VTBOS New Project RFP Info Session FAQ

Budget

****Use this quick reference chart to see eligible costs by component type**

Q: Would this award cover both the rent and service components of a RRH project?
A: Yes, though you can also choose what you apply for. The rental assistance budget is based on the current Fair Market Rents. That will help you determine available amounts for the service package, and how many people can be served with the proposed budget, whether there are services that can be leveraged, e.g., can your match cover services so that you can ask for more in rental assistance. There's a lot of flexibility in how this budget can be set up and what service components need to be included.

Q: Can a building be developed or purchased?
A: Purchase or development is not available, only for leasing and/or operating costs.

Q: Can you purchase or develop units for the PSH or just leasing and rent based?
A: You can apply for a site-based PSH project, but capital is not an eligible cost.

Q: Is De Minimus the 10% on top of the direct cost?
A: The 10% de minimis indirect cost rate is not the same as the allowable 10% administrative costs. Indirect costs at the de minimis rate may be used by any non-federal entity that has never received a negotiated indirect cost rate. This rate would be charged against modified total direct costs (MTDC). You can also get a federally approved rate to get more money to the organization. See this reference for more information.

Q: What is the estimated available funding for bonus projects?
A: Roughly $400,000, based on HUD's 14% increase from their Congressional appropriation; however, this is always subject to change.

Services

Q: Does HUD recognize mental health peer support or recovery coaching as parts of either mental health services or substance abuse treatments, or does it have to be called something else, like outreach or life skills?
A: Under mental health services 578.53(e) (11), eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Generally speaking, peer support would not meet the requirement of being provided by a licensed professional; however, if provided under the supervision of a licensed professional and in accordance with a treatment plan developed in conjunction with and approved by the licensed professional, then the argument could be made that it qualifies. Under substance abuse treatment services, 578.53(e) (14), the costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. To the extent that 'recovery

coaching' is 'individual counseling', it would be eligible. If the service is provided by or under the supervision of a licensed counselor, it would likely be eligible.

Q: RFP shows something called "supportive services only/coordinated entry", is that only available to the Lead Entity for coordinated entry? And is it only associated with this or are there service categories related to this available?
A: HUD used to fund SSO projects but has been encouraging reallocation of those projects for years. Their stance is that agencies should leverage supportive services from other places whenever possible. If an agency already has funding for the housing portion of a project, it is possible to apply just for services under the PSH component type as long as it's clear that the vouchers/funding will be leveraged and how the HUD-requested funding will be used alongside the leverage.

Match

Q: Can our agency use funding that goes toward activities eligible under the street outreach component, as Match for our PSH project?
A: The 25% match requirement must be for eligible activities under the specific program component being applied for. Outreach is a supportive service under 578.53(e) (13), covering the costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants. If the agency is operating a PSH project intended to serve people coming directly from the streets, and they are using outreach to engage and help people transition into the PSH project, then it should qualify as an eligible activity for a PSH project.

Q: If an applicant is exploring a partnership with a dedicated mental health agency, can units owned by the partnering mental health agency be used as match for the grant budget under the following scenarios: 1) providing units with HUD funding covering rent and a risk mitigation fund pool, or 2) providing units with tenant-based vouchers such as Shelter Plus Care, considering they do not have project-based vouchers?
A: Option 1 would not qualify as match since HUD is still covering costs of housing. The second option sounds like it would also be coming from HUD if it's Shelter Plus Care vouchers...if the housing was funded using Housing Choice Vouchers or any other vouchers coming from a non-CoC source, e.g., Section 8 Program (mainstream, FUP, etc) or other non-CoC Program funded vouchers, that would qualify as match.

Component-Specific Questions

Q: Is Dedicated PLUS not an eligible population for Rapid Rehousing (RRH) projects?
A: RRH may be utilized to serve anyone who is experiencing homelessness, regardless of the barriers that households have to obtain housing and services, or their vulnerability levels. RRH was initially designed for households experiencing episodic homelessness, meaning households with fewer barriers to obtaining housing and services. In the years leading up to COVID pandemic, there has been a push to use RRH to serve households experiencing chronic

homelessness or those with zero income. Some locations have been able to make this model work, while others have not. Either way, it is ultimately up to the RRH provider to receive 100% of their referrals from Coordinated Entry, and the CoC to establish standards for the provision of RRH, including the decision to target populations with higher barriers to housing.

Q: Our agency is considering applying for a new project-based Permanent Supportive Housing project. The project is funded on the capital side and will come online in 2026. Should we apply as a scattered site or project-based PSH project?
A: If your agency applies in this NOFO, reasonable speculation is that the soonest HUD will enter into a contract will be the fall of 2025. If the agency applied for an initial grant term of 18 months and HUD is ready to enter into a contract in October or November 2025, then depending on when in 2026 they are ready for occupancy, Project-based Rental Assistance might work. HUD historically has not allowed changes to a project in the first program year, so if the agency enters into a contract in Oct/Nov 2025 for 12 months of Tenant-based Rental Assistance, the agency may not be able to amend until, at the earliest, Oct/Nov 2026.

Q:We are a Home Health and Hospice Organization exploring an initiative to develop housing for medically frail individuals whose health is adversely affected by insecure housing. A local medical facility discharges around 70 patients daily without adequate housing options for them. Our idea is to purchase a facility where these individuals can stay for up to 6 months while receiving necessary care, in partnership with other service providers. Would funding be available for the purchase, renovation, and operation of such a facility?
A: The model that's described is more aligned with medical respite care, which does not fit within the Joint Transitional Housing/TH-RRH framework. Although HUD has indicated they are expanding their offerings, the specifics are still unknown until the NOFO is released. Historically, the CoC program has not funded sheltering activities, which are typically covered by Emergency Solution Grants (ESG). However, medical frailty and aging are significant and worsening issues nationally, so even if medical respite may not be an allowable program model, considering permanent housing solutions for medically frail individuals could be a viable approach.

Q: What is meant by the slide statement that there are no indicators for who will succeed in RRH?
A: The field has not been able to predict who will do well in RRH, so, for instance, when housing was not as tight, RRH was used to work with folks with zero income and folks who had been experiencing chronic homelessness, with successful outcomes. RRH was originally developed as a program model for people who were more episodically homeless than chronically homeless, so this is a statement indicating that it does not have to be limited to households with fewer vulnerabilities.

Other Questions

Q: Are referrals from Coordinated Entry considered the sole source of referrals, or can other referral mechanisms be maintained while still accepting new referrals through the Coordinated Entry process?
A: CoC Program funded projects must receive 100% of their referrals from Coordinated Entry. If Coordinated Entry referrals are not appropriate for the particular services provided by a project, this is an opportunity to engage with the CoC and Coordinated Entry Committee about the unique qualities of the organization and how Coordinated Entry referrals can be tweaked, e.g., if a harm reduction-based PSH project is oriented to serving households still actively using, that is information that CE referrals would need to take into account to make sure that precious resource is being used to its maximum potential for an often underserved population.

Q: How can we help individuals aspire to their own homes and create opportunities to get people housed in Vermont? There is promise in this approach as long as we carefully scrutinize and select the individuals who qualify.
A: The CoC program is primarily focused on individuals who are already in shelters, living on the street, or in transitional housing—situations defined as homeless by HUD. This focus is limiting, as there is prevention work that would help. Currently, the CoC program does not incorporate much prevention work. However, the Youth Homeless Demonstration Program (YHDP) allows serving individuals in Category 2 (at risk of becoming homeless), and future RRH funding may include both Categories 1 and 2.

To address this broader vision of stable housing for all, a broad coalition of community partners need to be active participants in the CoC and drive the conversation, emphasizing that we are not just service providers. As a collective, we have significant power and should leverage it to broaden our efforts. With a Balance of State (BOS) CoC, we have a nearly statewide continuum that can advocate for necessary funding to make housing happen.

Organizations applying for funding can have sub-recipients, meaning service providers and housing providers need to collaborate closely. Community Action Agencies can more easily supply match funding via their CSBG funding, and can be valuable partners due to long-term connections to vulnerable communities.