

## Attachment C

### Activities Eligible and Prioritized for Funding Under the 2019 CoC FL-507 Request for Applications

**IMPORTANT NOTE:** Many activities that are theoretically eligible to be funded under the Interim CoC Rule nevertheless cannot be funded or are extremely unlikely to be funded through the FY 2018 CoC Program regional application process, either as a result of HUD policies, directives and incentives, or of CoC FL-507/jurisdictional policies, priorities and funding constraints. These activities are denoted with a double-asterisk (\*\*) below.

Prospective Applicants should carefully review the HUD NOFA, the Interim Application (Attachment A) and Key CoC FL-507 Policies and Priorities (Attachment D), together with this list of eligible activities. References provided are to 24 CFR Part 578 (HUD's Interim CoC Rule).

#### **Program Components and Uses of Assistance (§578.37)**

##### **Key Definitions:**

- **Permanent Housing (PH)** means community-based housing without a designated length of stay, and includes both Permanent Supportive Housing and Rapid Rehousing.
- **Permanent Supportive Housing (PSH)** means permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently.
- **Rapid Rehousing (RRH)** means the provision of supportive services and tenant-based rental assistance in keeping with CoC FL-507 standards, as necessary to help a homeless individual or family, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing.

#### **Rental assistance (§578.51)**

- Rental assistance is an eligible cost for permanent housing and transitional housing (TH)\*\*.
- Program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- Three types of rental assistance configurations are eligible:
  - a) Tenant Based Rental Assistance is scattered-site rental assistance, in which Program Participants choose housing of an appropriate size in which to reside.
  - b) Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. Program participants must reside in housing owned or leased by the sponsor.
  - c) Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

#### **Supportive services (§578.53)**

- Grant funds may be used to pay the eligible costs of supportive services that address the particular needs of Program Participants.
- Although supportive services are essential, as the federal housing agency, HUD does not prioritize the use of CoC Program funding for supportive services. As a result, the amount that can be requested in the Submission to HUD is limited.
- Supportive services must be made available to Program Participants throughout the duration of their enrollment in the Project.

- Because of the limited supportive service dollars and the activities critical to housing retention and stability, CoC FL-507 has prioritized the use of HUD supportive services funding for case management (particularly Housing Stability Case Management and Housing Navigation as defined in the Housing Navigation Case Management Scope of Work (Attachment E).
- RRH, PSH and TH projects must ensure that Case Managers meet with each Program Participant not less than once per month to assist the program participant in maintaining long-term housing stability.
- Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services are not eligible costs.
- Additional information about additional types of supportive services that are potentially eligible but nevertheless unlikely to be funded can be found at: <https://tinyurl.com/yabgwqc8>

**Operating costs (§578.55)**

- Grant funds may be used to pay the costs of the day-to-day operation of permanent housing and transitional housing in a single structure or individual housing units.
- Program funds may not be used for rental assistance and operating costs in the same project. Program funds may not be used for the operating costs of emergency shelter- and supportive service-only facilities. Program funds may not be used for the maintenance and repair of housing where are included in the lease agreement.
- Eligible costs include maintenance and repair of housing; property taxes and insurance; scheduled payments to a reserve for replacement of a major system of housing; building security; electricity, gas, and water; furniture; and equipment.

**Leasing (§578.49)**

- Grant funds may be used to pay the costs of leasing a structure or structures, or portions of structures, to provide housing (or supportive services\*\*).
- Under leasing activity, the lease agreement is between the recipient of funds and the landlord, and units are not owned by the recipient. Occupancy agreements or subleases are required for participants.
- Terms of lease must be for at least 12 months and be automatically renewable upon expiration, for a maximum of 24 months.
- Eligible costs include: leasing structures\*\*, leasing individual units, utilities, security deposits and first and last month's rent

**§ 578.43 Acquisition\*\***

**§ 578.45 Rehabilitation\*\***

**§ 578.47 New construction\*\***

July 28, 2019