

## BUTTE COUNTYWIDE HOMELESS CONTINUUM OF CARE COUNCIL STAFF REPORT

**Date:** September 12, 2022

**To:** CoC Council

**From:** James Coles, Housing Tools, Consultant for the Butte Countywide Homeless CoC

**RE:** Approval of Priority Listing for HUD Continuum of Care 2022 Application

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**Proposal:** Approve a Priority Listing of project applications that will apply under the Butte Countywide Homeless Continuum of Care (CoC) in response to the U.S. Department of Housing and Urban Development (HUD) federal Fiscal Year 2022 Continuum of Care NOFO (NOFO). The Priority Listing is the result of a review and ranking of project applications to be submitted to HUD as part of the Butte CoC NOFA application (Consolidated Application).

**Background:** The HUD Continuum of Care NOFA for FY 2022 was released on August 1, 2022. CoC applications are due to HUD by September 30, 2022. A project that received a CoC grant last year is eligible to submit an application to renew its grant for the next year (Renewal Project Application). Each applying CoC must receive CoC Program project applications, including Renewal Project Applications, at least 30 days prior to the application due date and inform CoC Program project applicants of their ranking position at least 15 days prior to the application due date.

Section VII.B.2 of the NOFO states that “HUD will award up to 30 points to CoCs that demonstrate the existence of a single coordinated, inclusive, and outcome-oriented community process for the solicitation, objective review, ranking, and selection of CoC Program project applications and that includes reviewing and a process by which renewal projects are reviewed for performance and compliance with 24 CFR part 578.” To receive points, each CoC will need to include the following documentation in the Consolidated Application:

- a) **Objective Criteria:** Written documentation that clearly demonstrates the CoC uses objective criteria (e.g. project performance, monitoring results) in the Review and Ranking selection process, considering past performance, achieving positive housing outcomes, cost effectiveness, severity of barriers experienced by population served, type of housing provided, and commitment to Housing First (8 points);
- b) **Use of System Performance Measures:** Written documentation that demonstrates the CoC publicly notified applicants and used local competition criteria based on system performance measures and that the use of system performance measures accounted for at least 20% of the total points available (8 points);
- c) **Domestic Violence Providers Comparable Database:** Demonstration that public scoring information included the required use of a comparable database in lieu of HMIS by domestic violence providers (1 point);
- d) **Rapid Return to Permanent Housing and Severity of Barriers:** Explanation which addresses how the CoC considers the severity of barriers (such as substance use, history of domestic violence, criminal history) experienced by program participants preventing rapid placement in permanent housing or the ability to maintain permanent housing when rating, selecting and

ranking projects. The published scoring document should also state how the rapid return to permanent housing and severity of barriers are factors in the review, scoring and selection process (4 points);

- e) Promote Racial Equity in the CoC Process: Written documentation which demonstrates how persons of different races and ethnicities, particularly those over-represented in the local homelessness population, are included in the planning process and how project applicants are rated and ranked based on the degree to which their projects address barriers faced by these individuals (2 points).
- f) Reallocating Projects: Demonstration of the ability to reallocate lower performing projects to create new higher performing projects (4 points); and
- g) Ranking and Selection Process: A Review and Ranking selection process for all projects (new and renewal) that is publicly announced and posted by the CoC, including published written policies and procedures, and a competition timeline that meets HUD requirements for fair and transparent competition (3 points).

On August 15, 2022, the CoC Council approved a process for the 2022 NOFO in which only Renewal Project Applications would be solicited, due to the shortened timeframe provided by HUD in the 2022 NOFO. As part of this decision, the CoC voted not to pursue new projects that would apply for either the DV Bonus or the CoC Bonus. At that meeting, the CoC Council approved the use of a Renewal Questionnaire, the eSnaps Renewal Application and the submittal of the most recent APR as the Renewal Project Application documents to be used in the 2022 Review and Ranking.

**Project Applications Received:** A total of 7 renewal project applications were received as follows:

Renewal Project Applications

HMIS—Butte County DESS

Coordinated Entry (CES)—Butte County DESS

Catalyst Rapid Rehousing—Catalyst DV Services

James' Place—True North Housing Alliance

Avenida Apartments—Caminar

Base Camp Village—Caminar

Catalyst Cottages Transitional Housing and Rapid Rehousing—Catalyst DV Services

**Review and Ranking Process by CoC Consultant:** The CoC contracted with Housing Tools to conduct an objective review of Renewal Project Applications and recommend a rank order Priority Listing of those applications to the CoC Council for approval. Housing Tools conducted this review in accordance with the Renewal Project Application Scoring Criteria (Attachment B). Renewal projects that fund HUD-mandated and essential CoC infrastructure programs, HMIS and Coordinated Entry (including the expansion of the HMIS project), were ranked at the top of the list. Renewal projects were then ranked based on the point system outlined in the Scoring Criteria. The Attachment A Ranking Spreadsheet shows the ranking order.

**Funding Availability and Tiers:**

Potential Funding: The potential available funding to the CoC in the NOFO consists of the CoC's Annual Renewal Demand (ARD) of \$610,611, plus the potential CoC Bonus of \$32,748, and the DV Bonus of \$65,495, for a total of \$708,854.

Realistic Funding: The funding amount available in Tier 1 is 95% of the Annual Renewal Demand or \$580,080, which equates to a potential loss of \$30,531 in funding if HUD does not fund projects in Tier 2 this year. Tier 2 was not funded last year. If HUD does fund Tier 2, then the CoC would receive its entire ARD of \$610,611. These possibilities are shown on the Ranking Spreadsheet in the far-right column where the balance after Tier 1 is funded equals \$30,531, and after Tier 2 is funded equals \$0. We have also shown the potential for the receipt of the CoC Bonus to fund the project in Tier 2, but at this time it is unclear if HUD will allocate the CoC Bonus, or would consider funding a Renewal Project in Tier 2 with these funds.

Tiers: The ranked project applications were grouped in Tier 1 and Tier 2 categories, as required by the NOFO.

**Straddling of Tiers**: Based on the ranking recommended by Housing Tools, the Catalyst Cottages Transitional Housing and Rapid Rehousing Project is straddling both Tiers 1 and 2. This project was funded for the first time in the 2021 HUD NOFO competition and has not yet been able to start, due to a HUD delay in providing a standard agreement. This unfortunately affected the scoring of the application, as there is not yet any performance data available for the project. In the absence of such data, the project received the lowest score and was ranked last.

**Review and Ranking Process by CoC Council**: The Council will conduct the review and ranking process according to the following steps: 1) the full Council will ask Housing Tools questions about their application review and recommended ranking; 2) the full Council and Housing Tools will consider and respond to comments and questions from project applicants and the general public; 3) Council members who represent agencies that have submitted a project application, or who otherwise have a conflict of interest in the review and ranking process, will recuse themselves from further discussion and deliberation; 4) Council members without a conflict of interest will select a Review and Ranking Chair that will break a tie vote by the Council if there are an even number of voting Council members; and 5) Council members without a conflict of interest will further discuss the project ranking, consider any recommended alterations to the rank order, and approve a final Priority Listing to be submitted to HUD as part of the CoCs 2022 NOFO application.

#### Attachments

Attachment A: FY 2022 CoC Project Ranking Spreadsheet

Attachment B: Renewal Project Application Scoring Criteria