

**Mendocino County Homeless Services  
Continuum of Care**

**FY 2023-2024 Funding Policies  
State Emergency Solutions Grant (ESG) Program**

Approved by Mendocino County Homeless Services Continuum of Care Funding Review Ad Hoc  
Committee on 10/4/2023

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## I. Introduction

The Emergency Solutions Grant Program (ESG), originally authorized under the Stewart B. McKinney Homeless Assistance Act of 1987 as the Emergency Shelter Grants program and reauthorized under the HEARTH Act of 2009, permits the U.S. Department of Housing and Urban Development (HUD) to make grants to states and units of general local government for homelessness prevention, street outreach, emergency shelter, and rapid re-housing services.

The State of California Department of Housing and Community Development (HCD) ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents; (5) rapidly re-house homeless individuals and families; and (6) prevent families and individuals from becoming homeless.

For non-entitlement areas such as Mendocino County, the ESG program is administered by HCD under the HEARTH Act through the Balance of State (BoS) Allocation. Under the ESG program, applicants in the Mendocino County service area may apply for projects in the Noncompetitive Rapid Rehousing Set-Aside and/or Regional Competition as described below.

### A. Role of Continuum of Care (CoC) in the Balance of State Allocation

CoC organizations play an integral role in recommending provider applications to compete for funds within their regional competition. In making these funding recommendations, the CoC must follow a fair and open process which meets the requirements of 25 CCR Section § 8404 (s) (2) described in Section D of the Notice of Funding Availability (NOFA) which can be found at [https://gn.ecivis.com/GO/gn\\_redir/T/sspbc0chaqno](https://gn.ecivis.com/GO/gn_redir/T/sspbc0chaqno).

CoC's will recommend applications for the noncompetitive funding following a similar process to be described in the State of California 2020-2024 Federal Consolidated Plan, which can be found at: [https://www.hcd.ca.gov/policy-research/plans-reports/docs/2020-2024\\_CP.pdf](https://www.hcd.ca.gov/policy-research/plans-reports/docs/2020-2024_CP.pdf).

Additionally, CoC's are responsible for ensuring that the funded activity will:

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

## **B. What's New in the FY 2023-2024 Application Process**

There have been several updates to the ESG BoS FY 2023-2024 Application process from the preceding year's process. Here is what's new this year:

### **1. Environmental Review**

#### **a. Units of general-purpose local government**

According to the requirements in the HUD Grant Agreement, Applicants for assistance that are units of general local government must agree to assume responsibility for environmental review, decision-making, and action under 24 CFR Part § 58, "Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities" and shall comply with the environmental requirements of 24 CFR Part § 58 including § 58.4 "Assumption Authority." If awarded funding, the obligation of funds and incurring of costs will be conditioned upon Applicant's compliance with 24 CFR Part § 58, and completion by HCD of all applicable review and approval requirements as specified in 24 CFR Part § 58.18.

The Applicant, its Service Providers (Service Providers), and any Subcontractors (Subcontractors) of the Applicant or its Service Provider (Service Provider) 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 the Applicant has performed an environmental review under 24 CFR Part § 58 and the Applicant has received HCD approval if required by the level of environmental review.

In accordance with 24 CFR § 58.22, "Limitations on activities pending clearance" neither an Applicant nor any Service Provider in the development process, including public or private nonprofit or for-profit entities, or any of their contractors (Contractors), may commit HUD assistance under a program listed in 24 CFR § 58.1(b) on an activity or project until the environmental review process is complete

and, if required, HCD has approved the Applicant's HUD Form 7015.5 "Request for Release of Funds and Certification" (RROF) and issued HUD Form 7015.16, "Authority to Use Grant Funds".

Neither the Applicant nor any Service Provider in the development process may commit non-HUD funds or undertake an activity or project that would have an adverse environmental impact or limit the choice of reasonable alternatives. Upon completion of environmental review, HCD shall notify Applicant. HUD funds shall not be utilized before this requirement is satisfied. Violation of 24 CFR Part § 58 may result in disapproval, modification, or cancellation of the ESG Grant.

If awarded funding and if a project or activity is exempt under 24 CFR § 58.34, "Exempt activities" or is categorically excluded (except in extraordinary circumstances) under 24 CFR Part § 58.35(b) "Categorical exclusions not subject to §58.5", no RROF is required, and the Applicant may undertake the activity immediately after they have provided documentation to HCD of its determination that each activity or project is exempt or categorically excluded. The Applicant remains responsible for carrying out any applicable requirements under § 58.6, "Other Requirements" and must provide documentation to HCD at the time of grant monitoring of its compliance with this section of 24 CFR Part § 58.

If awarded funds, the Applicant is also subject to the provisions of the California Environmental Quality Act (CEQA). The Standard Agreement will require that the Contractor assumes responsibility to fully comply with CEQA's requirements.

**b. Non-profits**

The Applicant shall comply with the environmental requirements of 24 CFR Part § 58. The obligation of funds and incurring of costs is hereby conditioned upon compliance with 24 CFR Part § 58 and completion by HCD and HUD of all applicable review and approval requirements.

The Applicant shall supply all available, relevant information for its activities as well as the activities of all Service Providers, Subrecipients (Subrecipient) and/or Subcontractors, necessary for the Department to perform the appropriate level of environmental review as required under 24 CFR Part § 58. The Applicant shall also carry out any required environmental mitigation measures which result from the environmental review and provide documentation to HCD to demonstrate that the mitigation measures have been fully implemented. HUD may eliminate from consideration any application that would require an Environmental Impact Statement (EIS).

The Applicant, its Service Providers, or any Subcontractor of the Applicant or its Service Provider, 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 has completed, and HUD has approved, if required by the level of review, the environmental review under 24 CFR

Part § 58 and until HUD has issued HUD Form 7015.16 “Authority to Use Grant Funds” based on HCD’s submission of HUD Form 7015.15, “Request for Release of Funds”.

In accordance with 24 CFR § 58.22, neither an Applicant nor any Service Provider in the development process, including public or private nonprofit or for-profit entities, or any of their Contractors, may commit HUD assistance under a program listed in 24 CFR § 58.1(b) on an activity or project until completion of the environmental review.

Neither an Applicant nor any Service Provider in the development process may commit non-HUD funds or undertake an activity or project that would have an adverse environmental impact or limit the choice of reasonable alternatives. Upon completion of environmental review or receipt of environmental clearance, the Department shall notify Applicant. HUD funds shall not be utilized before this requirement is satisfied. Violation of the provisions of 24 CFR Part § 58 may result in disapproval, modification, or cancellation of the ESG Grant.

If awarded funding and if a project or activity is exempt under 24 CFR § 58.34, “Exempt activities” or is categorically excluded (except in extraordinary circumstances) under 24 CFR § 58.35(b) “Categorical exclusions not subject to §58.5”, no RROF is required, and the recipient may undertake the activity immediately after the Applicant has been notified by HCD of its determination that each activity or project is exempt or categorically excluded and a funding award has been made. The Applicant remains responsible for carrying out any applicable requirements under §58.6, “Other Requirements” and must provide documentation to HCD prior to commitment of HUD funds for any activity of compliance with §58.6.

If awarded funding, the standard agreement is subject to the provisions of the California Environmental Quality Act (CEQA) and the Applicant agrees to assume responsibility to fully comply with CEQA’s requirements.

**2. Match Exemption Application (Up to a maximum \$100,000 will be awarded)**

**a. General Requirement**

HCD requires each ESG Subrecipient to provide match equal to 100 percent of the ESG funds that HCD awards. The only exception is outlined in Section III.C.2 of the HCD ESG Match Policy.

Applicants interested in applying for the match exemption must submit the request and required documentation at the time of their application via eCivis.

***Please note:*** *The exemption request is only valid for the 2023 ESG applications/awards; no other funding year will apply under this application. Information noted below is not all inclusive. For specific HCD ESG policy information, please read the full document listed on our webpage here: [“ESG Match Policy”](#).*

**b. Match Exemption**

Under each fiscal year's (FY) annual ESG allocation, HCD is not required to match the first \$100,000 allocated. HCD is required to pass this benefit to the Subrecipient or Subrecipients who are least able to provide match.

HCD uses its annual Subrecipient ESG application process to determine which Subrecipient(s) will receive the match exemption via the following process:

- Each Subrecipient's application will receive a 'match exemption score'
- The 'match exemption score' (up to a maximum of 10 points) is calculated as follows:
  - **2 points** are allocated to Subrecipients in Mendocino County CoC as it is considered rural and therefore disproportionately likely to be under-resourced.<sup>1</sup>
  - **3 points** are allocated to Subrecipients that meet either of the following criteria:
    - During the annual monitoring process, HCD reported a concern or finding related to the Subrecipient's difficulty producing the necessary level of match; or
    - During the previous year, the Subrecipient provided 75 percent or less of its match requirements.
  - **Up to 5 points** are allocated to Subrecipients who indicate as part of their application that they would like to receive the match exemption; points will be awarded based on a short narrative in which Subrecipients will be asked to explain the circumstances that qualify them as unable to meet the match requirement, with more points being allocated to Subrecipients reporting greater relative need.

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If one Subrecipient receives the highest 'match exemption score,' that Subrecipient will receive the full \$100,000 match exemption; if multiple Subrecipients receive the highest 'match exemption score,' the match exemption will be divided among no more than two of the highest-scoring Subrecipients, at HCD's sole discretion;

HCD has final decision on which Subrecipient(s) benefit from the match exemption and its decision cannot be appealed.

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### 3. **Street Outreach Requirements (SO)**

All Applicants that are awarded funding for the street outreach (Street Outreach or "SO") activity are now required to develop and implement written policies and procedures (P&Ps) that fully details their ESG-SO operations. At minimum , they must include the following content pieces:

- a. Written Standards;
- b. Coverage Area;

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<sup>1</sup> CA HCD reserves the right to amend the list of CoCs at its discretion

- c. Coordinated Entry Integration;
- d. Participant Eligibility;
- e. Suite of Services;
- f. Staffing Patterns;
- g. Housing Problem-solving;
  - i. Diversion
  - ii. Rapid Exit
- h. Other Requirements; and
- i. General Operations.

A Street Outreach Policy has been developed and is available to all ESG CoCs and stakeholders for guidance on operating their SO programs. Please see the ESG Webpage, Resources: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/esg/ca-hcd-esg-street-outreach-policy.pdf>.

#### 4. **Emergency Shelter Requirements (ES)**

All Applicants that are awarded funding for the Emergency Shelter activity are now required to develop and implement written policies and procedures (P&Ps) that fully details their ESG-ES operations. **At minimum, they must include the following content pieces:**

- a. Written Standards;
- b. Coordinated Entry Integration;
- c. Participant Eligibility;
- d. Suite of Services;
- e. Staffing Patterns;
- f. Housing Problem-solving;
  - Diversion
  - Rapid Exit
- g. General Operations;
- h. Other Requirements; and
- i. Approval.

An Emergency Shelter Policy has been developed and is available to all ESG CoCs and stakeholders for guidance on operating their ES programs. Please see the ESG Webpage, Resources: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/esg/ca-hcd-esg-emergency-shelter-policy.pdf>.

#### 5. **Rapid Re-Housing Requirements (RRH)**

All Applicant's that are awarded funding for the Rapid Re-Housing activity are now required to develop and implement written policies and procedures (P&Ps) that fully details their ESG-RRH operations. **At minimum, they must include the following content pieces:**

- a. Coordinated Entry Integration;
- b. Participant Eligibility;

- c. Suite of Services;
- d. Staffing Patterns;
- e. Termination and Appeals;
- f. Other Requirements;
- g. General Operations; and
- h. Approval.

A Rapid Re-Housing Manual has been developed and is available to all ESG CoCs and stakeholders for guidance on operating their RRH programs. Please see the ESG Web page, Resources: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/ESG-Rapid-Rehousing-Manual.pdf>.



## **6. Single Audit and Form 990 Required with Submission of Applications**

All Applicants must demonstrate to the satisfaction of the Department that they are following the financial management requirements of 2 CFR Part § 200.

If applicable, the Applicant must provide the Department with its most recent single audit (as submitted to the State Controller's Office), as well as the latest filed Form 990. If the Applicant has any open single audit findings and does not have a plan or an agreement to remediate those findings, the Applicant will be deemed ineligible for funding through the State ESG program until the findings are resolved or a remediation plan or agreement is established.

All single audit findings are included in this evaluation. This requirement is not limited to federal funds administered by the Department. If an Applicant is not subject to single audit requirements, the Applicant is not required to submit an audit, however the Applicant is required to certify as such. Applicants that fail to disclose findings on their most recent single audit will be disqualified without exception or appeal.

## **7. Homelessness Prevention Requirements (HP) (Reminder)**

All Applicants that are awarded funding for the Homelessness Prevention activity are now required to develop and implement written policies and procedures (P&Ps) that fully detail their ESG-HP operations. **At minimum, they must include the following content pieces:**

- a. Participant Triage;
- b. Coordinated Entry Integration;
- c. Participant Eligibility;
- d. Suite of Services;
- e. Staffing Patterns;
- f. Termination and Appeals;
- g. Other Requirements;
- h. General Operations; and
- i. Approval.

A Homelessness Prevention Manual has been developed and is available to all ESG CoCs and stakeholders for guidance on operating their HP programs. Please see the ESG Webpage, Resources: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/esg/cahcd-esg-homelessness-prevention-policy.pdf>.

## **8. Expenditure Milestones (Reminder)**

Applicants that are awarded funding under this 2023 BoS allocation will be required to meet the following expenditure milestones. This is stated in the 2023 ESG Standard Agreement, Exhibit E. **Provision Ex. A – E.3** (Expenditure Milestone Requirements - As referenced in Exhibit A, Section 4 (G)).

<b>Percentage of ESG Award that must be expended</b>	<b>Milestone Deadline</b>
20%	120 days after execution of contract
50%	180 days prior to expenditure deadline
80%	60 days prior to expenditure deadline

**9. Grants Management System (GMS) (Reminder)**

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 only be accepting the 2023 ESG applications and all supporting documentation through the GMS.

2023 ESG Applications must be accessed through the eCivis portal - Programs Available for Solicitation page. Paper binder applications will no longer be required or accepted.

**10. Advancing Racial Equity (Reminder)**

Pursuant to direction from HUD, as provided at the links below, Applicants should prioritize the advancement of racial equity at all levels of the homeless response system. The Department asks Contractors to be leaders in their homeless response systems, facilitating partnerships among service organizations and promoting racial equity practices. Contractors must respond to disproportionality in access to services, service provision and outcomes. Contractors cannot simply rely on delivering a standardization of services to address equity. Contractors 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 Subcontractors 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 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 Service Provider community, and how would these funds address the organizational 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 Contractors 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 Contractors 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/>.

## II. Consultation with Continuum of Care

Federal regulations for the Emergency Solutions Grant Program (ESG) require that the Continuum of Care (CoC) be consulted regarding planned activities with ESG funds. The Mendocino County Homeless Services Continuum of Care (MCHSCoC) Governing Board will determine how to recommend funding applications for ESG funds each program year; develop performance standards for, and evaluating the outcomes of, projects and activities assisted by ESG funds; and develop funding policies and procedures for the administration and operation of the HMIS.

### A. MCHSCoC Funding Review Processes

CoCs play an integral role in recommending homeless Service Provider Applicants who compete for funds through their local procurement process. Applications from homeless Service 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. As MCHSCoC is a single-county CoC, a maximum of two applications may be recommended for the regional competition and a maximum of two applications may be recommended by each CoC for its noncompetitive funds.

The MCHSCoC will recommend which applications be funded to the State using a process which meets the criteria below:

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 state's Core Practices required 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 Rapid Re-Housing (RRH) 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. Eligible Activities**

Reference section III. B. of the 2023

As identified and codified in the state ESG regulations<sup>2</sup>, all eligible activities (Activities) are detailed in the federal ESG regulations, 24 CFR § 576. Pursuant to the state authority, Activities that are specifically not eligible include: renovation, conversion, or major rehabilitation; said Activities are restricted 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 (25 CCR § 8408(d)).

### **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 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 § 576.107 for a complete list of eligible HMIS costs.

#### Rapid Re-Housing (RRH) Assistance and 10 Percent Combination Applications

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 non-competitively for Rapid Re-Housing.

### **In combination with their Rapid Re-Housing activity, Applicants may request the following 'add-ons' to their non-competitive Rapid Re-Housing application:**

- Up to 10 percent of the total application for Street Outreach;
- Up to 10 percent of the total application for Homelessness Prevention;
- Up to 10 percent of the total application for HMIS.

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

- Eligible program participants;

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<sup>2</sup> 25 CCR § 8408: <https://www.hcd.ca.gov/grants-funding/active-funding/esg/docs/State-ESG-Regulations-Effective-April-1-2016.pdf>

- 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 RRH or HP Activity under 24 CFR Part § 576.106 typically cannot exceed HUD’s Fair Market Rent (FMR)<sup>4</sup>. Assistance must also comply with HUD’s standard for rent reasonableness<sup>5</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>6</sup>, no subpopulation targeting will be permitted in RRH 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.

### **C. Written Standards for Providing ESG Assistance**

The recipient must comply with, and participate in the development of, the MCHSCoC’s written standards for the provision of street outreach, emergency shelter, homelessness prevention, and/or rapid re-housing services, as relevant to their project(s).

### **D. Coordinated Entry System**

Each Emergency Shelter and Rapid Re-Housing project must use the Continuum of Care’s Coordinated Entry System. The recipient must work with the Continuum of Care to ensure the screening, assessment and referral of program participants are consistent with the written standards.

### **E. Match Requirements**

Each awardee must match the State ESG funding with an equal amount of funds from other, non-McKinney-Vento, non-HEARTH Act funding sources. Match funds must be provided after the date of the grant award.

## **III. Proposal Submission Process**

Details regarding the HCD-ESG application requirements and timelines are included in the application instructions and related materials, including the Notice of Funding Availability (NOFA) released on July 28, 2023.

The application process for competitive and non-competitive will be the same for the 2023/2024 funding cycle. Applicants must submit funding proposals to the Mendocino County Homeless Services Continuum of Care by **3:00 PM** on the submission deadline which is **Monday, October 9, 2023**. Project applications are to be submitted electronically via email to Veronica Wilson, Mendocino County Social Services at [wilsonv@mendocinocounty.gov](mailto:wilsonv@mendocinocounty.gov). Project applications must be complete by the deadline date to be considered eligible for funding. Please refer to the Notice of Funding Availability for specific requirements.

Proposals may not be revised or submitted after the deadline date. Applications that do not include a required Resolution from the Board of Directors (draft version is acceptable), a current operating budget, a copy of the applicant's most recent financial audit/statement, or complete answers to all applicable questions, will be deemed ineligible for funding.

#### **A. MCHSCoC Application Components**

Applications submitted to the MCHSCoC for consideration for funding recommendation must include the following documents to be considered for funding:

1. **Printout of full application** and all attached documents from the eCivis Grants Management System (GMS). This must include the proposed project budget and match commitment letter.
2. **Written project description** that addresses the following elements:
  - a. Length of experience implementing proposed or similar activities;
  - b. Project use of Housing First;
  - c. Level of Project staffing in Full Time Equivalent (FTE);
  - d. Full project budget that identifies match source and amount(s);
  - e. Type(s) of services offered;
  - f. Connection to mainstream resources; and
  - g. Collaboration with other community partners.
3. **Proposed project outcomes** that address the following data elements and a written description of the plan to support proposed outcomes:
  - a. Average Length of Participation in Days;
  - b. Percentage of participants who exit homelessness to Permanent Housing Destinations will return to homelessness within 12 months;
  - c. Percentage of Adults with No Income at Start and at Exit;
  - d. Percentage of persons entering the projects with no prior enrollments in HMIS

- (experiencing homelessness for the first time); and
- e. Percentage of Exits to or Retention of Permanent Housing.
4. **For current ESG recipients only:** Prior Year Consolidated Annual Performance and Evaluation Report (CAPER), Prior Year Project Budget, and responses to the following data elements:
- Average Length of Participation of Stayers in Days (CAPER Q22b);
  - Adults who Gained or Increased Income (CAPER Q19a1); and
  - Percentage of exits to or retention of Positive Housing Destinations (CAPER Q23c).
5. **Full project budget** that includes all matching and braided sources of funding, and utilization of past ESG and/or ESG-CV awards, if any.
6. **Written description** of how the project plans to apply the California ESG Core Practices as follows:
- Comprehensive and coordinated access to the activity throughout the Service Area;
  - Low barrier access to services and consistency with housing first practices; and
  - Using a progressive engagement approach to services and financial assistance.
7. **Responses to the following questions** regarding MCHSCoC Participation:
- Does the organization hold a seat on the MCHSCoC Board?
  - Does the organization participate in one or more MCHSCoC Committees?
  - Does the organization regularly attend and participate in MCHSCoC Governance?
  - Does the organization participate in planning meetings for developing system design?
  - Does the organization participate in housing navigation meetings?
  - Does the organization currently participate in HMIS? If no, is the organization willing to participate? If the organization is a Victim Service Provider (VSP), does the organization currently have an HMIS Comparable Database? If no, is the VSP willing to obtain such a system?
8. **Data quality/timeliness report** or description of past performance using HMIS or other similar data system(s) (if Applicant has no experience utilizing data systems, provide a written description of the organization's readiness to participate in HMIS or Comparable Database for Victim Service Providers);
- Strategies to maximize bed/unit utilization rates;
  - Strategies to rapidly rehouse participants; and
  - Strategies to prevent returns to homelessness.
9. **Does the organization currently participate in the Coordinated Entry System (CES)?** If no, is the organization willing to participate? If the organization is a Victim



Service Provider (VSP), does the organization currently have a Comparable Database that captures CES data? If no, is the VSP willing to obtain such a system?

#### **IV. Selection Process for Balance of State funding:**

##### **A. Continuum of Care, Continuum of Care Scoring, Review and Selection Criteria**

Rating and ranking will be performed by the MCHSCoC Funding Review Ad Hoc Committee, as appointed by the MCHSCoC Governing Board Co-Chair(s), who will then make a recommendation to the MCHSCoC Governing Board. MCHSCoC Funding Review Ad Hoc Committee members will be familiar with housing and homeless needs and be willing to review projects with the best interest of individuals and families experiencing homelessness in mind. Committee members will have no conflict of interest and final ranking and scoring for projects, which will be put in writing and signed by all members of the Committee. The final rating and ranking signed by the Committee will be presented to the MCHSCoC Governing Board. The MCHSCoC Governing Board will then conduct a vote. MCHSCoC Governing Board Members who have a conflict of interest with regard to funding applications will abstain from this vote, as outlined in the MCHSCoC Governance Charter. Final rating and ranking of projects will be posted publicly on the MCHSCoC website.

The MCHSCoC Funding Review Ad Hoc Committee will formulate a recommendation to the MCHSCoC for each program year and will include a list of projects recommended for funding, the level of funding recommended, and a list of projects not recommended for funding.

##### **B. Minimum threshold requirements are:**

Applicants must follow instructions in both the HCD NOFA and online application. Failure to follow instructions will result in disqualification.

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 must include a completed Authorizing Resolution (AR) on the HCD template and 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 required HCD AR template on the ESG website. Failure to use the required AR template provided by HCD will result in automatic disqualification. 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. All Applicants must demonstrate to the satisfaction of the Department that it is following the financial management requirements of 2 CFR Part § 200. The Applicant must provide the Department with its most recent single audit (as submitted to the State Controller's Office), if applicable, as well as the most recent year's Form 990. If the Applicant has any open single audit findings and does not have a plan or an agreement to remediate those findings, the Applicant will be deemed ineligible for funding through the State ESG program until the findings are resolved or a remediation plan or agreement is established.
14. 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 and not recommended for funding if the application does not meet the threshold requirements, if the application is incomplete, or if MCHSCoC or HCD cannot determine compliance with the threshold requirements. MCHSCoC and 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. MCHSCoC and 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, if such revisions do not affect the competitive scoring of the application.

**C. Project proposals will be scored in alignment with MCHSCoC Priorities using the following criteria:**

1. Capacity, Funding strategy, program viability:
  - a. Degree to which proposal demonstrates the leveraging of other funds and in-kind contributions, and the required 100% match has been met.
  - b. Degree to which the applicant demonstrates a continuing effort to locate alternate sources of funding.
  - c. The applicant demonstrates the experience and administrative capacity to complete the proposed project and will have adequate provisions for long-range maintenance and operations.
  - d. Degree to which new applicants demonstrate a record of administrative and programmatic capacity using federal, state, local and private grant funds from other sources.
  - e. Cost effectiveness of the project (see rating tool for further description).
  - f. The project is appropriate in size, scope, and location to successfully address the identified clientele and defined service area.
2. Projects that provide shelter, housing, and/or services for people who are homeless and the degree to which the proposal plans to apply the state's Core Practices as identified in the State HCD ESG regulations located at 25 CCR § 8409.
  - a. Comprehensive and coordinated access to the activity throughout the Service Area;
  - b. Low barrier access to services and consistency with housing first practices; and
  - c. Using a progressive engagement approach to services and financial assistance.
3. Contributions and improvements to the homeless services delivery system the applicant and application promotes.
  - a. HUD System Performance Measures:
    - Decrease the average length project participation;
    - Decrease the number of participants who exit homelessness to permanent housing destinations and return to homelessness within 12 months;
    - Increase Adult participants' sources and amounts of income;
    - Increase the number of Adult participants with prior enrollments in HMIS; and
    - Increase percentage of households exiting the project to permanent housing.

- b. Participation and engagement in the MCHSCoC.
- c. HMIS Data Quality and Data Timeliness.

The MCHSCoC Funding Review Ad Hoc Committee will evaluate, score and priority rank project proposals based on the Balance of State Local Scoring Matrixes located in Appendix A and B of this document.

The MCHSCoC Funding Review Ad Hoc Committee will convene and rate and rank the applications on to make a final recommendation to the MCHSCoC Governing Board. The MCHSCoC Governing Board will make final decisions on the recommendations at the MCHSCoC Board meeting on **Monday, October 16, 2023, at 1:30 PM** for the 2023 funding cycle.

Applicants must submit funding proposals to the Mendocino County Homeless Services Continuum of Care by **3:00 PM** on the submission deadline, **Monday, October 9, 2023**. Project applications are to be submitted electronically via email to Veronica Wilson, Mendocino County Social Services at [wilsonv@mendocinocounty.gov](mailto:wilsonv@mendocinocounty.gov). Project applications must be submitted complete by the deadline date to be considered eligible for funding.

## **V. Questions?**

Please direct questions regarding the MCHSCoC role in the Balance of State Allocation to:

Veronica Wilson, Program Administrator  
Mendocino County Department of Social Services  
Phone: 707-468-7071  
Fax: 707-463-7979  
747 S. State Street  
Ukiah, CA 95482  
Email: [wilsonv@mendocinocounty.org](mailto:wilsonv@mendocinocounty.org)

**APPENDIX A: ESG LOCAL SCORING MATRICES Scoring Criteria – CURRENT RECIPIENT (maximum 100 points):**

<b>MCHSCoC 2023 ESG BoS Application Type: CURRENT ESG BoS RECIPIENT (not a new applicant)</b>			
<b>Applicant Name</b>		<b>Points Possible</b>	<b>Points Awarded</b>
Applicant Experience	Length of experience implementing the proposed project activities or activity similar to the proposed project (2 points per year)	10	
Program Design	Quality of the proposed program in delivering activities to participants is based on the following items: <ul style="list-style-type: none"> <li>• Housing First = 3 points</li> <li>• Reasonableness of program staffing = 4 points</li> <li>• Budget relative to program design = 4 points</li> <li>• Type of services offered (ES/SO 1 pt, HP/SSO = 2 pts, RRH/PSH = 3 pts)</li> <li>• Connection to mainstream resources = 3 points</li> <li>• Collaboration with community partners = 3 points</li> </ul>	20	
System Performance Measures	Projects will be evaluated based on performance as reported in the Prior Year HUD Sage System Annual Performance Report <ol style="list-style-type: none"> <li>1. Average Length of Participation of Stayers in Days (CAPER Q22b) <ul style="list-style-type: none"> <li>• 0 – 30 Days = 3 points</li> <li>• 31 – 90 Days = 2 points</li> <li>• 91 – 120 Days = 1 point</li> <li>• 121 Days or more = 0 points</li> </ul> </li> <li>2. The extent to which participants who exit homelessness to Permanent Housing Destinations return to homelessness within 12 months (SPM) <ul style="list-style-type: none"> <li>• 0% – 5% = 3 points</li> <li>• 6% – 15% = 2 points</li> <li>• 16% – 25% 1 point</li> <li>• 26% or more = 0 points</li> </ul> </li> <li>3. Adults who Gained or Increased Income (CAPER Q19a1) <ul style="list-style-type: none"> <li>• 19% or more = 3 points</li> <li>• 10% – 18% = 2 points</li> <li>• 6% – 9% = 1 point</li> <li>• 0% – 5% = 0 points</li> </ul> </li> <li>4. Number and percentage of persons entering the projects with no prior enrollments in HMIS (SPM) <ul style="list-style-type: none"> <li>• 0% – 5% = 3 points</li> <li>• 6% – 10% = 2 points</li> <li>• 11% – 15% = 1 point</li> <li>• 16% or more = 0 points</li> </ul> </li> <li>5. Percentage of exits to or retention of Positive Housing Destinations (CAPER Q23c) <ul style="list-style-type: none"> <li>• 86% or more = 3 points</li> <li>• 66% – 85% = 2 points</li> <li>• 50% – 65% = 1 point</li> <li>• 0% – 49% = 0 points</li> </ul> </li> </ol>	15	
Cost Effectiveness	Projects will be evaluated based on the amount and source of matching funds (5 points), utilization of previous CoC awards (5 points), and applicant’s past contributions toward CoC progress on <b>improving system performance</b> (5 points)	15	

**APPENDIX A: ESG LOCAL SCORING MATRICES Scoring Criteria – CURRENT RECIPIENT (maximum 100 points):**

Core Practices	<p>The degree to which the project plans to apply the state’s Core Practices</p> <ul style="list-style-type: none"> <li>• Comprehensive and coordinated access to the activity throughout the Service Area = 4 points</li> <li>• Low barrier access to services and consistency with housing first practices = 3 points</li> <li>• Using a progressive engagement approach to services and financial assistance = 3 points</li> </ul>	10	
MCHSCoC Participation	<p><i>Applicant’s organization participates in MCHSCoC governance (score all that apply):</i></p> <ul style="list-style-type: none"> <li>• Holds a seat on the MCHSCoC Board = 2 pts</li> <li>• Participates in at least one committee = 2 pts</li> <li>• Regularly attends and participates in membership meetings = 2 pts</li> <li>• Applicant does not have regular attendance or participation in MCHSCoC governance = 0 pts</li> </ul> <p><i>Applicant’s organization has, in the last year, participated in activities to design, develop or evaluate the local system (score all that apply):</i></p> <ul style="list-style-type: none"> <li>• Participates in planning meetings for system design = 2 pts</li> <li>• Participates in housing navigation or case conference meetings = 2 pts</li> </ul>	10	
HMIS Data Quality & Timeliness	<p>Applicants will be evaluated based upon the project HMIS or Comparable Database Data Quality and Timeliness from the most recent CoC APR</p> <ul style="list-style-type: none"> <li>• Data Quality (5 points possible)</li> <li>• Data Timeliness (5 points possible)</li> </ul>	10	
Coordinated Entry System	<p>Applicants will be evaluated based on the project Coordinated Entry System (CES) participation:</p> <ul style="list-style-type: none"> <li>• Project selects participants from the Coordinated Entry System (CES) or completes CES screenings with project participants = 10 points</li> <li>• Project does not select participants from the CES and does not complete CES screenings with participants = 0 points</li> </ul>	10	
<b>Total Points</b>		<b>100</b>	

**APPENDIX B: ESG LOCAL SCORING MATRICES Scoring Criteria – NEW APPLICANT (maximum 100 points):**

<b>MCHSCoC FY2023 ESG Program Application Type: NEW ESG BoS Program APPLICANT</b>			
<b>Applicant Name</b>		<b>Points Possible</b>	<b>Points Awarded</b>
Applicant Experience	Length of experience implementing the proposed project activities or activity similar to the proposed project (2 points per year)	10	
Program Design	Quality of the proposed program in delivering activities to participants is based on the following items: <ul style="list-style-type: none"> <li>• Housing First = 3 points</li> <li>• Reasonableness of program staffing = 4 points</li> <li>• Budget relative to program design = 4 points</li> <li>• Project Type (ES/SO 1 pt, HP/SSO = 2 points, RRH/PSH = 3 points)</li> <li>• Connection to mainstream resources = 3 points</li> <li>• Collaboration with community partners = 3 points</li> </ul>	20	
System Performance Measures	Project Impact and Effectiveness will be evaluated based on performance outcome measures related to CoC system performance measures: <ul style="list-style-type: none"> <li>• Anticipated average length of time participants will remain homeless                             <ul style="list-style-type: none"> <li>○ 0 – 30 Days = 3 points</li> <li>○ 31 – 90 Days = 2 points</li> <li>○ 91 – 120 Days = 1 point</li> <li>○ 121 Days or more = 0 points</li> </ul> </li> <li>• The extent to which participants who exit homelessness to Permanent Housing Destinations are anticipated return to homelessness within 12 months                             <ul style="list-style-type: none"> <li>○ 0% – 5% = 3 points</li> <li>○ 6% – 15% = 2 points</li> <li>○ 16% – 25% 1 point</li> <li>○ 26% or more = 0 points</li> </ul> </li> <li>• Anticipated increases in Adult System Stayers’ Total Income                             <ul style="list-style-type: none"> <li>○ 19% or more = 3 points</li> <li>○ 10% – 18% = 2 points</li> <li>○ 6% – 9% = 1 point</li> <li>○ 0% – 5% = 0 points</li> </ul> </li> <li>• Proposed number and percentage of persons entering the projects with no prior enrollments in HMIS                             <ul style="list-style-type: none"> <li>○ 0% – 5% = 3 points</li> <li>○ 6% – 10% = 2 points</li> <li>○ 11% – 15% = 1 point</li> <li>○ 16% or more = 0 points</li> </ul> </li> <li>• Anticipated Percentage of Exits to or Retention of Permanent Housing                             <ul style="list-style-type: none"> <li>○ 86% or more = 3 points</li> <li>○ 66% – 85% = 2 points</li> <li>○ 50% – 65% = 1 point</li> <li>○ 0% – 49% = 0 points</li> </ul> </li> </ul>	15	
Cost Effectiveness	Projects will be evaluated based on the amount and source of matching funds (5 points), utilization of previously awarded homeless assistance funds (5 points), and applicant’s past contributions toward CoC progress on <b>improving system performance</b> (5 points)	15	

**APPENDIX B: ESG LOCAL SCORING MATRICES Scoring Criteria – NEW APPLICANT (maximum 100 points):**

HUD Strategic Goals	<p>Number of Goals and Objectives from HUD’s Strategic Plan the application furthers:</p> <ul style="list-style-type: none"> <li>• Strategic Goal 1: Support Underserved Communities = 3 points</li> <li>• Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing = 3 points</li> <li>• Strategic Goal 3: Promote Homeownership = 2 points</li> <li>• Strategic Goal 4: Advance Sustainable Communities = 2 points</li> </ul>	10	
MCHSCoC Participation	<p><i>Applicant’s organization participates in MCHSCoC governance (score all that apply):</i></p> <ul style="list-style-type: none"> <li>• Holds a seat on the MCHSCoC Board = 2 points</li> <li>• Participates in at least one committee = 2 points</li> <li>• Regularly attends and participates in membership meetings = 2 points</li> <li>• Applicant does not have regular attendance or participation in MCHSCoC governance = 0 points</li> </ul> <p><i>Applicant’s organization has, in the last year, participated in activities to design, develop or evaluate the local system (score all that apply):</i></p> <ul style="list-style-type: none"> <li>• Participates in planning meetings for system design = 2 points</li> <li>• Participates in housing navigation or case conference meetings = 2 points</li> </ul>	10	
HMIS Data Quality & Timeliness	<p>Applicants will be evaluated based upon the project HMIS or Comparable Database Data Quality and Timeliness from the most recent CoC APR</p> <ul style="list-style-type: none"> <li>• Data Quality (5 points possible)</li> <li>• Data Timeliness (5 points possible)</li> </ul>	10	
Coordinated Entry System	<p>Applicants will be evaluated based on the project Coordinated Entry System (CES) participation:</p> <ul style="list-style-type: none"> <li>• Project will select participants from the Coordinated Entry System (CES) or completes CES screenings with project participants = 10 points</li> <li>• Project will not select participants from the CES and will not complete CES screenings with participants = 0 points</li> </ul>	10	
<b>Total Points</b>		<b>100</b>	