



May 2, 2019

Dear HUD CoC Sub-recipient Grantees:

The Department of Homelessness and Supportive Housing (HSH) has received questions related to sub-recipient grant amounts for federal programs. Per the U.S. Department of Housing and Urban Development (HUD) Continuum of Care (CoC) regulations, direct recipients of CoC funding may use a portion of the CoC award amount to administer CoC-funded programs and sub-recipient grants. As the direct recipient of the San Francisco CoC funds, HSH is responsible for ensuring adherence to all applicable federal regulations and requirements. Additionally, for some projects, HSH provides direct program support to federally subsidized housing programs. As such, sub-recipients may find that the amount in the annual sub-recipient grant agreement with HSH differs from the annual HUD CoC award letter.

Activities related to the administration of CoC include, but are not limited to, grant draw downs and payment, sub-recipient monitoring, planning activities and evaluation of project outcomes. HSH also directly provides program-or project-eligible activities, such as client eligibility determinations, income verification, and housing placement assistance through its federal subsidy team. HSH annually reviews program and administrative grant funding allocations to ensure compliance with all HUD regulations and finalizes those allocations after HUD announced its CoC awards.

Additionally, HSH is phasing out all memorandum of understandings (MOU) with CoC sub-recipients and transitioning all providers to HSH grant agreements. This process is to ensure grant agreement language reflects all current HUD requirements for sub-recipients and conforms to City and County of San Francisco terms and conditions where applicable. HSH grant agreements may have multi-year terms but annual funding amounts will be reviewed and adjusted annually based on final HUD CoC allocations. Any changes will be communicated to providers with an updated budget or amended grant agreement with final changes reflected in CARBON for accurate billing and financial reporting.

Should you have any questions your CoC grant agreement, please contact your assigned Contract Manager, as listed in CARBON.

Thank you for your partnership,

Gigi Whitley, HSH Deputy Director for Administration and Finance

Cc: Salvador Menjivar, HSH Director of Housing Services
Thomas Chen, HSH Budget and Finance Manager
Gilda Kemper, HSH Contracts Manager
Jill Hroziencik, HSH Subsidies Administration Manager
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