

**Orange County  
Continuum of Care  
Homeless Assistance Programs**

**Letter of Intent (LOI)  
For All CoC Funded Projects**

**Part I  
Agency Administrative Review**

**2015 Renewal Application**

**Released**  
May 1, 2015

**LOI/Part I Submission Deadline**  
May 22, 2015 at 12:00 pm (noon) PST

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# ORANGE COUNTY CONTINUUM OF CARE 2015 RENEWAL APPLICATION LETTER OF INTENT/PART I – AGENCY ADMINISTRATIVE REVIEW

## INTRODUCTION

On an annual basis, the U.S. Department of Housing and Urban Development (HUD) provides funding for homeless programs authorized under the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act through a Continuum of Care (CoC) Notice of Funding Availability (NOFA) process. In order to submit an application to HUD for renewal funding, all projects must submit a local Letter of Intent (LOI) to the Orange County CoC for evaluation to determine renewal status. The evaluation process helps to ensure a high standard of quality for renewal applicants, and may also be used to make funding reallocation decisions at the local level. After the local LOI application submission process, successful renewal applicants may be invited to submit an application once the NOFA is released.

In Orange County, the Commission to End Homelessness (Commission) is the group of community stakeholders that sets local priorities for the CoC NOFA funding. The Commission, in collaboration with County staff, will evaluate 2015 HUD NOFA regulations along with agency and project performance on the past grant(s) to ensure successful execution going forward. **Please note that renewal funding is not guaranteed upon submission of the Letter of Intent to the County.**

## RENEWAL ELIGIBILITY

A Project is considered eligible for renewal in the 2015 CoC NOFA competition if the current contract with HUD expires in calendar year 2016, has been included and confirmed on the final Grant Inventory Worksheet (GIW) or other process for verifying renewals as required by HUD, has met all performance spending and capacity requirements, and any other requirements outlined in the 2015 HUD CoC NOFA.

The Orange County CoC reserves the right not to renew grants that have exhibited serious capacity issues in prior grants, including performance and financial problems, HMIS participation, unresolved monitoring issues, or based on the best interest of the entire Orange County CoC Application. HUD will review applications and make the final funding recommendations.

## LOCAL LETTER OF INTENT (LOI) PROCESS

The Orange County CoC will begin its evaluation of renewal projects through two processes: Agency Administrative Review (Part I) and Project Review (Part II) to determine which agencies and projects are eligible to submit an application in the 2015 HUD CoC NOFA.

Agencies that fail the LOI/Part I process will forfeit their project funding and their funds will be reallocated. Consequently, the Orange County CoC will prepare policies and conduct a Request for Proposal (RFP) to reallocate funding for projects that are not eligible to proceed to LOI/Part II, along with other types of projects that do not meet performance measures<sup>1</sup>.

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<sup>1</sup> See Reallocation of Funding on page 5 for more details.

Once the 2015 HUD NOFA is released, the Orange CoC will finalize the LOI/Part II application to ensure all applicable requirements are included.

At the completion of both LOI/Part I and LOI/Part II processes, the Orange County CoC (and relevant committees or sub-committees) will establish the 2015 CoC Application Renewal Project Evaluation Process based on 2015 HUD CoC NOFA requirements and project priorities. A copy of these policies will be distributed to the agencies. Additionally, all agencies will be notified of their project rank and scores through a Project Priority Listing after it has been evaluated and approved by County staff, the Ad Hoc Committee, and the Commission.

## **LOI/PART I: AGENCY ADMINISTRATIVE REVIEW PROCESS**

The general purpose of the LOI/Part I process is to 1) assess agency's capacity to administer CoC homeless projects while complying with HUD requirements; 2) determine which agencies are eligible to proceed to LOI/Part II; and 3) identify the amount of funds to be reallocated and how these funds will be reallocated. The results of the LOI/Part I process will be presented to the Ad Hoc Committee for recommendation and the Commission to End Homelessness Executive Committee for final approval.

In particular, the LOI/Part I process will include a comprehensive review of the following:

1. Technical Requirements \*
2. Document Presentation Requirements\*
3. Threshold Review of Minimum Requirements

\*The Orange County CoC reserves the right to administratively disqualify any application that does not comply with the Technical and Document Presentation Requirements.

### **TECHNICAL REQUIREMENTS FOR PREPARING THE LETTER OF INTENT PACKET**

1. One (1) printed original with signatures and one (1) complete copy in binders with clearly marked section tab dividers for all exhibits, attachments and required documents.
2. One (1) electronic copy on a USB flash drive with completed LOI/Part I, exhibits and attachments along with other pertinent documentation to be organized and separated per Document Presentation requirements.

### **DOCUMENT PRESENTATION REQUIREMENTS**

1. **No late submissions** will be accepted.
2. **Clearly identify** which version is the original and which is the copy on the front page of the document.
3. All sections will be numbered separately with tabs in accordance with the Supporting Documents Checklist.
4. **Most recent** documentation for each Exhibit and Attachment.
5. Dividers with tabs clearly labeled between each exhibit and attachments.
6. **Complete** all attachments and exhibits per LOI requirements. Do not leave any blank responses without an explanation. If the question is not applicable, please indicate N/A.
7. All documents with a signature block must be **signed** by the authorized officer(s).
8. All supporting documents must be included in the submission. No exceptions.
9. All supporting documents must be legible.
10. Double-sided.

## THRESHOLD REVIEW OF MINIMUM REQUIREMENTS

If the LOI/Part I meets the Technical Requirements AND Document Presentation Requirements, the application will move forward to Threshold Review of Minimum Requirements. Applications must meet minimum requirements in order to be considered for renewal funding. Complete applications that pass Threshold Review will proceed to LOI/Part II of the application process.

Applications that do not pass the threshold review process will be eliminated from further consideration and funding for their projects will be reallocated accordingly.

A threshold review will be conducted to ensure that the agency meets the following minimum requirements:

- Applicant agency must be in good standing with HUD<sup>2</sup>; AND
- Applicant agency must pass financial audit review.

## REALLOCATION OF UNSPENT FUNDS

Reallocation is a process allowed by HUD that allows the CoC to improve its effectiveness by strategically aligning limited funding to housing the homeless, specifically the chronically homeless. CoCs are not only encouraged, but expected to modify their systems to serve the individuals and families with the highest needs. It is also a local process to support viable projects and reallocate funding from poor performing projects that do not achieve CoC system objectives and goals.

Consequently, funding for 1) projects that are not eligible to proceed to LOI/Part II; AND 2) project funds that are unspent from previous years; AND 3) low performing transitional housing projects will be reallocated.

To assess the level and extent of unspent funds, the Orange County CoC, in collaboration with 2-1-1 Orange County (211OC) and HUD, will be evaluating any unspent funds from agencies for the last three (3) grants (Exhibit 3: Financial Assessment) and evaluating project information for the last three (3) years in the Line of Credit Control System (LOCCS).

*Note: At the time of distribution, the Ad Hoc Committee is considering the reallocation of projects whereby 10% or more of the grant amount was unspent for three consecutive years*

## EVALUATION OF OTHER APPLICATION COMPONENTS<sup>3</sup>

Once the LOI/Part I and LOI/ Part II process is completed, each project will be rated and ranked per the Commission approved policy, HUD requirements, and guidelines from the 2015 HUD NOFA<sup>4</sup>.

The following application components may be utilized in this scoring process:

1. Board of Director's Roster and Resolution (Exhibit 1: Attachment 2).
2. HUD Monitoring letters (Exhibit 1: Attachment 6).

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<sup>2</sup> County staff will be working in collaboration with HUD on determining good standing status.

<sup>3</sup> Only applicable for eligible applications proceeding to LOI/Part II.

<sup>4</sup> HUD requires that all CoC project applications be scored and ranked.

3. Applicant agency must be in good standing with HMIS<sup>5</sup>. **See below for details.**
4. Participation in Local Continuum of Care. **See below for details.**
5. Other HUD requirements, as required by 2015 HUD CoC NOFA.

## HMIS

The HEARTH Act, enacted into law on May 20, 2009, requires that all communities have a Homeless Management Information System (HMIS) with the capacity to collect required data concerning individuals and families experiencing homelessness. The HEARTH Act also codifies into law certain data collection requirements integral to HMIS. With enactment of the HEARTH Act, HMIS participation became a statutory requirement for recipients and sub-recipients of CoC Program and Emergency Solutions Grant (ESG) funds.

HUD expects CoCs to use HMIS data to track their progress in meeting CoC and project-specific performance goals, to support community-wide planning, and to identify how best to direct resources to prevent and end homelessness. CoCs need high-quality HMIS data to complete the homelessness components of the Consolidated Plan and to meet HUD reporting requirements, such as the required Point In Time (PIT) Count, Annual Performance Report (APR) and Annual Homeless Assessment Report (AHAR). Finally, HMIS data are essential to documenting a CoC's qualifications as a high-performing community.

## PARTICIPATION IN LOCAL CONTINUUM OF CARE

The level of agency participation at the local CoC and 10 Year Plan to End Homelessness committees, subcommittees, and/or working groups will be considered in the LOI/Part I evaluation process.

## REQUIRED DOCUMENTS THAT MUST BE COMPLETED FOR PART I

Please complete all of the required forms listed below in your assigned USB.

- Exhibit 1: Lead Agency Information Form
  - Attachment 1: Organizational Chart
  - Attachment 2: Board of Directors' Roster<sup>6</sup> and Resolution
  - Attachment 3: State Certificate of Status
  - Attachment 4: Organization's Code of Conduct
  - Attachment 5: 501 (c) 3 certification
  - Attachment 6: Most recent HUD Monitoring letter and close out letter for all HUD projects
- Exhibit 2: Terms and Conditions<sup>7</sup>
- Exhibit 3: Financial Assessment
  - Attachment 7: A-133 form, if applicable<sup>8</sup>

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<sup>5</sup> County staff will be working in collaboration with 211OC, the designated HMIS lead agency, on determining good standing status.

<sup>6</sup> Under the HEARTH Act, each recipient or project sponsor is required to provide for the participation of not less than one homeless individual on the board of directors or other equivalent policymaking entity of the recipient or project sponsor, to the extent that such entity considers and makes policy decisions regarding any project, supportive services, or assistance provided.

<sup>7</sup> The release of information document will allow the Orange County CoC to share information, such as data in the Line of Credit Control System, with 211OC, HUD and other applicable third party entities.

<sup>8</sup> If applicable include A133 form (agency receives more than \$500,000 in federal funding during a fiscal year).

- Attachment 8: Two most recent agency financial audits by a certified CPA<sup>9</sup>
- Attachment 9: Line of Credit Control System (LOCCS) screenshot for past 3 years (per CoC project)

## REQUIRED HUD FORMS THAT MUST BE COMPLETED

All HUD forms are to be completed in your assigned USB.

HUD Form	Purpose
SF 424 Supp	Survey On Ensuring Equal Opportunity For Applicants
2880	Applicant/Recipient Disclosure/Update Report
SF LLL	Disclosure of Lobbying Activities
50070	Drug-Free Workplace Certification

## SUBMITTAL REQUIREMENTS

Please review the key dates and deadlines of the LOI/Part I process:

### LETTER OF INTENT TIMELINE AND DUE DATES<sup>10</sup>

	Due Dates
Release of LOI/Part I	May 1, 2015
Acknowledge of Receipt of LOI/Part I (24 hours from release)	May 4, 2015
LOI Application Workshop	May 8, 2015 at 9:00 a.m.
Deadline for LOI/Part I	May 22, 2015 by 12:00 pm (noon) Pacific Standard Time

## PART I – SUBMISSION

Renewal applicants are required to complete this LOI/Part I by answering all questions and providing the required documentation to pass the threshold. Renewal applicants passing the threshold will be recommended for submission of their application in e-snaps and inclusion in the HUD NOFA competition.

The LOI/Part I must be time-stamped on the cover page of the original and complete copies by 211OC staff. It is the sole responsibility of the Respondent to ensure that delivery is made prior to the Due Date and Time. Delivery receipts are available upon request.

<sup>9</sup> Agencies should have an audit completed for the agency within 9 months of the end of the fiscal year. Attach the full audit reports and management letter(s).

<sup>10</sup> Dates are subject to change.

The LOI/Part I including all Exhibits and Attachments must be **hand delivered** by 12:00 pm (noon) Pacific Standard Time on May 22, 2015 to:

2-1-1 Orange County  
Attention: Zulima Pelayo  
1505 E. 17th Street, Suite 108  
Santa Ana, CA 92705

**If your agency meets the requirements under LOI/Part I and is recommended for renewal and inclusion in the 2015 HUD CoC application, your agency will be notified to proceed with the LOI/ Part II application process.**

## RIGHT OF ORANGE COUNTY CONTINUUM OF CARE TO WAIVE IRREGULARITIES

The Orange County CoC reserves the right to:

1. Withdraw this solicitation at any time without prior notice and, furthermore, makes no representation that any contract occur and that funds will be awarded by HUD to any respondent to this solicitation.
2. Waive any irregularities in the LOI process and to reject any and all submissions not in the best interest of the CoC.
3. To request additional information and material. In addition, once released, the application from HUD may require and warrant the request of supplemental material.
4. Not renew grants that have exhibited serious capacity issues in prior grants, including performance and financial problems, HMIS participation, or unresolved monitoring issues, or based on the best interest of the entire CoC Application. HUD will review applications and make the final funding decision.
5. Retain all submitted LOIs. Selection or rejection of a LOI does not affect these rights.

## FURTHER QUESTIONS AND ADDITIONAL RESOURCES

211OC is available to answer questions on the LOI, application deadlines, process, training, or to provide copies of application materials. For further questions or technical assistance, please contact 211OC.

211 OC Staff Person	Phone	Email
Zulima Pelayo	(714) 589-2358	<a href="mailto:zpelayo@211oc.org">zpelayo@211oc.org</a>

Specific questions regarding your HUD grant amount, HUD guidelines and etc. should be directed to your local HUD field office representative. **Please DO NOT contact the HUD office regarding Orange County's local application deadlines or process**, as 211OC is available to answer those questions.

## ADDITIONAL INFORMATION

Agencies will be required to comply with terms set forth by the CoC and HUD. In addition, all applicants are strongly advised to review all applicable terms, conditions and federal requirements.

It is strongly recommended that you obtain and review information related to the Continuum of Care Program, the CoC Interim Rule, and the HEARTH Act Regulations, along with any other related documents prior to completion of this LOI/Part I. In addition, HUD will provide updates via their website at <https://www.hudexchange.info/>.