


**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FEDERAL FINANCIAL ASSISTANCE**

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**August 17, 2021**

**MEMORANDUM FOR: All Potential Applicants**

**FROM:** Geoffrey M. Ross, Deputy Director  
Division of Federal Financial Assistance 

**SUBJECT: 2021 Emergency Solutions Grants Program  
Balance of State Allocation  
Notice of Funding Availability**

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of approximately \$5 million in new federal funds for the Emergency Solutions Grants (ESG) program. Funding for this NOFA is made available pursuant to Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11371 et seq.

HCD will be accepting 2021 ESG applications through the **eCivis Grants Management System** portal beginning **August 17, 2021**. Applications and all required documentation **must be received by HCD no later than Tuesday, October 19, 2021, 5:00 p.m. Pacific Daylight Time (PDT)**. Any application received after **Tuesday, October 19, 2021, 5:00 p.m. PDT** will not be accepted.

The application must include a completed Authorizing Resolution (AR) approved by the Applicant's governing board. The AR designates a person or persons responsible for, and authorized to execute, all documents related to the application for ESG funds and submittal of funds requests. Please see the instructions for completing the AR, along with an AR form, on the ESG website. Failure to use the AR form provided by HCD will require execution of a corrected AR and may delay execution of HCD's Standard Agreement for ESG funds. If a governing body must prepare a separate resolution concurrently that conforms to its local standard, it may do so, so long as the the AR form provided by HCD is completed in full. ***In the event the applicant's AR is not submitted by the application due date, then the entire application will be deemed untimely and thus automatically rejected in its entirety.***

Applicants are encouraged to set-up their profiles in the eCivis portal located at [eCivis Grants Management System Portal](https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtm) as early as possible. Information about setting up a profile, submitting an application, and managing awards through the eCivis portal is available on the HCD's ESG website at "<https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtm>"

Emergency Solutions Grant BoS NOFA

**August 17, 2021**

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Applicants are encouraged to begin the application process early to ensure successful submission before the application deadline. If you have any trouble logging into the portal, or have questions on how to complete the online application, please contact the ESG Staff at: [ESGNOFA@hcd.ca.gov](mailto:ESGNOFA@hcd.ca.gov).

To receive ESG NOFA FAQs and other program information and updates, please subscribe to the Federal Programs listserv at [http://www.hcd.ca.gov/HCD\\_SSI/subscribe-form.html](http://www.hcd.ca.gov/HCD_SSI/subscribe-form.html).

For questions, or assistance, please email [ESGNOFA@hcd.ca.gov](mailto:ESGNOFA@hcd.ca.gov).

Attachment

**Emergency Solutions Grants Program  
Balance of State Allocation  
2021 Notice of Funding Availability**



**Gavin Newsom, Governor  
State of California**

**Lourdes M. Castro Ramírez, Secretary  
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director  
California Department of Housing and Community Development**

Division of Financial Assistance, Federal Programs Branch  
Emergency Solutions Grants Program  
2020 W. El Camino Avenue, Suite 200, Sacramento, CA 95833  
ESG Program Email: [ESGNOFA@hcd.ca.gov](mailto:ESGNOFA@hcd.ca.gov)

**August 17, 2021**

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## I. Overview

### A. Notice of Funding Availability

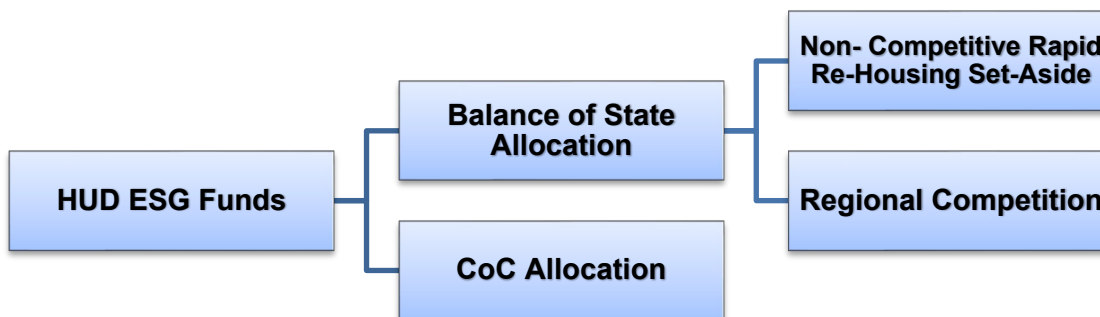
The California Department of Housing and Community Development (HCD) receives funding from the United States Department of Housing and Urban Development (HUD) for the Emergency Solutions Grants (ESG) program. Approximately \$5 million in new federal funds, as well as additional disencumbered funds that may become available later this year, will be allocated to the eligible Continuum of Care (CoC) Service Areas listed in [Appendix A](#).

The ESG program provides funding for the following objectives:

- Engaging individuals and families experiencing homelessness;
- Improving the quality of Emergency Shelters (ES) for individuals and families experiencing homelessness by helping to operate these shelters, and by providing essential services to shelter residents;
- Rapidly re-housing individuals and families experiencing homelessness; and
- Preventing families/individuals from becoming homeless.

The funds are distributed in two separate funding pools: the CoC allocation and the Balance of State (BoS) allocation. Funding in the BoS allocation is made available based on recommendations from a CoC in two ways:

1. Through [regional competitions](#) within three geographic regions (Northern Region, Bay Area Region, Central and Imperial Valley Region) pursuant to the California Code of Regulations (CCR), Title 25 CCR 8404 (a) (3); and
2. Through a [noncompetitive process](#) for Rapid Re-Housing (RR) Activities.



This NOFA outlines application requirements and timelines for CoCs and their recommended Applicants for the BoS allocation. Please see the Authorizing Legislation Section for citations to the applicable program regulations. CoCs are responsible for recommending Applicants to HCD for funds available under this NOFA. CoC recommended Applicants can apply for both the non-competitive RR funds and the regional competition funds.

All references to the “state” are references to the State of California. All references to ESG funding reference federal ESG funds administered by HCD unless otherwise noted.

B. Tentative program timeline

<b>August 17, 2021</b>	ESG NOFA and applications for the BoS allocation released
<b>October 19, 2021</b>	Application deadline
<b>December 2021</b>	HCD announces BoS awards

C. Whats new in this NOFA

1. The implementation of the new eCivis Grants Management System (GMS) is called “Grants Network”. Grants Network will allow Applicants to apply for ESG funding online and will track the status of their application once submitted. This new system is easier to navigate and does not require Applicants to submit hard copies of the application to HCD. Grants Network will support programs and projects from application through to implementation and closeout and will connect with other digital accounting and reporting systems used by both the Department and HUD. HCD will now be accepting the 2021 ESG applications and all supporting documentation through the GMS.
2. 2021-22 ESG Applications **must** be accessed through the [eCivis portal - Programs Available for Solicitation page](#). **Paper binder applications will no longer be required or accepted.**

BoS Noncompetitive Applications will be reviewed and awarded on a ‘rolling’ basis. Applications that are submitted prior to the October 19, 2021 application due date will be reviewed immediately and if approved, will be awarded.

All BoS Competitive Applications for each geographic area must be received by the Department in order for scores to be determined. Therefore, rolling awards may not be possible.

3. **Advancing Racial Equity**

Grantees should prioritize the advancement of racial equity at all levels of the homeless response system. The Department asks grantees to be leaders in their homeless response systems, facilitating partnerships among service organizations and promoting racial equity practices. Grantees must respond to disproportionality in access to services, service provision and outcomes. Grantees cannot simply rely on delivering a standardization of services to address equity. Grantees have the responsibility to examine their data to ensure all eligible persons receive equitable services, support, and are served with dignity, respect, and compassion regardless of circumstances, ability, or identity. When applying for ESG funds, applicants should consider:

- What are your community’s racial demographics and the demographics of those within your homeless response system?
- In your community’s captured data, what are the outcomes of the homeless response system based on race? What are your requirements for all sub-grantees to analyze data to determine racial disparities and then put a plan in place to address them?

- How do underserved and marginalized communities learn about and enter ESG-CV programming? What marketing and communication strategies are used to increase equitable access to ESG programming?
- How does your grant making process include prioritization for programs that are addressing the disproportionate impacts that homelessness has on communities of color, particularly Black, Latinx, Asian, Pacific Islander, and Native and Indigenous communities?
- How are the voices of Black, Latinx, Asian, Pacific Islander, Native and Indigenous communities and those with lived experience of homelessness being centered in a meaningful, sustained way in creating effective approaches to reducing and ending homelessness? How are they involved in the funding decision-making process?
- How are these funds accessible to smaller and non-traditional organizations that have historically been serving communities of color but may not have previously participated formally in the COC or be a part of the homeless provider community, and how would these funds address the organization capacity of organizations that are led by Black, Latinx, Asian, Pacific Islander, and Native and Indigenous people that support the goal of making homelessness rare, brief, and non-recurring?
- List your partner organizations that are addressing racial equity in the housing and homeless response system and how do you partner with them?

The Department will require applicants to submit related racial and ethnic data metrics of the homeless population and those served by the COC service area from their Homeless Management Information System (HMIS) on a quarterly reporting basis.

The Department recommends that grantees refer to and utilize the Racial Equity Tools available on the HUD Exchange to inform efforts to advance racial equity within the homeless response system. The tools are available at the following link:

<https://www.hudexchange.info/news/new-coc-racial-equity-analysis-tool/>

The Department also encourages grantees to refer to the Increasing Equity in the Homeless Response System through Expanding Procurement Tool from the HUD Exchange to help guide practices in this area at the following link:

<https://www.hudexchange.info/resource/6083/covid19-homeless-system-response-increasing-equity-in-the-homeless-response-system-through-expanding-procurement/>

#### D. Authorizing legislation

Federal funding under this NOFA is made available pursuant to Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11371 et seq. This NOFA should be read in conjunction with the following regulations that establish state and federal ESG requirements. Relevant legal authority includes, but is not limited to, the following:

- [Code of Federal Regulations \(CFR\), Title 24, Part 576;](#)
- [25 CCR, Division 1, Chapter 7, Subchapter 20;](#)
- [24 CFR Part 91 relating to Annual Action Plan requirements;](#)
- [24 CFR Part 58, relating to environmental reviews;](#)
- Homeless Definition Final Rule: The Interim Rule, published in the Federal Register on December 4, 2015, cited above, provides the homeless definition that applies to the ESG program;

- Chronically Homeless Definition Final Rule: The Interim Rule, published in the Federal Register on December 4, 2015, cited above, provides the chronically homeless definition that applies to the ESG program; and
- [Office of Management and Budget \(OMB\) requirements for Universal Identifier and Central Contractor Registration, 2 CFR Part 25, Appendix A to Part 25.](#)

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

If there is a conflict between the state and federal regulations, the federal regulations shall prevail. In addition, HCD reserves the right, at its sole discretion, to suspend or amend the provisions of this NOFA. If such an action occurs, HCD will notify interested parties. Awards made under this NOFA are also contingent upon HCD receiving an award letter from HUD for 2021.

#### E. Role of Continuum of Care in the BoS Allocation

CoCs play an integral role in recommending homeless provider Applicants who compete for funds through their local procurement process. Applications from homeless providers shall only be considered if they are recommended by the CoC where the proposed Activity is located. CoCs are required to submit the **CoC recommendation package**, which can be found in the eCivis Grants Network System, ESG Balance of State Solicitation page.

- **For single-county CoCs**, a maximum of two applications may be recommended by each CoC for the regional competition and a maximum of two applications may be recommended by each CoC for its noncompetitive funds.
- **For multi-county CoCs**, a maximum of three applications may be recommended by each CoC for the regional competition and a maximum of three applications may be recommended by each CoC for its noncompetitive funds.

In making these recommendations, the CoC must follow a fair and open process that meets the requirements of 25 CCR 8404. In addition, CoCs must submit a letter of recommendation that certifies the provider selection process was compliant with the requirements of 25 CCR 8404, 8408, and 8409. Among other things, CoCs are responsible for ensuring that the provider will:

- Provide eligible sources of matching funds;
- Operate consistently with system-wide written standards, adopted by the CoC for the proposed eligible Activity;
- Enter data into the applicable community-wide Homeless Management Information System (HMIS) operated by the CoC; and
- Use the CoC's Coordinated Entry System (CES) in a manner that prioritizes access to people with the most severe needs and otherwise promotes consistency with the [Core Practices](#).



## II. BoS Noncompetitive Funding

### A. Overview

Subject to the maximum number of applications (discussed in the above section), CoCs are responsible for recommending homeless service providers for noncompetitive RR funds for a minimum of 40 percent up to a maximum of 50 percent of ESG funds in their BoS formula allocation as listed in [Appendix A](#). In making this recommendation, CoCs shall use a process that meets the following requirements:

1. Is a fair and open competition that avoids conflicts of interest in project selection, implementation, and the administration of funds;
2. Considers selection criteria reasonably consistent with the criteria identified in the BoS regional competition;
3. Complies with the core practice requirements in 25 CCR 8409;
4. Incorporates the performance standards set forth in HCD's Annual Action Plan;
5. Complies with federal and applicable state ESG regulations;
6. Considers any other practices promoted or required by HUD; and
7. Ensures the funded homeless service provider(s) maintain documentation of satisfactory match pursuant to the requirements of 24 CFR Part 576.201.

**Note:** 25 CCR 8408(e) prohibits subpopulation targeting with ESG funds in Homelessness Prevention (HP) and RR programs except if documentation of both of the following is provided to HCD prior to the award of funds for these Activities:

1. Evidence of an unmet need for these Activities for the subpopulation proposed for targeting.
2. Evidence of existing funding in the CoC Service Area for programs that address the needs of the excluded populations for these Activities.

### B. Annual Action Plan requirements

The following requirements regarding the BoS Activities are in HCD's Annual Action Plan. Pursuant to 24 CFR Part 91, the Annual Action Plan is required by HUD and governs the distribution and use of ESG funds allocated by HUD to states and local governments. CoCs must adhere to these requirements as part of their provider recommendation process.

### C. Amounts available for Administrative Activities

Recommended local government service providers may request up to \$200 of federal ESG funds to pay for direct administrative costs<sup>1</sup>.

### D. Eligible Activities

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<sup>1</sup> 24 CFR Part 576.108; 25 CCR 8404 (b)

As identified and codified in the state ESG regulations<sup>2</sup>, all eligible Activities are detailed in the federal ESG regulations. Pursuant to the same authority, activities that are specifically not eligible include: renovation, conversion, or major rehabilitation Activities under 24 CFR Part 576.102. Minor repairs to an ESG-funded ES that do not qualify as renovation, conversion, or major rehabilitation are an eligible use of state ESG funds.

**The following additional limitations apply:**

Homeless Management Information System

ESG funds may be used for HMIS Activities associated with contributing data derived from ESG-funded programs. As defined in state regulations, HMIS includes the use of a comparable database as permitted by HUD. Costs cannot exceed 10 percent of the total amount requested per application. HMIS Activities must comply with HUD's standards on participation, data collection, and reporting. See 24 CFR Part 576.107 for a complete list of eligible HMIS costs.

Rapid Re-Housing (RR) Assistance and 10 Percent Combination Applications and Street Outreach (SO) and Homelessness Prevention (HP)

ESG funds may be used to provide housing relocation and stabilization services and short- or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

A minimum of 40 percent and up to a maximum of 50 percent of a CoC's BoS formula allocation may be accessed noncompetitively for RR. In addition, Applicants may request up to a total of 10 percent per RR application for SO and 10 percent per RR application for HP without having to apply separately. The SO and/or HP Activity may be provided directly by the Applicant or may be subcontracted to another eligible provider.

RR Activities must meet all the HUD requirements specified at 24 CFR Part 576.104, 24 CFR Part 576.105, and 24 CFR Part 576.106, including, but not limited to, requirements for:

- Eligible program participants;
- Eligible costs, including financial assistance costs and services costs;
- Maximum amounts and periods of assistance;
- Use with other subsidies;
- Limitations on maximum rent levels;
- Rental assistance agreement with owner;
- Lease agreement between owner and participant; and
- Condition of housing where assistance is provided.

**Note:** Rental assistance payments provided as part of an RR or HP Activity under 24 CFR Part 576.106 typically cannot exceed HUD's Fair Market Rent (FMR)<sup>3</sup>. Assistance must

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<sup>2</sup> 25 CCR 8408

<sup>3</sup> 24 CFR Part 888

also comply with HUD's standard for rent reasonableness<sup>4</sup>. Requests for exceptions to the FMR can be made to HUD through HCD and must be approved in writing by HUD. Contact your HCD Representative in the Federal Programs Branch for further assistance.

In addition to federal requirements<sup>5</sup>, no subpopulation targeting will be permitted in RR Activities unless documentation of the following is provided to HCD prior to the award of funds for these Activities:

1. Evidence of an unmet need for these Activities for the subpopulation proposed for targeting; and
2. Evidence of existing funding in the CoC Service Area for programs that address the needs of the excluded populations for these Activities.

#### E. Terms of Assistance

##### Minimum and maximum grant limits

There will be no individual application minimum and maximum grant amounts established by the state for the noncompetitive RR set-aside. The CoC shall determine the amounts of each individual application.

##### Maximum number of applications, contracts, and subcontracts

1. Under the noncompetitive allocation, for single county CoCs, no more than two applications shall be recommended by the CoC and submitted to HCD. HCD will award no more than two noncompetitive allocation contracts per single-county CoC Service Area. For multi-county CoCs, no more than three applications shall be recommended by the CoC and submitted to HCD. HCD will award no more than three noncompetitive allocation contracts per multi-county CoC Service Area.
2. There are two types of subcontracting permitted under ESG.  
A subcontract does not absolve the grantee from any responsibility or liability to HCD. The Grantee is fully liable and responsible for ensuring that the subcontractor adheres to all state and federal laws and regulations in carrying out its services or Activities
  - a. Subcontracting for services provided to the funded program. Procuring services related to carrying out the funded program is permissible. Examples: security, supportive services, food services. Federal procurement rules may apply.
  - b. Applications that contain multiple ESG-eligible Activities as permitted under HCD's Annual Action Plan or this NOFA may subcontract with separate providers for those ESG-eligible Activities. For example, RR programs that request funds for both RR and HMIS may subcontract with a different entity for their HMIS.

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<sup>4</sup> 24 CFR Part 982.507

<sup>5</sup> 25 CCR 8408

*Notwithstanding the above, contracting with, or in any way assigning the ESG grant in part or whole to another provider for any Activity is strictly prohibited and will forfeit any associated awarded monies, unless approved in writing by HCD.*

The following table summarizes eligible ESG Activities under the noncompetitive RR set-aside:

ACTIVITY	ALLOWABLE ESG AMOUNTS AND PERCENTAGES PER APPLICATION UNDER <u>NONCOMPETITIVE</u> RR SET-ASIDE (unless otherwise noted)
For single-county CoCs, up to <b>two applications</b> may be submitted. For multi-county CoCs, up to <b>three applications</b> may be submitted.	
<b>Rapid Re-Housing</b>	<u>Noncompetitive set-aside:</u> Per allocation, CoC must elect a minimum of 40 percent and a maximum of 50 percent of their BoS formula allocation.
<b>Street Outreach</b>	Up to a maximum of 10 percent of a total application request when requested in combination with RR. The SO Activity may be subcontracted to another eligible provider or may be provided directly by the Applicant.
<b>Homelessness Prevention</b>	Up to a maximum of 10 percent of a total application request when requested in combination with RR. The HP Activity may be subcontracted to another eligible provider or may be provided directly by the Applicant.
<b>HMIS</b>	Up to a maximum of 10 percent per application. The HMIS Activity may be provided directly by the Applicant or may be subcontracted to another eligible provider.
<b>Grant Administration</b>	Local government service providers may request up to \$200 per application for Grant Administration.

**Note:** Applicants are urged to consult the relevant state and federal regulations for full requirements associated with each Activity.

### III. BoS Regional Competitive Requirements

#### A. Amounts available for Administrative Activities:

Recommended local government service providers may request up to \$200 of ESG funds.

#### B. Eligible Activities:

All Applicants must obtain a recommendation from their CoC. Under the regional competition, for single-county CoCs, no more than two applications shall be recommended by the CoC and submitted to HCD. HCD will award no more than two contracts through the regional competition per single-county CoC Service Area.

For multi-county CoCs, no more than three applications shall be recommended by the CoC and submitted to HCD. HCD will award no more than three contracts through the regional competition per multi-county CoC Service Area.

The following Activities are eligible under the BoS regional competition:

1. Pursuant to state ESG Regulation 25 CCR 8408, all Activities permitted under the federal ESG regulations shall be eligible **except for renovation, conversion, or major rehabilitation Activities under 24 CFR Part 576.102**. Minor repairs to an ESG-funded ES that do not qualify as renovation, conversion, or major rehabilitation are an eligible use of state ESG funds.
2. The following additional limitations apply:

Homeless Management Information System (HMIS)

ESG funds may be used for HMIS Activities associated with contributing data derived from ESG-funded programs. As defined in the state ESG regulations, HMIS includes the use of a comparable database as permitted by HUD. HMIS Activities must comply with HUD's standards on participation, data collection, and reporting. See the federal regulations for a complete list of eligible HMIS costs.

Rapid Re-Housing (RR) Assistance and 10 Percent Combination Applications and Street Outreach (SO) and Homelessness Prevention (HP)

ESG funds may be used to provide housing relocation and stabilization services, and short- or medium-term rental assistance, as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

RR may be requested as a stand-alone Activity or Applicants may request up to 10 percent per RR application for SO and 10 percent per RR application for HP without having to apply separately. The SO and/or HP Activity may be provided directly by the Applicant or may be subcontracted to another eligible provider. Stand-alone SO applications are also permitted. Stand-alone HP applications are not permitted.

RR Activities must meet all the HUD requirements specified at 24 CFR Part 576.104 including, but not limited to, requirements for:

- Eligible program participants;
- Eligible costs, including financial assistance costs and services costs;
- Maximum amounts and periods of assistance;
- Use with other subsidies;
- Limitations on maximum rent levels;
- Rental assistance agreement with owner;
- Lease agreement between owner and participant; and
- Condition of housing where assistance is provided.

**Note:** Rental assistance payments provided as part of an RR or HP Activity under 24 CFR Part 576.106 typically cannot exceed HUD's FMR as provided under 24 CFR Part 888 and must comply with HUD's standard for rent reasonableness as established under 24 CFR Part 982.507. Request for exceptions to FMR can be made to HUD through HCD and must be approved in writing by HUD. Contact your HCD Representative in the Federal Programs Branch for further assistance.

In addition to federal requirements, pursuant to 25 CCR 8408, no subpopulation targeting will be permitted in RR Activities unless documentation of both of the following is provided to HCD prior to the award of funds for these Activities:

1. Evidence of an unmet need for these Activities for the subpopulation proposed for targeting.
2. Evidence of existing funding in the CoC Service Area for programs that address the needs of the excluded populations for these Activities.

### Emergency Shelter (ES)

ESG funds may be used to cover the cost of providing essential services and shelter operations, as defined in the federal regulations 24 CFR 576.102, to homeless individuals and families in an ES. An ES is any facility where the primary purpose is to provide a temporary shelter for general or specific populations experiencing homelessness and that does not require occupants to sign leases or occupancy agreements. Hotel or motel vouchers may only be used as ES if there is no other appropriate ES available for a homeless individual or family. State and federal ESG regulations do not impose a maximum length of stay on ES Activities. Consistent with the state's Core Practices in 25 CCR 8409 (b), programs should seek to help participants quickly identify barriers to obtaining and maintaining housing, and quickly resolve their housing crisis before providing other non-related housing services. Federal regulations prohibit involuntary family separation for children under the age of 18.

ESG-funded ES Activities must operate for the full term of the ESG grant contract and must comply with all requirements of 24 CFR Part 576.101, which addresses maintenance of effort requirements to ensure ESG funds are not replacing local government funds during the immediate 12-month period before the ESG contract takes effect.

### Day Shelters

A day shelter must meet the criteria in the ES definition to compete as an ES. The primary purpose of a day shelter must be to provide temporary shelter for persons experiencing homelessness. Facilities such as multi-purpose centers or stand-alone soup kitchens do **not** qualify as an ES. Day shelters must target people who are sleeping on the streets, living in places not designed for human habitation, or in an ES. Clients experiencing such homelessness must be permitted to stay at the day shelter during all hours it is open for shelter.

## Street Outreach

ESG funds may be used for SO Activities that include the costs of providing essential services necessary to reach out to unsheltered homeless people, connect these individuals with ES, housing or critical services, and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access ES, housing, or an appropriate health facility.

Eligible Activities include engagement, case management, emergency health and mental health services, transportation, and services for special populations, as defined in the federal regulations 24 CFR 576.101. ESG-funded SO Activities must operate for at least as long as the term of the ESG grant and must comply with the requirements at 24 CFR Part 576.101, which addresses maintenance of effort requirements to ensure ESG funds are not replacing local government funds during the immediate 12-month period before the ESG contract takes effect.

While SO is an eligible stand-alone Activity, it may also be proposed in conjunction with RR or ES. SO is included with RR or ES to facilitate reaching and prioritizing persons experiencing homelessness, who are unsheltered and living in places not designed for human habitation for services, consistent with the state's Core Practices<sup>6</sup>.

## Homelessness Prevention

HP Activities are not eligible as a stand-alone Activity but may be proposed in conjunction with ES (for example, to facilitate shelter diversion) or with RR Activities (for example, to facilitate preventing homelessness of a previously assisted individual or family experiencing instability after RR assistance has ended).

ESG funds can provide housing relocation and stabilization services and short- or medium-term rental assistance to individuals or families "at risk of homelessness"<sup>7</sup>, but only to the extent of helping the individuals or families regain housing stability.

In addition to federal requirements, pursuant to 25 CCR 8408, no subpopulation targeting will be permitted in HP Activities unless documentation of both of the following is provided to HCD prior to the award of funds for these Activities:

1. Evidence of an unmet need for these Activities for the subpopulation proposed for targeting; and
2. Evidence of existing funding in the CoC Service Area for programs that address the needs of the excluded populations for these Activities.

## C. Terms of Assistance

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<sup>6</sup> 25 CCR 8409

<sup>7</sup> 24 CFR Part 576.2

Minimum and maximum grant limits

Each application submitted must be for a minimum of \$75,000 and a maximum of \$200,000. These amounts include all eligible Activities, including HMIS, and indirect costs.

1. There are two types of subcontracting permitted under ESG. A subcontract does not absolve the grantee from any responsibility or liability to HCD. Grantee is fully responsible for ensuring that the subcontractor adheres to all state and federal laws and regulations in carrying out its services or Activities
  - a. Subcontracting for services provided to the funded program. Procuring services related to carrying out the funded program is permissible. Examples: security, supportive services, food services. Federal procurement rules may apply.
  - b. Applications that contain multiple ESG-eligible Activities as permitted under HCD’s Annual Action Plan or this NOFA may subcontract with separate providers for those ESG-eligible Activities. For example, RR programs that request funds for both RR and HMIS may subcontract with a different entity for their HMIS.

Notwithstanding the above, contracting with, or in any way assigning the ESG grant in part or whole to another provider for any Activity is strictly prohibited, unless approved in writing by HCD.

D. The following table summarizes the eligible ESG Activities under the regional competition.

ACTIVITY	ALLOWABLE ESG AMOUNTS AND PERCENTAGES PER APPLICATION UNDER THE REGIONAL COMPETITION (unless otherwise noted)
For single-county CoCs, up to <b>two applications</b> may be submitted. For multi-county CoCs, up to <b>three applications</b> may be submitted.	
<b>Rapid Re-Housing</b>	<u>Regional competition</u> : \$75,000 minimum, \$200,000 maximum per application.
<b>Emergency Shelter</b>	\$75,000 minimum, \$200,000 maximum per application.
<b>Street Outreach</b>	\$75,000 minimum, \$200,000 maximum per application as a stand-alone Activity, or up to a maximum of 10 percent of a total application (not to exceed \$20,000) when requested in addition to RR or ES. The SO Activity may be subcontracted to another eligible provider or may be provided directly by the Applicant.
<b>Homelessness Prevention</b>	Up to a maximum of 10 percent of a total application request (not to exceed \$20,000) when requested in combination with RR or ES. The HP Activity may be subcontracted to another eligible provider or may be provided directly by the Applicant. No stand-alone HP applications are permitted.
<b>HMIS</b>	Up to a maximum of 10 percent per application (not to exceed \$20,000). The HMIS Activity may be subcontracted to another eligible provider or may be provided directly by the Applicant.
<b>Grant Administration</b>	Local government service providers may request up to \$200 per application.

**Note:** Applicants are urged to consult the relevant state and federal regulations for all requirements associated with each Activity.



## E. Regional Competition Application Requirements:

### CoC Application Recommendations

Applications shall only be considered if they are recommended by the CoC where the proposed Activity is located. CoCs are required to submit the CoC recommendation package found through the <https://portal.ecivis.com/#/login>

Recommended applications may not include funding requests of less than \$75,000 or more than \$200,000. In recommending Applicants through the regional competition, the CoC must follow a procurement process consistent with 25 CCR 8404(a)(4) including, but not limited to, the following:

1. Conducting a fair and open competition that avoids conflicts of interest in project selection, implementation, and the administration of funds; and
2. Considering state application eligibility and rating criteria as described in the "Application Threshold Requirements," "Application Submittal Requirements," and the "Rating Criteria" sections of this NOFA.

Selecting an eligible Activity or Activities to be offered consistent with the state's Core Practices as described in 25 CCR 8408 and 8409. In order to document that the provider selection process meets ESG requirements, the CoC must submit the following:

1. A letter or other documentation that describes the provider selection process and certifies that their process meets the requirements of 25 CCR 8404, 8408, and 8409.
2. The Applicant-ranking list that shows for each application recommended for funding: (a) the Applicant name and address; (b) project name and address; (c) proposed Activities and proposed subpopulation targeting, if any, with ESG funds; (d) city(ies) and county(ies) where proposed Activities will be provided; and (e) dollar amounts recommended for funding by Activity.
3. For each application not recommended for funding: (a) the Applicant name and address; (b) project name and address; (c) proposed Activities and proposed subpopulation targeting, if any, with ESG funds; (d) city(ies) and county(ies) where the Activities were proposed; and (e) dollar amounts requested by Activity.

### Application Threshold Requirements

An application must meet the following threshold requirements to be eligible for rating and ranking:

1. Applicants **must** follow instructions in both this NOFA and the online application. Failure to follow instructions will result in disqualification.
2. The ESG application and all required attachments must be submitted to HCD through the eCivis Portal located at <https://portal.ecivis.com/#/login>. Applications must include all required information to be submitted.

3. The application was complete and received by the deadline.
4. The Applicant is eligible as described in Section III(B) of this NOFA.
5. The CoC recommends the Applicant from the Service Area where the proposed Activity is located, as documented by the certification of approval from the CoC.  
**Note:** Single-county CoCs may recommend no more than two applications. Multi-county CoCs may recommend no more than three applications.
6. The application includes a funding request of at least \$75,000, but not more than \$200,000.
7. Proposed Activities are eligible pursuant to Section III Subsection B of this NOFA.
8. Pursuant to 25 CCR 8401, Applicants must have adequate and documented site control for any application proposing an ES Activity.
9. The application includes a certification of written standards for the proposed Activities adopted by the CoC, as described in Section VI of this NOFA.
10. The application includes a completed Authorizing Resolution (AR) approved by the Applicant's governing board. The AR designates a person or persons responsible for, and authorized to execute, all documents related to the application of ESG funds, ESG award, and submittal of funds requests. Please see the instructions for completing the AR, along with an AR form, on the ESG website. Failure to use the AR form provided by HCD will require execution of a corrected AR and may delay execution of HCD's Standard Agreement for ESG funds. If a governing body must prepare a separate resolution concurrently that conforms to its local standard, it may do so in addition to preparing the AR form provided by HCD. *In the event the applicant's AR is not submitted by the application due date, then the entire application will be deemed untimely and thus automatically rejected in its entirety.*
11. Pursuant to 24 CFR Part 576.202 (a)(2) for private non-profit organizations proposing ES Activities, the application must include a Certification of Local Approval completed and signed by the city or county where the Activity is located.
12. For applications from private nonprofit-organizations, the application contains the organization's current bylaws and articles of incorporation.
13. Pursuant to 24 CFR Part 576.201 Applicants must have identified dollar-for-dollar match for the federal ESG funding with funds from other public or private sources.

An application may be deemed ineligible if the application does not meet the threshold requirements, if the application is incomplete, or if HCD cannot determine compliance with the threshold requirements. HCD may request clarification of unclear or ambiguous statements made in the application and other supporting documents if this information will not affect the competitive scoring of the application. HCD may request documentation necessary for compliance with state or federal requirements and may request that an

Applicant revise application documents, as necessary to establish compliance, as long as such revisions do not affect the competitive scoring of the application.

F. Rating Criteria (25 CCR 8407)

All applications meeting the threshold requirements will be rated based on the following criteria:

<u>Factor</u>	<u>Criteria</u>	<u>Max Points</u>
<b>Applicant Experience</b>	Length of experience implementing the proposed eligible Activity or Activity similar to the proposed eligible Activity.	20
	For Applicants who have received ESG funding in at least one of the past three years (e.g. 2017, 2018, or 2019), a maximum of 20 points will be deducted for the following: <ul style="list-style-type: none"> <li>• HCD has terminated or disencumbered ESG grant funding;</li> <li>• The Applicant has unresolved monitoring findings in ESG that pose a substantial risk to HCD; or</li> <li>• The Applicant has not submitted annual reports in a timely manner for ESG grants.</li> </ul>	-20
<b>Program Design</b>	Quality of the proposed program in delivering eligible Activities to participants consistent with the CoC's written standards and state ESG Regulation section 8409 Core Practices. The CoC representative must self-certify the Core Practice Table in the application is true and correct.  In making determinations under this rating factor, HCD may examine such things as CoC written standards for the proposed Activity, provider guidelines governing Activity operations, program rules for clients, the reasonableness of program staffing patterns, and the Activity budget relative to program design, target population, and local conditions.	20
<b>Need for Funds</b>	Need for funds is based on whether the application Activity and subpopulation targeting, if any, meets a high need for the community as identified by the CoC in a manner that is consistent with the state's Core Practices.  Need is supported by data and analysis provided by the CoC, including, but not limited to, HMIS data and data from the most recent Point-in-Time Count of homeless persons published by HUD.	10
<b>Impact and Effectiveness</b>	Scoring for the performance outcomes in the impact and effectiveness-rating factor will be evaluated using data from HMIS for federal fiscal year October 1, 2019 – September 30, 2020, or for those projects not in operation during this entire time, the most recent 12-month period. For data coming from victim service providers, data from a HUD-compliant comparable database may be used.	30

<b><u>Factor</u></b>	<b><u>Criteria</u></b>	<b><u>Max Points</u></b>
	<p><u>Project-level performance data – up to 24 points</u> The project level measures are as follows:</p> <p>1) Average length of project participation for individual leavers <a href="#"><u>CoC Program HMIS Manual</u></a></p> <p>2) Leavers exiting to permanent housing. Scores assigned will be based on relative success rate. For project-level performance metrics, programs of the same Activity type (i.e. SO, ES, RR) will only be compared against programs of that same Activity-type.</p> <p><u>System-Level Performance Data – up to 6 points</u> Reports submitted by the CoC must be consistent with HUD’s May 2015 System Performance Measures. Scoring will be based on the CoC Service Area’s shown improvement in either of the following two measures over the 12-month period ending September 30, 2020: 1) The Change in Exits to Permanent Housing, (Measure 7b1, or as may be renumbered by HUD); <b>or</b> 2) Increases in the number of Chronically Homeless served, as measured under Metric 3.917, or as may be renumbered by HUD.</p>	
<b>Cost Efficiency</b>	<p>Using HMIS and expenditure data for federal fiscal year October 1, 2019 – September 30, 2020, or, for those programs not in operation during this entire time, Applications will be evaluated based on the average cost per exit to permanent housing based on the total program expenditures for the proposed Activity and the number of exits to permanent housing <a href="#"><u>CoC Program HMIS Manual.</u></a></p> <p>For data coming from victim service providers, data from a HUD-compliant comparable database may be used.</p> <p>HCD may require additional documentation to verify the accuracy of the information provided. If this occurs, the Applicant shall promptly provide such documentation.</p>	10
<b>TOTAL</b>		<b>90</b>

## Application Selection

Applications will be ranked based on their score as follows:

1. Within each regional allocation, applications will be ranked in descending order and awarded the amount requested in the application, or a revised amount if necessary to conform to funding limits in the NOFA. In the event of a tie between Applicants within a regional allocation, funds will be awarded to the Applicant who scored the most points in the Impact and Effectiveness rating factor.
2. When there are insufficient funds to fully fund the next highest ranked application, this application may be partially funded, if the approved Activities can be adequately performed with the remaining ESG allocation (25 CCR 8407 (b)(3)).

Applicants are advised that, if funded, their application will be incorporated by reference into the Standard Agreement.

HCD will carefully examine the Applicant's records at the time of grant monitoring to determine the accuracy of statements made in their application. If it is determined that an Applicant falsified any certification or application information, HCD reserves the right to require reimbursement of the full amount of the ESG award and to prohibit further participation in the ESG program. HCD may also impose any other actions permitted under 24 CFR Part 576.501 (c).

## Appeals

Time is of the essence in awarding federal ESG funds. Any funding delays could result in the loss of all ESG funding received by HCD. Therefore, HCD's funding decisions are final and are not subject to appeal.

## **IV. Eligible Applicants**

To provide ESG-eligible Activities within a CoC Service Area as listed in [Appendix A](#), Applicants must be either private non-profit organizations or units of general-purpose local governments. In addition, all Applicants must have a Dun and Bradstreet Universal Numbering System (DUNS) number. Applicants must list their DUNS number in the ESG application. Evidence of an active DUNS number with the correct Applicant address is required as part of the application and may be obtained by searching the System of Award Management. Applicants must include a copy of the search result in the application.

HCD will not award any ESG funds to Applicants that are debarred, suspended, proposed for debarment, or declared ineligible or voluntarily excluded from participation from federally assisted programs.

Private non-profit organization, as defined in 24 CFR Part 576.2, is an organization that: 1) is a secular or religious organization described in Section 501(c) of the Internal Revenue Code of 1986 and is exempt from taxation under subtitle A of the Codes; 2) has an accounting system; 3) has a voluntary board; 4) practices nondiscrimination in the provision of assistance;

and 5) does not include a governmental organization, such as a public housing agency or housing finance agency.

Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible program participants without regard to religion.

Units of general-purpose local governments, as defined in 24 CFR Part 576.2, are any city, county, town, township, parish, village, or other general-purpose political subdivision of a state.

Units of general-purpose local governments applying for ESG funding for ES and/or SO Activities must not replace funds the local government provided for these Activities during the immediately preceding 12-month period, except in situations of severe financial deficit as determined by HUD.

## V. **Eligible costs**

Grantees and their recommended subgrantees must follow all the OMB Cost Principles and Generally Accepted Accounting Principles (GAAP). The OMB requirements are listed in 2 CFR Part 200.

Shifting costs between awards to overcome funding deficiencies is not allowed.

Costs charged to the ESG program must be allowable, allocable, and reasonable.

- Allowable costs must conform to any limitations or exclusion set forth in the federal cost principles and the ESG NOFA. In addition, allowable costs must comply with the policies and procedures afforded all Activities within the grantee or subgrantee organization, and must be treated consistently, whether as an indirect or direct cost. Finally, allowable costs must comply with the GAAP and the costs must be adequately documented.
- Allocable costs are those treated consistently with other costs incurred for the same purpose in-like circumstances, and these costs must meet the requirements listed in 2 CFR Part 200.405.
- Reasonable costs do not exceed, in nature or amount, costs that would be incurred by a prudent person under the same or similar circumstances prevailing at the time a decision was made to incur the cost.

**Eligible costs may be direct or indirect.** They must be incurred for the same purpose in like circumstances and must be treated consistently as either direct or indirect costs.

- Direct costs are those costs that can be identified specifically with a particular final cost objective (such as the ESG award) and can be directly assigned to an Activity relatively easily with a high degree of accuracy.
- Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective or Activity.

HCD will reimburse grantees for indirect costs at a “de minimus rate” based on the Modified Total Direct Cost (MTDC) unless the grantee has a federally authorized indirect cost rate agreement. If the grantee has a federally authorized indirect cost rate agreement, HCD will reimburse grantees for indirect costs at the authorized rate. If an Applicant is requesting an indirect cost rate higher than 10 percent, based on a federally authorized indirect cost rate agreement, that agreement must be submitted with their application. Grantees that will seek reimbursement for any indirect costs must comply with all OMB requirements including 2 CFR Part 200.403 and 2 CFR Part 200 Appendix 4. Grantee records must include evidence of the MTDC calculations, indirect cost limits, and supporting documentation for actual direct cost billing.

All eligible costs incurred after the date of the ESG award letter issued by HCD are reimbursable after full execution of the state Standard Agreement. Contractors shall not plan to expend any state ESG funds requiring reimbursement prior to the award letter. In addition, no funds shall be expended until any required environmental review process has been completed, if required under 24 CFR Part 50.

## **VI. Implementation requirements**

### **A. Core Practices**

Use of coordinated entry: Unless exempted by federal rules, all ESG-funded Activities shall utilize a Coordinated Entry System (CES) established by the CoC in a manner that promotes the following:

1. Comprehensive and coordinated access to assistance regardless of where an individual or family is located in the CoC Service Area. Local systems should be easy to navigate and have protocols in place to ensure immediate access to assistance for people who are experiencing homelessness or are most at-risk.
2. Prioritized access to assistance for people with the most urgent and severe needs, including, but not limited to, survivors of domestic violence. ESG-funded Activities shall seek to prioritize people who:
  - Are unsheltered and living in places not designed for human habitation;
  - Have experienced the longest amount of time homeless;
  - Have multiple and severe services needs that inhibit their ability to quickly identify and secure housing on their own; and
  - For HP Activities, are at greatest risk of becoming Literally Homeless<sup>8</sup> without an intervention and are at greatest risk of experiencing a longer time in ES or on the street should they become homeless.

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<sup>8</sup> The Homeless Definition and Eligibility for SHP, SPC, and ESG, “Homeless Definition”

Housing First practices: All ESG-assisted projects shall operate in a manner consistent with Housing First practices as reflected in the state's Core Practices<sup>9</sup> and the CoC written standards and progressive engagement and assistance practices, including the following:

1. Ensuring low-barrier, easily accessible assistance to all people, including, but not limited to, people with no income or income history, and people with active substance abuse or mental health issues;
2. Helping participants quickly identify and resolve barriers to obtaining and maintaining housing;
3. Quickly resolving a participant's housing crisis before focusing on other non-housing related services;
4. Allowing participants to choose the services and housing that meets their needs, within practical and funding limitations; and
5. Connecting participants to appropriate support services available in the community that foster long-term housing stability.

Progressive engagement: Offering financial assistance and supportive services in a manner that offers a minimum amount of assistance initially, adding more assistance over time, if needed, to quickly resolve the participant's housing crisis by either ending homelessness, avoiding an immediate return to becoming literally Homeless, or avoiding the imminent risk of becoming homeless. The type, duration, and amount of assistance offered shall be based on an individual assessment of the household and the availability of other resources or support systems to resolve their housing crisis and stabilize them in housing.

RR and HP terms of assistance: RR Activities funded within the same CoC Service Area shall follow the same program requirements for type, duration, and amount of assistance provided, unless the CoC provides sufficient written justification for any differences and these are approved in writing by HCD. HP Activities funded within the same CoC Service Area shall follow the same program requirements for type, duration, and amount of assistance provided, unless sufficient written justification for any differences is provided by the CoC and HCD approves such justification in writing.

## **B. Written Standards**

Funded Activities must operate consistently with the written standards currently adopted by the CoC and applicable to all similar Activities. In general, written standards address such things as policies and procedures for evaluating eligibility, targeting, and prioritizing of services, length and terms of assistance, coordination among services, and participation in HMIS. Applicants should consult the federal regulations for what should be addressed in written standards for each Activity.

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<sup>9</sup> 25 CCR 8409



In addition, state regulations require that written standards reflect the state's Core Practices<sup>10</sup>, including:

1. Protocols for use of coordinated entry to promote comprehensive and coordinated access to assistance and prioritized while prioritizing access to assistance for people with the most urgent and severe need;
2. Use Housing First and progressive engagement practices; and
3. Consistent program requirements governing decisions around type, duration, and amount of assistance provided if multiple RR or HP programs are operated within the same Service Area.

### C. Match

Grantees must make matching contributions in an amount that equals the amount of federal ESG funds awarded. HCD may request documentation as part of program monitoring to determine the sources and amounts used to meet the federal ESG matching requirement.

Matching contributions may be obtained from any source, including any federal source other than the ESG program, as well as state, local, and private sources. However, the following requirements apply to matching contributions from a federal source of funds:

1. Laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match ESG funds.
2. Per 24 CFR Part 576.201, if ESG funds are used to satisfy the matching requirements of another federal program, then funding from that program may not be used to satisfy the matching requirements.

## VII. **Contract expenditure and obligation requirements**

All of the grantee's ESG funds must be expended for eligible Activity costs within 24 months after the date HUD signs the grant agreement with HCD.

After the Standard Agreement with HCD is fully executed, grantees may request an advance of 30 days working capital or \$5,000, whichever is greater. Otherwise, all funding requests are on a reimbursement-only basis.

All eligible costs incurred after the date of the award letter issued to the grantee by HCD are reimbursable. Grantees shall not expend any funds requiring reimbursement prior to the date of the award letter. However, no funds shall be expended until any required environmental review process has been completed, if required under 24 CFR Part 50.

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<sup>10</sup> 25 CCR 8409

Requests for disbursement must be made at least quarterly. HCD may establish minimum reimbursement amounts, or other related procedures necessary for the efficient administration of the ESG program.

## **VIII. Additional federal requirements**

### **A. General**

The requirements in 24 CFR Part 5, subpart A are applicable, including the nondiscrimination and equal opportunity requirements found at 24 CFR Part 5.105(a). Section 3 of the HUD Act of 1968 and implementing regulations at 24 CFR Part 135 apply, except that homeless individuals have priority over other Section 3 residents in accordance with 24 CFR Part 576.405(c).

### **B. Homeless Participation**

If the entity makes policies and decisions regarding any facilities, services, or other assistance that receives funding under ESG, the grantee must provide for the participation of at least one homeless individual or formerly homeless individual on the grantee's Board of Directors or other equivalent policy-making entity."

### **C. Program Termination**

Consistent with the organizations written standards, if an individual or family receiving ESG assistance violates program requirements, the grantee may terminate assistance. The grantee is required to terminate assistance in accordance with a formal written process that has been established and that recognizes the rights of individuals or families affected. The grantee must exercise reasonable judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.

### **D. Program Administration**

Demonstration of the financial management and programmatic expertise necessary to successfully develop, design, implement, and monitor the proposed Activity(ies) is required. This expertise can be demonstrated through previous experience in successfully developing projects similar to the one proposed by either partners or key staff within the grantee's organization.

### **E. Faith-Based Activities**

Religious organizations may receive ESG funds only if they agree to provide all eligible Activities under this program in a manner that is in accordance with 24 CFR Part 576.406. Organizations that are religious or faith-based are eligible to receive ESG funds, on the same basis as any other organization. Organizations that are directly funded under the ESG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under ESG. Refer to 24 CFR Part 576.406 for additional details.

## F. Affirmative Outreach

The grantee must make known that the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures the grantee intends to use will reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the grantee must establish additional procedures to ensure that such persons are made aware of these facilities, assistance, and services.

The grantee must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, grantees are also required to take reasonable steps to ensure meaningful access to programs and Activities for Limited English proficiency persons.

All Applicants should refer to the HUD guidelines on Limited English proficiency located on the [HUD webpage](#).

## G. Uniform Administrative Requirements

The requirements of 2 CFR Part 200 apply to grantees that are units of general-purpose local governments and private non-profit organizations. These regulations include allowable costs and non-federal audit requirements.

## H. Environmental Review Responsibilities

The grantee shall supply all available relevant information on each property necessary for HCD and HUD to perform an environmental review, as required. The grantee shall also carry out mitigating measures required by HCD or select an alternate eligible property, if required. HCD may eliminate from consideration any application that would require an Environmental Impact Statement .

The grantee, or any contractor of the grantee, may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project, or commit or expend ESG or local funds for eligible Activities under this part, until HCD or HUD has performed an environmental review under 24 CFR Part 50 and the grantee has received HCD's or HUD's written approval of the property. For all funded applications, HCD will inform the grantee of any required additional environmental review.

## I. Procurement of Recovered Materials

The grantee and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conversion and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by

the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

#### **J. Shelter and Housing Standards**

The revised standards for ES require all shelters to meet minimum habitability standards related to safety, sanitation, and privacy pursuant to 24 CFR Part 576.403(a) and 24 CFR Part 576.403(b). If ESG funds are used to help program participants remain in or move into permanent housing, that housing must meet minimum standards pursuant to 24 CFR Part 576.403 (c).

#### **K. Recordkeeping And Reporting Requirements**

Grantees must have policies and procedures to ensure that recordkeeping and reporting requirements are met. The policies and procedures must be established in writing and implemented to ensure that ESG funds are used in accordance with all requirements. In addition, sufficient records must be established and maintained to enable HCD and HUD to determine whether ESG requirements are being met. Refer to 24 CFR Part 576.500 for additional details.

#### **L. Enforcement**

HCD will review the performance of grantees in carrying out their responsibilities under this part whenever determined necessary by HUD, but at least annually. In conducting performance reviews, HUD will rely primarily on information obtained from the records and reports from HCD, and when appropriate, its grantees. Sources may include information from onsite monitoring, audit reports, and information from the Integrated Disbursement & Information System and HMIS. HUD may also consider relevant information pertaining to HCD and its grantees, performance gained from other sources, including citizen comments, complaint determinations, and litigation. Reviews to determine compliance with specific requirements of this part will be conducted as necessary, with or without prior notice to HCD or its grantees. Refer to 24 CFR Part 576.501 for additional details.

#### **M. Other Federal Requirements**

Grantees must be able to meet all federal requirements relative to the ESG program, specifically those concerning equal opportunity and fair housing, affirmative marketing, environmental review, displacement, relocation, acquisition, labor, lead-based paint, asbestos, conflict of interest, debarment, and suspension. Pertinent federal requirements are noted in federal ESG regulations and all Applicants should be aware that, if funded, these requirements would apply.

## IX. Application submittal requirements

The online 2021 ESG application link is available on the ESG webpage at <https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtml>. 2021 ESG Applications **must** be accessed through the [eCivis portal - Programs Available for Solicitation page](#). **Paper binder applications will no longer be required or accepted.**

BoS Noncompetitive Applications will be reviewed and awarded on a ‘rolling’ basis. Applications that are submitted prior to the October 19, 2021 application due date will be reviewed immediately and if approved, will be awarded.

All BoS Competitive applications for each geographic area must be received by the Department in order for scores to be determined. Therefore, rolling awards may not be possible.

Applications and required documentation must be received by HCD no later than **Tuesday, October 19, 2021, 5:00 p.m. Pacific Daylight Time**. Any applications received after this time, will not be accepted.

Submit applications and all required documentation through the [eCivis Grants Management System portal](#). Applications that do not meet the filing deadline will not be eligible for funding.

Applicants are encouraged to set up their profiles in the eCivis Grants Management System portal located at <https://portal.ecivis.com/#/login> as early as possible. Profile set-up instructions can be found in the **eCivis Grants Management System, External User Manual** on the ESG webpage at <https://www.hcd.ca.gov/grants-funding/active-funding/esg.shtml>.

If you have trouble logging into the portal, or have questions on how to complete the online application, please contact HCD at [ESGNOFA@hcd.ca.gov](mailto:ESGNOFA@hcd.ca.gov).

Questions regarding the ESG NOFA and application process can be directed to [ESGNOFA@hcd.ca.gov](mailto:ESGNOFA@hcd.ca.gov).

## Appendix A: Estimated BoS Formula Allocation

2021 Estimated BoS Allocation*							
CoC #	CoC Name	2021 ESG Formula Allocation	40% for RR	Regional Competition after 40% RR	50% for RR	Regional Competition after 50% RR	
<b>Bay Area Allocation</b>							
1	507	Marin County CoC	<b>\$188,590</b>	\$75,436	\$113,154	\$94,295	\$94,295
2	517	Napa City & County CoC	<b>\$121,932</b>	\$48,773	\$73,159	\$60,966	\$60,966
3	518	Vallejo/Solano County CoC	<b>\$242,642</b>	\$97,057	\$145,585	\$121,321	\$121,321
4	508	Watsonville/Santa Cruz City & County CoC	<b>\$325,106</b>	\$130,042	\$195,064	\$162,553	\$162,553
			<b>\$878,270</b>	<b>\$351,308</b>	<b>\$526,962</b>	<b>\$439,135</b>	<b>\$439,135</b>
<b>Central and Imperial Valley</b>							
1	521	Davis/Woodland/Yolo County CoC	<b>\$314,968</b>	\$125,987	\$188,981	\$157,484	\$157,484
2	525	El Dorado County CoC	<b>\$147,918</b>	\$59,167	\$88,751	\$73,959	\$73,959
3	613	Imperial County CoC	<b>\$367,182</b>	\$146,873	\$220,309	\$183,591	\$183,591
4	530	Inyo, Mono, Alpine Counties CoC	<b>\$138,160</b>	\$55,264	\$82,896	\$69,080	\$69,080
5	520	Merced City & County CoC	<b>\$323,934</b>	\$129,574	\$194,360	\$161,967	\$161,967
6	515	Roseville/Rocklin/Placer County CoC	<b>\$169,152</b>	\$67,661	\$101,491	\$84,576	\$84,576
7	513	Visalia, Kings, Tulare Counties CoC	<b>\$416,516</b>	\$166,606	\$249,910	\$208,258	\$208,258
8	531	Nevada County CoC	<b>\$161,608</b>	\$64,643	\$96,965	\$80,804	\$80,804
			<b>\$2,039,438</b>	<b>\$815,775</b>	<b>\$1,223,663</b>	<b>\$1,019,719</b>	<b>\$1,019,719</b>
<b>Northern</b>							
1	526	Amador, Calaveras, Tuolumne and Mariposa Counties CoC	<b>\$196,026</b>	\$78,410	\$117,616	\$98,013	\$98,013
2	519	Chico/Paradise/Butte County CoC	<b>\$338,560</b>	\$135,424	\$203,136	\$169,280	\$169,280
3	523	Colusa, Glenn, Trinity Counties CoC	<b>\$209,500</b>	\$83,800	\$125,700	\$104,750	\$104,750
4	522	Humboldt County CoC	<b>\$348,380</b>	\$139,352	\$209,028	\$174,190	\$174,190
5	529	Lake County CoC	<b>\$247,938</b>	\$99,175	\$148,763	\$123,969	\$123,969
6	509	Mendocino County CoC	<b>\$261,552</b>	\$104,621	\$156,931	\$130,776	\$130,776
7	516	Redding/Shasta, Siskiyou, Lassen, Plumas, Del Norte, Modoc, Sierra Counties CoC	<b>\$313,986</b>	\$125,594	\$188,392	\$156,993	\$156,993
8	527	Tehama County CoC	<b>\$279,600</b>	\$111,840	\$167,760	\$139,800	\$139,800
9	524	Yuba City & County/Sutter County CoC	<b>\$242,004</b>	\$96,802	\$145,202	\$121,002	\$121,002
			<b>\$2,437,546</b>	<b>\$975,018</b>	<b>\$1,462,528</b>	<b>\$1,218,773</b>	<b>\$1,218,773</b>
		<b>Total</b>	<b>\$5,355,254</b>	<b>\$2,142,102</b>	<b>\$3,213,152</b>	<b>\$2,677,627</b>	<b>\$2,677,627</b>

\*Estimates are based on HCD's 2021 ESG allocation. **Note:** The 2021 allocation includes \$411,238 in unencumbered funds from the 2020 ESG allocation. Amounts are subject to award of 2021 ESG funds by HUD to the State and will be finalized prior to issuance of Standard Agreements to State grantees. **Note:** Allocations are also subject to change if AEs or CoCs do not continue to participate for 2021.