



ADDENDUM NO. 1
MAY 11, 2022

DURHAM CONTINUUM OF CARE PRE-APPLICATION SUBMISSIONS

Notice to: Prospective Submitters

This addendum containing the following additions, clarifications, and/or changes, is issued prior to receipt of pre-applications for the 2022 Durham Continuum of Care Homeless Grants Competition and does hereby become part of the original Request for Pre-applications and documents and supersedes the original Request for Pre-applications and documents in case of conflict.

Please see the questions received pertaining to the above Request for Pre-applications and responses provided by City staff to written questions received by the Community Development Department prior to the stated deadline of May 6, 2022.

1. My question is regarding the required documents that organizations currently receiving CoC funds must submit. Per the pre-application, there are 5 requested documents for current CoC-funded organizations, and they are as follows:
 - a. The organization's two most recent audits
 - b. The list of the current Board of Directors
 - c. Minutes of all Board meetings for the period 4/1/2021 through 3/31/2022
 - d. A Preliminary Project Budget for each project for which it intends to seek CoC funding
 - e. A Grant Expectations Certificate signed by the CEO and dated within 30 days of the pre-application submission

That being said, does this mean that current CoC-funded organizations are not required to submit the following 3 documents:

- a) Durham CoC Membership Agreement
- b) Current Policies & Procedures
- c) Letter stating intent to submit multiple applications?

Answer: *That is correct. Organizations currently implementing CoC-funded projects do NOT need to submit a Durham CoC Membership Agreement, the current Policies & Procedures of the project(s) for which the organization is seeking renewal funding, and a letter stating an intent to submit multiple CoC applications. Our rationale is that, by virtue of having active CoC funded projects, organizations will already have submitted a CoC Membership Agreement. Also organizations will already have submitted the Policies & Procedures of funded projects for the first semi-annual performance evaluation of 2022 earlier this year. We also believe that the information in the pre-application and the preliminary project budget(s) should adequately document the intention to submit multiple project applications.*

2. Can Accessory Dwelling Units (ADUs), by virtue of being ADUs, still meet or pass Housing Quality Standards (HQS)? Would it be possible to use CoC funding to pay rent for households that live in an ADU?

Answer: *CoC funds may be used to provide rental assistance payments for units, including ADUs, that meet the HQS defined in 24 CFR 578.75 and 24 CFR 982.401. 24 CFR 578.75(b) states that "Housing leased with Continuum of Care program funds, or for which rental assistance payments are made with Continuum of Care program funds, must meet the applicable housing quality standards (HQS) under 24 CFR 982.401 of this title." Pre-applicants are referred to these federal regulations for additional information. In addition, HUD states that, "This interim rule clarifies that recipients must abide by housing quality standards **and suitable dwelling size.** (emphasis added)." For additional information, pre-applicants may wish to consult <https://www.hud.gov/sites/documents/DHAPSANDYHABITCHKLIST.PDF> and/or <https://www.hud.gov/sites/dfiles/OCHCO/documents/52580.PDF>*

Pre-applicants also should note that, per 24 CFR 578.55, "Program funds may not be used for rental assistance and operating costs in the same project."