Butte Countywide Homeless Continuum of Care
Project Application Review, Ranking and Selection Process and Procedure
Criteria for the Fiscal Year 2018
Continuum of Care Program Competition

The Butte Countywide Homeless Continuum of Care (BCoC) will use the following process to rank all projects/applications in the 2018 HUD Continuum of Care Program Competition.

Section I: HUD requirements and policies

Section II: Overview of the Butte Countywide Homeless CoC's Procedures

Section III: Butte Countywide Homeless CoC's policies related to Re-Allocation, Project Ranking and Project Tiers

Section IV: Process and criteria for ranking Renewal Projects

Section V: Process and criteria for ranking New Projects

Section VI: Policy and process for developing the final Project Priority Listing

Sent to the BCOC Council on July 16, 2018 for approval
CoC Council did not approve on Council Meeting on July 16th – Updates to be done
Special Meeting Established for Wednesday July 18th to Review and Vote for Approval on the Revisions

Section I: HUD Requirements and Priorities

On June 20, 2018, the US Department of Housing and Urban Development (HUD) published the Notice of Funding Availability (NOFA) for the Continuum of Care (CoC) Homeless Assistance Program. Applications are due to HUD by September 18, 2018.

For the 2018 CoC Program Competition, approximately $2.1 billion is available for FY 2018 including 50 million available for Domestic Violence (DV) Bonus projects. . Although the available amount of funding is expected to be sufficient to fund anticipated eligible renewal projects in the FY 2018 funding process, HUD continues to require Collaborative Applicants to rank all projects in two tiers. *(HUD has stated that Tier 2 will 6% of the CoC's ARD this year plus any amount available for bonus projects. Strong emphasis on performance and encouraging CoC's to reallocate under-performing projects).*

A. **Ranking Requirements:** The CoC must assign a unique rank to each project that it intends to submit to HUD for FY 2018 funding except for the CoC planning grant. Ranking of renewal projects must incorporate scoring on project performance, system performance and effectiveness.
   Each CoC must comprehensively review both new and renewal projects within its geographic area, using CoC-approved scoring criteria and selection priorities, to determine the extent to which each project is still necessary and addresses the listed policy priorities. Funds for projects that are determined to be underperforming, obsolete, or ineffective should be reallocated to new projects that are based on proven or promising models.

   Re-Allocation & Bonus: CoC's may use funds from part or whole existing grants to create new projects through re-allocation. A CoC is eligible to apply for up to 6% of its Final Pro Rata Need (FPRN) and may apply for more than one bonus project *provided it has demonstrated the ability to reallocate* lower performing projects to create new higher performing projects. CoC's may submit new project applications under the bonus and reallocation process. In the FY18 competition, HUD will allow projects and CoC's to combine bonus and reallocation available funding into a single project as both new bonus and new projects have the same eligible new components:

   1. **Permanent supportive housing (PSH) projects** where all beds are dedicated for chronically homeless individuals or families as defined in 24 CFR 578.3.
   2. **Rapid Re-Housing (RRH) projects** for homeless individuals or families that come directly from the streets or emergency shelters, including unaccompanied youth.
   3. **Joint Transitional Housing (TH) and Permanent Housing (PH)-Rapid Re-Housing (RRH) TH-RRH**: projects that will serve homeless individuals or families fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking who meet the HUD definition of homelessness or are residing in a TH program being eliminated.
   4. **New Supportive Services Only (SSO)** for coordinated entry system.
   5. **New dedicated HMIS projects** for costs at 24 CFR 578.37(a)(2) to be carried out by the HMIS Lead.

B. **New Projects for Domestic Violence (DV) Bonus:**
CoC's may create new DV projects. CoC's may apply for up to 10% of its Preliminary Pro Rata Need (PPRN) or a minimum of $50,000 or a maximum of $5 million. A CoC may apply for one of each of the following types of projects. Projects are limited to a 1 year funding request and must follow the Housing First approach:
1. Rapid Re-Housing (RRH) projects.
2. Joint Transitional Housing and Rapid Re-Housing (TH-RRH) projects.
3. SSO projects for coordinated entry (SSO-CE) to implement policies, procedures and practices that equip the CoC's coordinated entry to better meet the needs of survivors of domestic violence, dating violence, sexual assault or stalking (e.g. to implement policies and procedures that are trauma-informed, client-centered or to better coordinate referrals between the CoC's coordinated entry and the victim service provider system where they are different).

C. **Tiers & Priority Order**
HUD will continue the Tier 1 and Tier 2 funding process. In the FY18 CoC Program Competition, Tier 1 will equal 94% of the CoC's ARD. Tier 2 is 6% of the ARD plus the amount available for the PSH bonus.

Any new or renewal project may be placed in Tier 1. CoC's should carefully consider the priority and ranking for all projects in Tier 1 and Tier 2. Projects in Tier 1 will be conditionally selected if applications pass both HUD's eligibility and threshold review.
Projects placed in Tier 2 will be assessed for eligibility threshold and threshold requirements and funding will be determined using the CoC Applications score as well as factors listed in the NOFA.

D. **CoC's should consider the policy priorities established in the NOFA in conjunction with local priorities** to determine the ranking of new projects created through reallocation, CoC planning, UFA costs, and renewal project requests.

HUD'S FY 18 POLICY AND PROGRAM PRIORITIES

(1) Ending homelessness for all persons.
(2) Create a Systemic Response to Homelessness—measure system performance; create effective coordinated entry system; promote participant choice; plan as a system; make the delivery of homeless assistance more open, inclusive and transparent.
(3) Strategically allocating and using resources—review project quality, performance and cost effectiveness; maximize mainstream resources. Maximize mainstream and community resources when serving persons who are homeless.
(4) Use a Housing First approach.

Step 1 – Approved Procedures and Documentation

Review, Score and Ranking Procedures, the *Process for Reallocation,* and a *Request for Proposal (RFP) Project Applications* are developed and distributed to CoC Council members*. These documents* include all HUD eligibility, screening, and prioritization requirements. The documents are presented, reviewed, amended, and approved at a public CoC Council meeting.

Step 2 – Outreach

All non-profit and public agencies are invited to submit a proposal for new project funding when there is an opportunity for reallocation of funds or new funds allocated by HUD to the Butte County CoC. An announcement of available funds, the *Review, Score and Ranking Procedures*, and a *RFP Project Application* will be distributed to all agencies who are CoC members or who have expressed an interest in being informed of CoC activities. Individual agencies that have expressed interest in receiving CoC-program funds may also be directly contacted. The *Review, Score and Ranking Procedures* and *RFP Project Application* will also be posted on the CoC website.

Including in outreach for project applicants, is also persons who want to be on the review and ranking committee. To be a member, you and/or your organization cannot be apply for a CoC grant or receive funds from any grant as a sub-contractor.

Step 3 - Eligibility Threshold

Eligibility to apply will be based on each applicant's ability to complete and satisfactorily prove qualifications to meet HUD requirements for grant performance.
Only projects meeting the minimum threshold requirements will be reviewed and ranked.

Step 4 – Project Application Ranking

All eligible projects – both new and renewal - will be reviewed and ranked together in order to strategically allocate resources to the projects that best match the HUD priorities, and to prioritize projects that have been successful in supporting and housing those who are homeless. (See Process for Reallocation.) Performance will be analyzed with the use of data – CoC APR Reports (HMIS data) or comparable data for new projects – evidencing specific outcome areas. Applicants will also need to provide narrative and documentation on policies and practices when requested. Answers will be rated on a weighted scale. (See Project Application RFP.)

Completing the ranking portion of the application entails applicants demonstrating that their project aligns with the HUD policies and that evaluation measures prove the success of the program in meeting HUD goals. (Applicants who believe the criteria does not offer a fair advantage based on the nature of their agency or project may indicate that in the narrative of their application and request an exception. The council will consider that request during the review, score and ranking process.) Applicants will provide narrative and documentation to prove each criterion. After a comprehensive review by a neutral third party, points will be awarded accordingly. Project applications will then be ranked according to each applicant's score, and ordered from high to low score

on a spreadsheet which identifies tiers and funding levels as prescribed by HUD. Tier 1 and Tier 2 projects will be determined by which projects fall within the tiers according to their score. The number of projects funded is contingent on the annual allocation and type of projects funded at the top applicants.

Step 5 – Council Approval

Project application ranking will be recommended to the CoC Council, illustrated in an order ranking across tiers (see attached spreadsheet). The CoC Council will discuss, amend and approve ranking by majority vote. Those CoC Council Members who are submitted an grant application will recuse themselves from this vote.

Step 6 - Notifications

All applicants will be notified of their rank order via email. Applications who do not pass threshold requirements, or whose application scores rank them below the level of available funding, will be provided an explanation of why the application was rejected. The ranking spreadsheet will be posted on the CoC website for public review. Dated meeting minutes will be published for all meetings that pertain to the CoC's competition process and distributed to the full CoC membership.

Section III: Butte Countywide Homeless Policy on Project Re-Allocation, Ranking and Tiering

A. **Policy Objectives:**
   In developing our local policy governing project ranking, re-allocation and tiering, Butte Countywide Homeless CoC's objectives are to:
   - Comply with HUD requirements;
   - Preserve funding for high performing and effective projects;
   - Fund programs that contribute positively to the overall system performance;
   - Shift investments from lower performing projects and ones which are at risk of losing HUD funding to new projects that help advance our community's goal of reducing homelessness and demonstrate effective approaches and best practices.

Rationale for Preliminary Rankings

- Closely followed HUD's priorities and guidelines for ranking projects.

- Contribution to System Level Performance will be heavily weighted when ranking projects.

- Examine under-performing projects and under-utilized projects and consider reallocation.

- Projects/agencies engagement in Continuum of Care efforts and Coordinated Entry will be weighed when ranking projects.

- Projects that serve chronically homeless—those programs with dedicated CH beds were ranked higher on the list than programs without dedicated beds. Programs that described they would target chronically homeless for non-dedicated beds as they became available were ranked higher on the list.

- Projects implementing a Housing First model with policies and procedures to emphasize their practices ranked higher.

- Projects serving vulnerable populations (chronically homeless, mentally ill, youth and persons fleeing domestic violence) will be weighed when ranking projects.

- Cost efficiency and utilization will be considered when ranking projects within the project component (PH, PSH, TH).

B. **Project Review and Ranking Policy:**

The Butte Countywide Homeless CoC will invite submissions for new and renewal projects and will conduct a review and ranking following the procedures stated in Sections III and IV.

The general approach to rating and ranking will be to organize projects into two groups:
1) renewal projects/applications;
2) new projects/applications

Within each type, projects will be scored using a score system and placed within their ranked order, with renewal projects in the first group (ordered by score) and the new projects in the second group (ordered by score).

C. **Tiering Policy**

Once the rank order of projects has been determined the projects at the bottom of the list will fall into Tier 2 (6% of ARD).

As HMIS and Coordinated are HUD mandated requirements in order to receive Continuum of Care funding, it is strongly recommended as one of the top priorities in Tier 1 in order to secure funding for this authorized activity.

The CoC Planning Grant is not ranked per HUD's guidance.

Section IV: Process for Rating and Ranking of Renewal Projects

A: Rating and Ranking Process
All renewal projects will be ranked using an objective scoring system as approved by the CoC Council. CoC Staff and the CoC Review and Ranking Committee will use data provided through the RFP process to calculate a score for each renewal and use the results to develop the Project Priority Listing for review and approval by the CoC Council as recommended through the CoC Review and Ranking Committee.

The RFP process is intended to assess agency's capacity to administer CoC homeless projects while complying with HUD requirements. Additionally the RFP helps staff and the CoC Committees review the following:
1. System Performance Data (project contribution)
2. Annual Performance Report (APR) timeliness and Data Quality
3. Vulnerabilities of populations served by projects including filling vacancies through coordinated entry
4. Financial Commitment (Match)
5. Alignment with Best Practices: Housing First/Low Barrier/Harm Reduction
6. CoC Participation/BCoC Partner Agency MOU

CoC Staff and CoC Review and Ranking Committee will use data provided through the RFP process, HMIS reports (Annual Performance Reports and System Wide Performance Data) to develop the Project Priority Listing for review and approval by the CoC Council. This approval process is conducted in open meetings and all meetings and materials are posted on the BCoC website: www.buttehomelesscoc.com

B. Scoring Criteria for Renewal Projects

The scoring system will have a maximum of 100 points with points for project and system performance and threshold factors. Data to assess both performance and threshold criteria will be obtained from the information submitted by the applicants in their RFP response. System Performance Data will be pulled from HMIS; however, victim service providers must submit data generated from a comparable database for review.

The performance measures are based on those established by the CoC in FY2017. These performance measures are the locally designed and will be tracked through HMIS data (Victim Service Providers provide via our HMIS/Data):

- Average number of days from referral until participant is placed in housing (Benchmark: 15 days RRH, 180 TH/PSH)
- Percent of participants that move to Permanent Housing (or remain in Permanent Housing for PSH applicants) (Benchmark: 80%)
- Percent that return to homelessness within 12 months of exiting your program (Benchmark: Less than 15%)
- Percent of participants with an increase in earned income for project stayers (Benchmark: 8%)
- Percent of participants with an increase in non-employment income for project stayers (Benchmark: 10%)
- Percent of participants with an increase in Earned income for project leavers (Benchmark: 8%)
- Percent of participants with an increase in non-employment income for project leavers (Benchmark: 10%)
- Bed/unit utilization rate (Benchmark: 66%)
- Percent of participants that access mainstream benefits (Benchmark: 85%)

Some renewing projects will not have a full year of performance data to be considered in the review and rank process because they have not yet been operational for a full year. These projects will be reviewed on the data they have available but will not be penalized for not serving the full number of participants. If a new project does not have enough performance data to review, they will be reviewed for administrative and program compliance and be ranked at the bottom of Tier 1. Their overall score will place them in the bottom of the group of renewals but they will be placed in Tier 1 because renewals as a group will be the first on the Project Priority List.

If a project is poorly performing and lacks capacity, the committee may recommend the project for re-allocation.

C. HMIS Renewal

Consistent with previous CoC applications, HMIS renewals will be assessed for performance and spending in alignment with HUD requirements. As noted in Section II, the HMIS renewal will be placed in Tier 1.

Section V: New Projects

The CoC Council will examine recommendations from the CoC Review and Ranking Committee and CoC staff to determine the amount of funding available for reallocation.

Reallocated funds and new bonus funds will be awarded through a Request for Proposal (RFP) process for open competition.

The RFP will be structured to award funds to projects that 1) meet BCoC local priorities; and 2) are most competitive in evaluating project capacity and past performance. In addition, projects must meet HUD's threshold and quality requirements. The RFP will require applicants to submit project narrative, applicant capacity and financial information sufficient to assess all of these factors.

To evaluate whether projects meet the HUD threshold, quality standards, and performance standards, the projects will be reviewed by the CoC Review and Ranking Committee.

To evaluate project quality and fit with Butte Countywide Homeless objectives and develop a ranked order, the CoC will convene an unbiased project review panel to review each new project. Projects will be scored based on a 100 point system (Attachment A and B). The panel will then hold one meeting to review and score applications and arrive at a proposed final ranking for new projects, including a recommendation of which project should be submitted as the permanent supportive housing bonus. The panel may also recommend that projects should either increase or decrease their funding request to maximize the use of available reallocated or bonus funds.

The final ranking of new projects as determined by the Panel will be discussed and approved by the CoC Board on August 20, 2018 to determine the order on the Project Priority Listing.

Section VI: Final Project Priority List and Notification to Applicants

Once the rating and ranking processes for new and renewal applicants are complete, CoC staff will integrate the results of the scoring/ranking processes and create the final proposed Project Priority Listing for review by the CoC Council. This proposed list can include recommendations to adjust the placement of projects in Tier 2 in order to maximize the total funding award for Butte Countywide Homeless. The proposed final list will be approved and notice sent to the applicants of the final results no later than August 31, 2018.

Section VII: Appeal Process

1) Applicants my appeal any of the following decisions of the BCoC:
2) Placement of project into Tier 2
3) Reduction in funding
4) Project not included in final FY18 CoC consolidated application.

Appeals must be submitted to the Butte Countywide Homeless Collaborative Applicant no later than September 4, 2018. Appeals will be heard by the CoC Council Members who are not requesting CoC Funding.   The decision of the appeal panel is final.

Attachment A

Scoring Sheet for Renewal Projects: 100 Points with 40 points towards System Performance detailed below.

- Average number of days from referral until participant is placed in housing (Benchmark: 15 days RRH, 180 TH/PSH)
- Percent of participants that move to Permanent Housing (or remain in Permanent Housing for PSH applicants) (Benchmark: 80%)
- Percent that return to homelessness within 12 months of exiting your program (Benchmark: Less than 15%)
- Percent of participants with an increase in earned income for project stayers (Benchmark: 8%)
- Percent of participants with an increase in non-employment income for project stayers (Benchmark: 10%)
- Percent of participants with an increase in Earned income for project leavers (Benchmark: 8%)
- Percent of participants with an increase in non-employment income for project leavers (Benchmark: 10%)
- Bed/unit utilization rate (Benchmark: 66%)
- Percent of participants that access mainstream benefits (Benchmark: 85%)

Projects meeting:
All 9 performance measures will receive 40 points.
7 or 8 performance measures will receive 30 points.
5 or 6 performance measures will receive 20 points.
3 or 4 performance measures will receive 10 points.
2 or below performance measures will receive 0 points.

Projects can receive an additional 10 points for maximizing utilization of their program vacancies with an average of no less than 95% utilization in the previous 4 quarters. HMIS Data Quality should reflect no more than 10% of any missing data element will receive full points by showing

Scoring Sheet for Renewal Projects:

Threshold Renewal Points	Source Document	Max Points	Total Scored
Compliance with Grants and Financial Management	Annual Performance Report submitted timely, HUD monitoring, eLOCCS, close-out certificates; new projects will provide relevant information on managing federal grants.	20	
Housing First/Low Barrier/Harm Reduction	Intake policy consistent with Housing First / Low Barrier / Harm Reduction (including the acceptance of criminal history, domestic violence history, and/or substance use disorders) = 10pts Commitment to Housing First with some exceptions, based on project type = 5pts No Housing First = 0 pts	10	
Best Practices/Supportive Services	RFP + supportive documentation (intake packets, lease agreements, service documents) consistent with Housing First, Low Barrier and local prioritization standards (*serving the most vulnerable*), filling vacancies through coordinated entry = 10pts Missing document (-2pts) Inconsistency with documents = 5pts No Housing First = 0 pts	10	
CoC participation, HEARTH compliance	Attendance records or commitment for new partners to participate in CoC meetings (5); compliance with CoC Partner MOU (5)	10	
Project Performance	Bed Utilization (90%+), HMIS Data Quality	10	
System Level Performance	<mark>See Prior Page with All 9 Performance Measures</mark>	40	
TOTAL		100	

Attachment B

Scoring Sheet for New and Bonus Projects

Threshold Points	Source Document	Max Points	Total Scored
Compliance with Grants and Financial Management	Provide relevant information on managing federal grants and demonstrate capacity for success.	**20**	
Housing First/Low Barrier/Harm Reduction	Intake policy consistent with Housing First / Low Barrier / Harm Reduction (including the acceptance of criminal history, domestic violence history, and/or substance use disorders) = 20pts Commitment to Housing First with some exceptions, based on project type = 10pts No Housing First = 0 pts	**20**	
Best Practices/Supportive Services	Supportive documentation consistent with Housing First, Low Barrier and local prioritization standards (*serving the most vulnerable*), filling vacancies through coordinated entry = 10pts Missing document (-2pts) Inconsistency with documents = 5pts No Housing First = 0 pts	**10**	
CoC participation, HEARTH compliance and collaboration	Commitment for new partners to participate in CoC meetings (5); compliance with CoC Partner MOU (5); Collaboration with other organizations and programs to address the needs of the target population (10)	**20**	
Project Performance	Proposed program effectiveness in compliance with HUD and CoC performance standards	**20**	
Cost Efficiency	The average cost per exit to permanent housing based on the total program costs.	**10**	
TOTAL		**100**	