evidence that they did not receive a copy of the public comments from HUD.

HUD will consider comments submitted by stakeholders when determining whether the CoC met the criteria for HPC. HUD reserves the right to fail a CoC on any of the application criteria described in this section of the Notice if evidence submitted by public comments or in HUD records does not match the information submitted by the CoC in the application to be designated an HPC. Additionally, HUD will consider the information submitted by the Collaborative Applicant on the HPC form in *e-snaps*, including the required attachments, in conjunction with the CoC's Point-in-Time (PIT) Count, submission for the Annual Homeless Assessment Report (AHAR), Housing Inventory Count (HIC), and projects' Annual Performance Reports (APRs) to determine if any information conflicts with the HPC application. If there is a conflict, the CoC might not be designated as an HPC.

5. ***UFA Designation.*** Collaborative Applicants requesting UFA designation, including those Collaborative Applicants designated as UFAs in the FY 2014 CoC registration process, will be required to complete the UFA forms in *e-snaps* and attach the CoC's written policies, procedures, and plans that document responses provided in registration. HUD will assess all submitted responses and required documents to determine if the Collaborative Applicant is currently performing the required duties of a UFA or has the capacity to perform all of the required functions of a UFA. Collaborative Applicants that meet all requirements will be designated as a UFA and will be allowed by HUD to apply

as such during the FY 2015 CoC Program Competition. UFA designation is only effective for 1 year as the UFA costs are non-renewable; therefore, Collaborative Applicants designated as a UFA in the FY 2014 registration process must re-apply for designation in the FY 2015 registration process.

**a. Criteria.** Collaborative Applicants will be assessed based on a 65 point scale. In order to receive UFA designation, a Collaborative Applicant must receive a minimum of 22 out of 25 points in the UFA Capacity–CoC Responsibilities section, and 40 out of 40 points in the UFA Financial Management and Subrecipient Responsibilities sections. Therefore, the minimum score a Collaborative Applicant must receive in order to be designated as a UFA is 62 points. Regulatory citations have been added to the requirements in this section so that Collaborative Applicants can easily refer to the CoC Program interim rule for additional information.

**b. UFA Capacity.** CoC Responsibilities will be reviewed and scored on the following criteria with a possible total of 25 points available. In order to be designated as a UFA, the Collaborative Applicant must be able to clearly demonstrate that the CoC is in compliance with the requirements of 24 CFR 578.7.

**(1)** CoC Structure (5 points). HUD will award up to a total of 5 points for Collaborative Applicants that demonstrate that the CoC holds meetings of the full membership (including published agendas) at least semi-annually (24 CFR 578.7(a)(1)), has an open invitation process for new members to join at least annually (24 CFR 578.7(a)(2)), and that the CoC has adopted and is following a written process to select the Board of Directors to act on behalf of the CoC (24 CFR 578.7(a)(3)). The Collaborative Applicant must submit documentation that lists all committees, subcommittees, and workgroups that are active in the CoC (24 CFR 578.7(a)(4)). That documentation may be the CoC governance charter, if the governance charter includes this information. Collaborative Applicants cannot receive maximum points for these criteria unless they clearly demonstrate meetings are held at least semiannually by attaching meeting agendas between January 1, 2014 and February 1, 2015.

**(2)** Governance Charter (24 CFR 578.7(a)(5)) (1 point). HUD will award up to 1 point for Collaborative Applicants that attach a governance charter that was developed in consultation with the Collaborative Applicant and HMIS Lead, clearly demonstrating that the parties involved follow the governance charter and that this document is updated at least annually. In order to receive the full points, the governance charter must be attached to the CoC registration in *e-snaps* and include the following:

**(a)** date of the last update to the governance charter;

**(b)** the policies and procedures for compliance with subpart B of 24 CFR part 578 and with 2014 HMIS Data Standards (2014 HMIS Data Standards Manual); and

**(c)** a code of conduct and recusal process for the board, its chair(s), and any person acting on behalf of the board.

HUD will review the CoC governance charter to determine if it incorporates all elements required in (24 CFR578.7 (a)(5)). Governance charters that do not meet the criteria established in the CoC Program interim rule will receive no points.

**(3)** Project Performance (6 points). HUD will award up to 4 of the 6 points for Collaborative Applicants that have established performance targets for CoC-funded projects, and that:

**(a)** demonstrate that the CoC has established, in consultation with recipients and subrecipients, performance targets appropriate for the population and program types;

**(b)** describe how the CoC monitors performance, evaluates outcomes, and takes actions towards poor performing projects (24 CFR 578.7(a)(6)).

**(c)** describe how the CoC evaluates the outcomes for projects funded under the Emergency Solutions Grants (ESG) and CoC programs (24 CFR 578.7(a)(7)).

To receive the full points for this section, the descriptions must provide clear details on the successful method(s) the CoC uses to gather recipient and subrecipient information to determine appropriate performance targets for the population(s) served, how poor performing projects are mentored to improve performance, and the specific evaluation methods used to determine if the outcomes from ESG and CoC programs are sufficient to address the reduction of homelessness in the CoC's geographic area.

Finally, HUD will award 2 of the 6 points to Collaborative Applicants that attach the written standards created and followed by the CoC, in consultation with ESG recipients (ESG-CoC Written Performance Standards), that include at the minimum information found in 24 CFR 578.7(a)(9)(i-vi).

**(4)** Centralized or Coordinated Assessment System (24 CFR 578.7(a)(8)) (1 point). HUD will award 1 point to Collaborative Applicants whose CoC has established and operates a centralized or coordinated assessment system, in consultation with the ESG recipients, that covers the CoC's geographic area.

**(a)** The system must demonstrate how services and housing are matched to participants needs.

**(b)** A copy of a description of the centralized or coordinated assessment system must be attached to the registration that clearly demonstrates how the system used is successfully implemented, including details of the protocol used by the CoC within the geographic area to assist homeless individuals and families in obtaining the necessary referrals for housing and services.

**(c)** The protocols must clearly state the CoC's specific policy on how the system addresses the specific needs of those who are fleeing, or attempting to flee domestic violence, dating violence, sexual assault, or stalking, but who are seeking shelter or services from non-victim service providers.

**(5)** HMIS Structure (4 points). HUD will award up to 4 points for Collaborative Applicants that demonstrate that:

**(a)** a single HMIS that has been designated for the CoC (24 CFR 578.7(b)(1)), and the process used to ensure consistent participation of recipients and subrecipients in the designated HMIS (24 CFR 578.7(b)(4)), including how aggregate data from domestic violence service providers is handled;

**(b)** the CoC has designated the HMIS Lead (24 CFR 578.7(b)(2));

**(c)** the HMIS Lead has the following CoC-approved plans in place: privacy plan, security plan, and data quality plan (24 CFR 578.7(b)(3)); and

**(d)** the Collaborative Applicant ensures that the HMIS is administered in compliance with the 2014 HMIS Data Standards (24 CFR 578.7(b)(5)).

**(6)** Coordination (6 points). HUD will award up to 6 points for Collaborative Applicants that:

**(a)** demonstrate that a Point-in-Time (PIT) count is conducted for sheltered at least annually, and unsheltered at least biennially, homeless individuals and families by indicating the date of the most recent PIT count for both sheltered and unsheltered homeless individuals and families (24 CFR 578.7(c)(2)), and must demonstrate that a gaps analysis of needs and services is conducted by the CoC at least annually (24 CFR 578.7(c)(3));

**(b)** provide a description of coordination efforts to implement a housing and service system that meets the needs of homeless individuals, including unaccompanied youth, and families (24 CFR 578.7(c)(1));

**(c)** provide a description of the CoC's plan to address the coordination effort (CoC Housing and Services System/ Coordination Plan) must be attached to the registration and clearly outline the methods for outreach, engagement, and assessment;

shelter, housing, and supportive services; and prevention strategies;

**(d)** provide a description of how the CoC actively participates in the geographic area(s) Consolidated Plan which includes the specific activities that it performs during the development or update of the jurisdiction(s) Consolidated Plan (24 CFR 578.7(c)(4)); and

**(e)** provide a description of how the CoC consults with ESG Program recipients for the allocation of ESG funds and document whether a plan has been developed for joint reporting guidelines for ESG recipients and subrecipients–if a plan has been developed, describe what is included in the plan that has been approved by both the CoC and ESG recipients (24 CFR 578.7(c)(5)).

**(7)** Monitoring Subrecipients (24 CFR 578.11(b)(4)) (2 points). HUD will award up to 2 points to Collaborative Applicants that attach the CoC's comprehensive written policies and procedures for monitoring subrecipients (Monitoring Guide for Subrecipients) that include:

**(a)** the frequency of monitoring;

**(b)** examples of forms used;

**(c)** samples of letters used to notify the subrecipient of concerns and/or findings; guidance on resolving concerns/findings; and

**(d)** action taken by the Collaborative Applicant if a subrecipient refuses to abide by correction actions issued to address deficiencies during monitoring, and any other CoC-approved requirements.

**c. UFA Financial Management and Subrecipient Responsibilities.** HUD will award up to 40 points using the criteria below. In order to receive the maximum 40 points for these two sections, the Collaborative Applicant must clearly demonstrate through the written responses in *e-snaps* and required attachments adequate financial management practices.

**(1)** UFA Financial Management (24 CFR 578.11(b)(2)) (20 points). HUD will award up to 20 points to Collaborative Applicants that demonstrate financial management capacity by providing detailed information on its financial management system and its internal procedures and an A-133 audit as detailed below. The criteria for this section will be evaluated on a pass/fail standard. For each of the 3 criteria below, Collaborative Applicants will receive the points indicated if the criterion is satisfied, or zero points if the criterion is not satisfied.

**(a)** A-133 Audit (10 points). The Collaborative Applicant must demonstrate that it has a financial management system that meets the standards set forth in 2 CFR 200.302. To receive full points for this section, the Collaborative Applicant must:

**i.** Provide a description that clearly details how the Collaborative Applicant is successful at meeting each of the requirements of 2 CFR 200.302.

**ii.** Provide the most recent OMB Circular A-133 audit(s), which must indicate that the Collaborative Applicant has no material weaknesses, deficiencies, or concerns that HUD considers to be relevant to the financial management of the CoC Program.

**iii.** If the A-133 identified weaknesses or deficiencies, the Collaborative Applicant must provide documentation showing how those weaknesses have been removed or are being addressed–Collaborative Applicants must meet all the criteria to receive any points in this section.

**(b)** The Collaborative Applicant must submit a copy of its written financial management policies and procedures, including an organizational chart that sets forth lines of responsibility (5 points).

**(c)** Collaborative Applicants must submit written policies and procedures that detail how CoC Program funds will be distributed to subrecipients within 45 days of the subrecipient providing source documentation of eligible costs and that a process is in place to ensure CoC Program funds are drawn from LOCCS at least once per quarter. The written policies and procedures must be attached to the registration (LOCCS/Drawdown Procedures) (24 CFR 578.85(c)) (5 points).

**(2)** Subrecipient Responsibilities (20 points). HUD will award up to 20 points to Collaborative Applicants that meet the criteria described below. The criteria for this section will be evaluated on a pass/fail standard. For each of the four criteria below, Collaborative Applicants will receive 5 points if the criterion is satisfied, or zero points if a criterion is not satisfied.

**(a)** Collaborative Applicants must affirmatively indicate that they have obtained documentation evidencing approval (e.g., a letter from each potential subrecipient signed by the Authorized Official) from all potential subrecipients to which CoC program funds will be allocated, documenting that each organization will allow the UFA, if designated, to become the recipient for grant funds.

**(b)** Collaborative Applicants must provide a copy of written policies and procedures currently in place to bring noncompliant subrecipients into compliance.

**(c)** Collaborative Applicants must provide a copy of written policies and procedures to ensure "high risk" subrecipients receive proper oversight and monitoring.

**(d)** Collaborative Applicants must provide a copy of written policies and procedures to review for evidence of conflict of interest, either between the UFA and subrecipient or between the subrecipient and its contractor(s).

**d. Required Application Documents.** The following is a list of attachments that will correspond to the UFA registration questions and will be required at time of submission for Collaborative Applicants requesting UFA designation. The information provided in response to the questions in registration must correspond to the information provided in the attached documents in order for a Collaborative Applicant to receive UFA designation. These documents must be uploaded as an attachment in *e-snaps* prior to the Collaborative Applicant's registration submission.

**(1)** Attachments to Satisfy CoC Program interim rule requirements:

**(a)** CoC Meeting Agendas/Minutes (from Section III.D.5.b.(1) of this Notice, as applicable)

**(b)** CoC Governance Charter (from Section III.D.5.b.(2) of this Notice)

**(c)** ESG-CoC Written Performance Standards (from Section III.D.5.b.(3) of this Notice)

**(d)** Description of Centralized or Coordinated Assessment System (from Section III.D.5.b.(4) of this Notice)

**(e)** CoC Housing and Services System/Coordination Plan (from Section III.D.5.b.(6) of this Notice)

**(f)** Monitoring Guide for Subrecipients (from Section III.D.5.b.(7) of this Notice)

**(2)** Other Required Attachments:

**(a)** A-133 Audit (from Section III.D.5.c.(1)(a) of this Notice)

**(b)** Financial Policies and Procedures (from Section III.D.5.c.(1)(b) of this Notice)

**(c)** LOCCS/Drawdown Procedures (from Section III.D.5.c.(1)(c) of this Notice)

**(d)** Policies and Procedures for Managing Non-Compliant Subrecipients (from Section III.D.5.c.(2)(b) of this Notice)

**(e)** Procedures for High-Risk Subrecipient Management (from Section III.D.5.c.(2)(c) of this Notice)

(f) Policies and Procedures for Subrecipient Conflict of Interest (from Section III.D.5.c.ii.(2)(d) of this Notice)

(g) Other attachments submitted by the CA (optional)

The CoC is responsible for creating all the documents listed above. If a committee, subcommittee, or workgroup developed the document, the CoC must provide a listing of the members who were involved in the development, along with their organization type (e.g., domestic violence, transitional housing, local government, etc.) and the last date the documents were reviewed and approved by the CoC membership.

e. **UFA Grant Agreement.** Collaborative Applicants that are approved and designated as UFAs for the first time in the FY 2015 CoC Registration process will be required to work with HUD to establish uniform expiration dates for all conditionally awarded renewal projects after the FY 2015 CoC Program Competition conditional awards are announced. During the grant agreement phase, the UFA will work with HUD Headquarters to establish the single renewal expiration date.

6. ***Submit Registration to HUD.*** All CoC applicants must submit their FY 2015 registration to HUD through *e*-snaps no later than **7:59:59 p.m. Eastern Time** on **May 18, 2015**. CoCs that fail to submit their registration by the established deadline will not have access to the FY 2015 CoC Application and CoC Priority Listing in *e-snaps*.

## E. Special Registration Instructions for CoCs in Disaster Areas as Declared under Title IV of the Robert T. Stafford Act

CoCs located in areas declared to be major disaster areas by President Obama under Title IV of the Robert T. Stafford Act in the 12 months prior to the publication of this Notice may request that HUD submit their registration in *e-snaps* on their behalf, if the CoC's capacity to complete the registration process in *e-snaps* was degraded and/or destroyed, as a direct result of a major natural disaster. Collaborative Applicants may send this request via the AAQ at www.hudexchange.info/get-assistance/. Collaborative Applicants must include the following information in the request:

1. ***Geographic areas claimed by the CoC.*** List the geographic areas that are eligible to be covered by the CoC.

2. ***Contact information.*** Provide current contact information for the Collaborative Applicant so that HUD may contact the CoC in regard to this request, as needed.

3. ***Grant Inventory Worksheet.*** As stated in Section III.A. of this Notice, HUD Headquarters will email GIWs (Excel spreadsheets) to all CoC Collaborative Applicants for the purpose of completing their grants inventory. HUD will pre-populate the GIWs with the renewal grants that received 1 year of funding and 1-year new grants funded with FY 2014 CoC Program funds. The initial GIW provided by HUD might not include a complete listing. Along with the request, disaster-affected CoCs must confirm, to the best of their knowledge, that the information on the GIW is accurate. If the CoC is able to identify any additional renewal grants, it should provide the previous grant number of

any such renewals so that HUD can add it to the list. HUD Headquarters will work with the local HUD CPD field office to identify any additional grants not identified by the Collaborative Applicant.

## IV. HUD'S HOMELESS POLICY AND PROGRAM PRIORITIES

**A. Policy Priorities.** CoC and project applications submitted to HUD for the FY 2015 CoC Program Competition will be evaluated in part based on the extent to which they further HUD's goals as articulated in HUD's Strategic Plan and *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors).*

1. **Strategic Resource Allocation.** Using performance and outcome data, CoCs should decide how to best use the resources available to end homelessness within the community, including CoC and ESG Program funds, state and local funds, public and assisted housing units, mainstream service resources such as Medicaid, and philanthropic efforts. Decisions about resource allocation should include the following:

   **a.** *Comprehensive Review of projects.* CoCs should reallocate funds to new projects whenever reallocation would reduce homelessness. Communities should use CoC-approved scoring criteria and selection priorities to determine the extent to which each project is still necessary and addresses the policy priorities listed in this Notice.

   **b.** *Maximizing the use of mainstream resources.* HUD strongly encourages CoCs and project applicants to ensure that they are maximizing the use of all mainstream services available. While 24 CFR part 578 allows for the payment of certain supportive service costs, it is more efficient for CoCs to use mainstream resources where possible. CoCs should proactively seek and provide information to all stakeholders within the geographic area about mainstream resources and funding opportunities, particularly new opportunities made available under the Affordable Care Act and related technical assistance initiatives. Additionally, where homeless assistance projects are providing specialized services, such as employment services, mental health services, or substance abuse recovery services, they should be coordinating with state or local agencies responsible for overseeing those services to ensure that they are using best practices and that there is appropriate oversight of their programs.

   **c.** *Partnerships.* CoCs should partner with other stakeholders within the community such as Public Housing Agencies (PHAs), philanthropic organizations, and other entities that have resources that could be used to serve persons experiencing homelessness.

   **d.** *Transitional Housing.* Recent research shows that transitional housing is generally more expensive than other housing models serving similar populations with similar outcomes. HUD also recognizes that transitional housing can be an effective tool for addressing certain needs–such as housing for homeless youth who are unable to sign a lease, safety for persons fleeing domestic violence, and assistance with recovery from addiction. HUD strongly encourages CoCs and

recipients to carefully review the transitional housing projects within the CoC's geographic area for cost-effectiveness, performance, and for the number and type of eligibility criteria to determine if rapid re-housing might be a better model for the CoC's geographic area.

2. **Ending chronic homelessness**.

   a. *Increasing Units*: In order to increase the number of units for chronically homeless individuals and families and work towards the goal of ending chronic homelessness, HUD encourages CoCs to create new projects through reallocation that exclusively serve chronically homeless individuals, including unaccompanied youth, and families. Chronically homeless and permanent supportive housing are defined in 24 CFR 578.3. Projects cannot discriminate against chronically homeless families with children.

   b. *Targeting:* Chronically homeless individuals and families should be given priority for PSH beds not currently dedicated to this population as vacancies become available through turnover. PSH renewal projects serving specific disabled subpopulations (e.g., persons with mental illness or persons with substance abuse issues) must continue to serve those groups as required in their current grant agreement. However, chronically homeless individuals and families within the specified subpopulation should be prioritized for entry. CoCs are encouraged to implement a process for prioritizing persons experiencing chronic homelessness consistent with Notice CPD-14-012: *Prioritizing Persons Experiencing Chronic Homelessness in Permanent Supportive Housing and Recordkeeping Requirements for Documenting Chronic Homeless Status.*

3. **Ending family homelessness**. Most families experiencing homelessness can be housed quickly and stably using rapid re-housing, although some will need the long-term support provided by a permanent housing subsidy or permanent supportive housing. CoCs should adjust the homeless services system for families to ensure that families can easily access rapid re-housing and other housing assistance tailored to their needs. CoCs should also be working with their affordable housing community to facilitate access to affordable housing units. CoCs should also ensure that their projects address the safety needs of people fleeing domestic violence.

   Rapid re-housing is designed to assist homeless individuals and families, with or without disabilities, to move as quickly as possible into permanent housing and achieve stability in that housing. Rapid re-housing assistance is time-limited, individualized, and flexible, and should complement and enhance homeless system performance. HUD encourages CoCs to use reallocation to create new rapid re-housing projects for families.

4. **Ending Youth Homelessness.** CoCs should understand the unique needs of homeless youth and should be reaching out to youth-serving organizations to help them fully participate in the CoC. CoCs and youth serving organizations should work together to develop resources and programs that better end youth homelessness and meet the needs of homeless youth, including Lesbian, Gay, Bisexual, Transgender, and Questioning (LGBTQ) youth. When evaluating the performance of youth programs, CoCs should

take into account the specific challenges faced by homeless youth. When CoCs identify lower performing youth-serving projects, they should seek to reallocate funds from those projects to better projects serving youth.

5. **Ending Veteran Homelessness.** Ending veteran homelessness is within reach for many communities, and CoCs should take specific steps to reach this goal including:

    a. CoC Program-funded projects should, to the extent possible, prioritize veterans and their families who are ineligible for Department of Veterans Affairs (VA) services. When it is determined that a veteran, and their family, is ineligible for VA housing and services has the same level of need as a non-veteran as determined using a standardized assessment tool, the veteran should receive priority.

    b. CoCs should work closely with the local VA and other veteran-serving organizations and coordinate CoC resources with VA-funded housing and services including HUD-VASH and Supportive Services for Veteran Families (SSVF).

6. **Using a Housing First Approach.** *Housing First* is an approach to homeless assistance that prioritizes rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions such as sobriety or a minimum income threshold. Projects using a housing first approach often have supportive services; however, participation in these services is based on the needs and desires of the program participant. HUD encourages all types of projects to adopt a Housing First approach. Specific steps to support a community-wide housing first approach include the following.

    a. *Removing Barriers*: CoCs should review system- and project-level eligibility criteria to identify and remove barriers to accessing services and housing that are experienced by homeless individuals and families. Many projects currently have barriers to entry.

    b. *Centralized or Coordinated Assessment System*: Centralized or coordinated assessment is a key step in assessing the needs of homeless individuals and families requesting assistance and prioritizing those households for assistance. The establishment and operation of a centralized or coordinated assessment system is a requirement of 24 CFR part 578.

    c. *Client-centered service delivery:* Housing and service options should be tailored to meet the unique needs of each individual or family presenting for services. Participants should not be required to participate in services that they do not believe will help them to achieve their goals

    d. *Prioritizing Households Most in Need*: CoCs should prioritize persons who are identified as most in need (e.g., those who have been living on the street the longest, homeless households with children living in unsheltered situations, those who are considered most medically vulnerable) for placement into appropriate housing.

e. *Inclusive Decisionmaking:* CoCs should ensure that the needs of all individuals and families experiencing homelessness are represented within the CoC structure by including providers serving groups such as domestic violence survivors, the LGBTQ community, victims of human trafficking, unaccompanied youth, and other relevant populations. Including these groups in the decisionmaking structure of the CoC ensures that service delivery is both client-centered and culturally competent.

**B. CoC Program Implementation. The following list highlights important information that applicants should consider to prepare for FY 2015 CoC Registration and the remainder of the FY 2015 CoC Program Competition. This is not an exhaustive list of considerations or requirements–all applicants and CoC stakeholders should carefully review the CoC Program interim rule.**

1. Projects and activities that were eligible under SHP and S+C but are no longer eligible under the CoC Program (e.g., safe havens, projects limited to persons with specific disabilities or diagnoses), will continue to be eligible for renewal under the original grant terms as long as the recipient does not significantly change the project after submission of the FY 2015 project application.

2. The difference between costs used for leasing and those used for rental assistance are described at 24 CFR 578.49 and 578.51. Recipients with grants that include a leasing budget line item should carefully review the nature of the project to determine if a change should be made from leasing to rental assistance for the project. In accordance with 24 CFR 578.49(b)(8), leasing funds will be renewed as rental assistance if the funds are used to pay rent on units where the lease is between the program participant and the landowner or sublessor. Eligible first-time renewal grants formerly funded under the SHP program that include a leasing budget line item will have the opportunity to change the budget funding type from leasing to rental assistance in FY 2015. Under this type of agreement, the project applicant may change the budget line item information from leasing to rental assistance and use the area(s) Fair Market Rent (FMR) amount to determine the budget line item amount. Project applicants that are eligible to change the budget line item from leasing to rental assistance must provide copies of the lease to the local HUD CPD field office prior to the close of the FY 2015 CoC Program Registration process and the change from leasing to rental assistance should be reflected on the CoC's GIW.

   A project application is prohibited from including both leasing and rental assistance unless the project is paying for a structure to provide supportive services (i.e., leasing a structure for a case management office) in addition to units in a different structure in which the program participants hold the lease with the landlord. The only other exception is when a project has leased units in a structure and within the same structure separate units utilizing rental assistance funds. In this case, both leasing and rental assistance funds cannot be used in the same unit. HUD provided training materials and conducted a broadcast on September 4, 2012, to specifically address how current leasing projects will determine eligibility that will result in the change from leasing to rental assistance.

3. HUD will continue to limit the grant term for renewal grants to 1 year of funding. Requests for multiple years of funding will be reduced to 1-year amounts.

4. HUD will continue the Reallocation process. All CoCs may reduce and/or eliminate funds for renewal projects, including first-time renewal projects formerly funded under the S+C program, to develop new projects. CoCs may use the reallocation process to create new permanent supportive housing projects for chronically homeless individuals, including unaccompanied youth, and families, for rapid re-housing projects for individuals, including unaccompanied youth, coming directly from the streets or emergency shelter or fleeing domestic violence, new projects for dedicated HMIS, or new SSO projects for a centralized or coordinated assessment system.

5. HUD will continue the Tier 1 and Tier 2 funding process in the FY 2015 CoC Program Competition to promote a more competitive process between CoCs. CoCs will also have the opportunity to apply for bonus projects. CoCs will be required to rank all projects submitted by project applicants in *e-snaps*–**except project applications for CoC planning and UFA Costs**–including: renewal and new projects created through reallocation, new bonus projects, and new homelessness prevention projects created by designated HPC(s). The FY 2015 CoC Program Competition NOFA will provide more information on how to apply for CoC planning and UFA Costs projects. HUD will not review any project that is rejected by the CoC. Only one CoC planning application and one UFA cost application (if UFA designation is approved) may be submitted per CoC, which can only be submitted by the Collaborative Applicant designated by the CoC.

## V. GETTING INFORMATION AND ASSISTANCE

**HUD Exchange Website**. Prospective Collaborative Applicants are advised to review the numerous resources available online at www.hudexchange.info to help successfully complete the registration process, prepare for application submission, and understand CoC Program requirements. All *Federal Register* publications, user guides, and other resources related to the registration process, the FY 2015 CoC Program Competition, and the CoC Program can be obtained from the HUD Exchange website. HUD will also post on this website responses to frequently asked questions regarding the registration process. Collaborative Applicants are advised to reference this site and its resources to all persons that will be working on the registration process or completing the FY 2015 CoC Application and CoC Priority Listing.

Date: 4-24-2015

Harriet Tregoning
Principal Deputy Assistant Secretary
for Community Planning and Development

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