



Special Attention of:

- All Secretary's Representatives
- All Regional Directors for CPD
- All CPD Division Directors
- Continuums of Care (CoC)
- Recipients and Subrecipients of the Continuum of Care (CoC) Program

Notice: CPD-21-01

Issued: January 29, 2021

Expires: This Notice is effective until amended, superseded, or rescinded.

Cross Reference: subtitle C of title IV of the McKinney-Vento Homeless Assistance Act, (42 U.S.C. 11381–11389), 24 CFR Part 578, Further Consolidated Appropriations Act, 2020 (Public Law 116-94, approved December 20, 2019), and Consolidated Appropriations Act, 2021 (Public Law 116-260, approved December 27, 2020)

Subject: Fiscal Year (FY) 2020 Continuum of Care (CoC) Program Non-competitive Funding Notice

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I. Purpose

The U.S. Department of Housing and Urban Development (HUD) is issuing this Notice to non-competitively renew for one 12-month period existing CoC renewal projects (including Shelter Plus Care and Youth Homeless Demonstration Program (YHDP) projects), CoC planning awards, and Unified Funding Agency (UFA) Costs awards expiring during Calendar Year (CY) 2021 (between January 1, 2021 and December 31, 2021). Renewal amounts will be adjusted to account for changes in Fair Market Rent (FMR) as applicable. This process includes any current CoC Program-funded project and award that has an expiration date in CY 2021.

The CoC Program is designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, states, and local governments to quickly rehouse homeless individuals, families, persons fleeing domestic

violence, sexual assault, dating violence, and stalking; and youth while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs by homeless individuals and families; and to optimize self-sufficiency among those experiencing homelessness.

II. Summary

A. Overview

1. *Federal Agency Name:* Department of Housing and Urban Development, Office of Community Planning and Development.
2. *Authority:* The CoC Program is authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act, (42 U.S.C. 11381–11389) (the Act), and the CoC Program rule found in 24 CFR part 578 (the Rule). The Fiscal Year (FY) 2020 funds were provided by the Further Consolidated Appropriations Act, 2020 (Public Law 116-94, approved December 20, 2019) (FY 2020 HUD Appropriations Act) and will be distributed according to section 409 of division L and section 104 of division Q of the Consolidated Appropriations Act, 2021 (Public Law 116-260, approved December 27, 2020).
3. *Publication:* This Notice is initially being published on HUD’s website.
4. *Catalog of Federal Domestic Assistance (CFDA) Number:* 14.267 Continuum of Care Program.
5. *Funds Available:* Approximately \$2.5 billion will be used renew existing of CoC Program projects (including Shelter Plus Care and YHDP projects) and CoC planning and UFA Costs awards. Funds remaining from prior year appropriations may be utilized to fully renew eligible awards. HUD is not soliciting or accepting new project applications.

B. Eligibility and Funding Process

1. *FY 2020 Awards.* The Consolidated Appropriations Act, 2021 requires HUD to publish a Notice that identifies and lists all projects and award amounts eligible for non-competitive renewal funding, makes adjustments to the renewal amount based on changes to the Fair Market Rent, and establishes a maximum amount for the renewal of planning and Unified Funding Agency awards. To meet this requirement, HUD is publishing a Notice to the [HUD website](#) that includes:
 - Organization Name;
 - Project or Award Name; and
 - FY 2020 Eligibility Amount.

CoC Program funded organizations must notify HUD via email if a project eligible for FY 2020 renewal funding is missing from the published list. If your project is eligible for FY 2020 renewal funding and is missing from the published listed, send an email to 2020cocnotice@hud.gov with the following information that is located on your grant agreement, or grant agreement as amended:

- Organization Name;
- Project or Award Name;

- Grant Number; and
- Current grant amount under grant agreement.

Notification to HUD should be made as soon as possible if an award is missing from the published list.

2. *Fair Market Rent (FMR) Adjustments.* As required by the Consolidated Appropriations Act, 2021, HUD adjusted the renewal amount based on the FY2021 FMR:
 - a. *FMR.* Rental assistance projects that use FMR were adjusted based on the FY 2021 published FMR amounts for the applicable unit size and configuration.
 - b. *Actual Rent.* Rental assistance projects that use actual rent were adjusted based on the average increase in FMR amounts within the CoC's geographic area, weighted for population density. If the FMR for a specific area decreased from the previous year, recipients will not receive an award that exceeds the FRM after adjustment. If the FY 2021 FMR for the recipient's entire area decreased from the previous year, the project was awarded the lesser amount of the per-unit amount based on the actual rent costs per unit, or the FMR after adjustment.
 - c. *Permanent housing with Leasing and Operating Costs.* Operating and leasing in permanent housing projects were increased based on the average increase in FY 2021 FMR amounts within the CoC's geographic area, weighted for population density.
3. *CoC Planning and UFA Costs.* The maximum amount for CoC planning and UFA Costs, for UFA designated Collaborative Applicants, was calculated at 3 percent of each CoC's Final Pro Rata Need (FPRN) or \$1,250,000; whichever is less.
4. *Grant Agreements.* HUD will prepare and send the FY 2020 1-year grant agreement to the authorized contact person for each recipient via email for signature. Recipients are to return the signed grant agreement to the field office within 30 days upon receipt. Once the HUD field office receives the signed grant agreement from the recipient, the FY 2020 funds will be released for the project. Collaborative Applicants that were designated as a UFA and received FY 2019 UFA Costs will receive one grant agreement for all FY 2020 awarded projects. HUD will prioritize the execution of grant agreements for projects and awards with grants expiring during the first quarter of CY 2021.

C. Collaborative Applicants

The Collaborative Applicant approved by HUD during the FY 2020 CoC Program Registration process must be the same organization that will receive CoC planning and if designated as a UFA by HUD, UFA Costs funding. If the Collaborative Applicant changed after the FY 2020 registration process closed, notify the local HUD field office in writing and send a copy of the notification to 2020cocnotice@hud.gov, stating the reason for the Collaborative Applicant change and include documentation of the CoC's

approval of the change (e.g., a copy of the meeting minutes that includes a list of those in attendance). HUD will accept Collaborative Applicant changes after the annual CoC Program Registration process under the following circumstances:

1. an error was made by the Collaborative Applicant when entering the Collaborative Applicant's name in the CoC Applicant Profile;
2. the Collaborative Applicant chosen by the CoC is no longer in business;
3. the Collaborative Applicant withdrew;
4. the CoC selected a new Collaborative Applicant; or
5. a new Collaborative Applicant was selected by HUD as a remedial action under Section 402(c) of the Act.

CoC Planning Funds. If the Collaborative Applicant changed after the FY 2020 CoC registration process, the FY 2020 CoC planning funds will be awarded to the new Collaborative Applicant as only the CoC's designated Collaborative Applicant can receive and expend CoC planning funds.

UFA Costs Funds. There are no changes to the Collaborative Applicants designated as UFA after the FY 2020 registration process. For this newly designated UFA, HUD will award all FY 2020 renewal funding to the Collaborative Applicant who is required to execute subrecipient agreements for the individual project funding.

III. Continuum of Care Requirements

A. Departmental Resources

The following links give detailed information on each resource

1. [Affirmatively Furthering Fair Housing](#)
2. [Code of Conduct List](#)
3. [Do Not Pay](#)
4. [Dun & Bradstreet](#)
5. [DUNS Request](#)
6. [Federal Awardee Performance and Integrity Information System](#)
7. [Federal Subaward Reporting System](#)
8. [HUD Funds available](#)
9. [HUD's Strategic Plan](#)
10. [HUD Grants](#)
11. [Limited English Proficiency](#)
12. [State Point of Contact List](#)
13. [System for Award Management](#)
14. [Uniform Relocation Act Information](#)
15. [USASpending](#)

See 24 CFR 578.93(c) for the Affirmatively Furthering Fair Housing requirements that apply to the CoC program. The Rule details the requirements with which grants awarded under this non-competitive process must comply. Regulatory citations are provided below so applicants can refer to specific areas of 24 CFR part 578.

B. Definitions and Concepts. The definitions and concepts contained in this section include terms that are important for recipients to understand the CoC Program.

1. Definitions from 24 CFR 578.3. For the purposes of this Notice, the definitions in 24 CFR 578.3 apply.

a. Recipient

b. Subrecipient

c. Unified Funding Agency (UFA)

d. Collaborative Applicant. Collaborative Applicant is defined in 24 CFR 578.3. Under this Notice, the Collaborative Applicant is the entity designated by the CoC to continue the ongoing activities and planning needs of the CoC Program in the CoC's geographic area; and, if designated by HUD as a UFA, to continue to administer FY 2020 renewal grants. As set forth in 24 CFR 578.3, the Collaborative Applicant is the only entity that can receive CoC planning, and, if the Collaborative Applicant is designated as a UFA by HUD, UFA Costs

2. CoC Program Notice Concepts.

The following terms is not found in 24 CFR 578.3 but may be found in other areas of the Rule or is used in this Notice to define concepts that pertain specifically to the FY 2020 funding process.

a. Eligible Renewal Project or Award. A project or award that will be under grant agreement by December 31, 2020 and will have an expiration date in CY 2021 (between January 1, 2021 and December 31, 2021).

C. Lead-Based Paint Requirements.

When providing housing assistance funding for purchase, lease, support services, operation, or work that may disturb painted surfaces, of pre-1978 housing, you must comply with the lead-based paint evaluation and hazard reduction requirements of HUD's lead-based paint rules (Lead Disclosure and Lead Safe Housing (24 CFR part 35)), and the Environmental Protection Agency (EPA) lead-based paint rules (e.g., Renovation, Repair, and Painting; Pre-Renovation Education; and Lead Training and Certification (40 CFR part 745)).

When providing education or counseling on buying or renting housing that may include pre-1978 housing, applicants must inform participants of their rights under the Lead Disclosure Rule (24 CFR part 36, subpart A), and, if the focus of the education or counseling is on rental or purchase of HUD-assisted pre-1978 housing, the Lead Safe Housing Rule (subparts B, R, and, as applicable, F-M).

D. Environmental Requirements.

Notwithstanding provisions at 24 CFR 578.31 and 24 CFR 578.99(a) of the Rule, and in accordance with Section 100261(3) of MAP-21 (Pub. L. 112-141, 126 Stat. 405), activities under this funding notice are subject to environmental review by a responsible entity under HUD regulations at 24 CFR part 58.

(a) Two types of projects are Categorically Excluded from review under the National Environmental Policy Act and not subject to 24 CFR 58.5 (CENST): All scattered-site projects where program participants choose their own unit and are not restricted to units within a pre-determined specific project site or sites are categorized in 24 CFR 58.35(b)(1) as CENST. This now includes both tenant-based rental assistance and tenant-based leasing projects where program participants choose their own unit. The Exempt/CENST form is only required for each project, not every unit.

(b) For activities under a grant to a recipient other than a state or unit of general local government that generally would be subject to review under 24 CFR part 58, HUD may make a finding in accordance with 24 CFR 58.11(d) and may itself perform the environmental review under the provisions of 24 CFR part 50 if the recipient objects in writing to the responsible entity's performing the review under part 24 CFR part 58.

(c) Irrespective of whether the responsible entity in accordance with 24 CFR part 58 (or HUD in accordance with 24 CFR part 50) performs the environmental review, the recipient must supply all available, relevant information necessary for the responsible entity (or HUD, if applicable) to perform for each property any required environmental review. The recipient also must carry out mitigating measures required by the responsible entity (or HUD, if applicable) or select alternative property.

(d) The recipient, its project partners, and their contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under this funding notice, or commit or expend HUD or local funds for such eligible activities under this funding notice, until the responsible entity (as defined by 24 CFR 58.2(a)(7)) has completed the environmental review procedures required by 24 CFR part 58 and the environmental certification and Request for Release of Funds (RROF) have been approved, or HUD has performed an environmental review under 24 CFR part 50 and the

recipient has received HUD approval of the property. HUD will not release grant funds if the recipient or any other party commits grant funds (i.e., incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its RROF (where such submission is required).

IV. Renewal Projects and Awards

As stated in Section I, this Notice only renews CoC renewal projects (including Shelter Plus Care and YHDP), CoC planning awards, and UFA Costs awards expiring in CY 2021 (between January 1, 2021 and December 31, 2021). Grant terms are limited to 1-year of funding under this Notice.

A. Match

24 CFR 578.73 provides the information regarding match requirements.

B. Indirect Costs

Normal indirect cost rules under 2 CFR part 200 apply. Recipients that intend to charge indirect costs to the award must submit to the local HUD field office the rate and distribution base the recipient intends to use, and if applicable, the rate and distribution base to be used by a subrecipient(s). If the rate is a Federally negotiated indirect cost rate, the recipient must include the corresponding negotiated indirect cost rate agreement signed by the cognizant agency. A government department or agency unit that receives no more than \$35 million in direct federal funding per year and has developed and maintains an indirect cost rate proposal and supporting documentation in accordance with 2 CFR part 200, appendix VII, may use the rate and distribution base specified in that indirect cost rate proposal, unless the cognizant agency requires the proposal to be submitted for negotiation.

Each recipient or subrecipient that meets the conditions for the de minimis rate under 2CFR 200.414(f) and will use that rate to charge indirect costs, the project application must clearly state the intended use of the de minimis rate of 10 percent of Modified Total Direct costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. Once an organization elects to use the de minimis rate, the organization must apply this methodology consistently for all Federal awards until the organization chooses to negotiate for a rate, which the organization may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

C. Activities not Allowed in FY 2020

As the FY 2020 funding process is non-competitive and funds are awarded to existing recipients, the following that have been previously available and defined are unavailable under this Notice:

1. New projects;

2. Consolidations;
3. Expansions;
4. Transition grants;
5. Reallocation; and
6. Solo Appeals.

D. Other Guidance and Notifications

1. ***Performance and Compliance Actions of Funding Recipients.*** As part of HUD's ongoing management of each funded award, HUD will evaluate the performance and compliance of each funded award. HUD will measure and address the performance and compliance actions of recipients in accordance with the applicable standards and sanctions of the CoC Program.
2. ***Federalism.*** E.O. 13132 prohibits, to the extent practicable and permitted by law, an agency from promulgating policies that have federalism implications and either impose substantial direct compliance costs on state and local governments and are not required by statute, or preempt state law, unless the relevant requirements of Section 6 of the executive order are met. This notice does not have federalism implications and does not impose substantial direct compliance costs on state and local governments or preempt state law within the meaning of the executive order.
3. ***Digital Signatures and Recordkeeping.***

HUD is increasing electronic recordkeeping where feasible.

- a. HUD plans to use digital signatures on grant award and modification documents to expedite awards and modifications.
- b. HUD will manage email records in an electronic format. Recipients need not print emails and file them if their email system and procedures meet records management and litigation requirements (e.g., identifying, retrieving, and retaining the records for as long as they are needed).

V. Award Administration Information

A. Reporting

HUD requires recipients to submit performance and financial reports under OMB guidance and program instructions.

1. ***Reporting Requirements and Frequency of Reporting.*** This Notice and award agreements will specify the reporting requirements, including content, method of data collection, and reporting frequency. Recipients should be aware that the share of their Federal award may be subject to post award reporting requirements as reflected in

[Appendix XII to Part 200](#)-Award Term and Condition for Recipient Integrity and Performance Matters.

2. **Performance Reporting.** All HUD funded programs, including this program, require recipients to submit, not less than annually, a report documenting achievement of outcomes under the purpose of the program and the work plan in the award agreement. Direct questions regarding specific reporting requirements to the point of contact listed in Section @ Agency Contact(s) below.
3. **Program Performance Requirements.** Federal agencies are required to measure the performance of their programs. HUD captures this information from monitoring visits and APRs. HUD's homeless assistance programs are measured by the objective to "end chronic homelessness and to move individuals and families to permanent housing."

In accordance with program regulations at 24 CFR 578.103, recipients must maintain records within the timeframe required, and establish and maintain any reports, including those pertaining to federally protected classes, including for example, race, ethnicity, gender, and disability status that HUD may require. Recipients may report the data as part of their APR submission to HUD.

VI. Agency Contacts

HUD staff will be available to provide general clarification on the content of this Notice and the CoC Program requirements:

A. For Further Information. Individuals who are hearing- or speech-impaired should use the Information Relay Services at 1-800-877-8339 (these are toll-free numbers). Recipients and individuals can use the HUD Locator at <https://peoplesearch.hud.gov/po/i/netlocator/> to find contact information for the local HUD CPD Field Office serving the CoC's geographic area.

B. For Technical Assistance.

HUD staff will be available to assist conditionally awarded recipients to clarify or confirm information that is a prerequisite of a grant agreement by HUD (e.g., match, indirect costs).

C. Additional Contacts.

1. **Local HUD Community Planning Development (CPD) Office.** Questions regarding specific program requirements should be directed to the local HUD CPD field office, a directory of which can be found at <https://peoplesearch.hud.gov/po/i/netlocator/>.

2. **Training and Resources.** Recipients that need assistance understanding the CoC Program requirements may access the program laws and regulations, and other resources at https://www.hud.gov/program_offices/comm_planning/coc.
3. **Questions Regarding this Notice.** Questions regarding this Notice should be sent via email to 2020cocnotice@hud.gov.

VII. Other Information

- A. **Paperwork Reduction Act Statement.** The information collection requirements in this notice have been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C.3501-3520). In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. The OMB control number for the CoC Program is 2506-0112 (exp. 02/28/2022). Each Program NOFA will identify its applicable OMB control number unless its collection of information is excluded from these requirements under 5 CFR part 1320.
- B. **Environmental Impact.** A Finding of No Significant Impact with respect to the environment has been made for this Notice, in accordance with HUD regulations at 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The Finding of No Significant Impact is available with the posting of this Notice at [HUD's Funding Opportunities Page](#).



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