



Community Revitalization
Office of Homeless Services

Continuum of Care Grant Review Committee Meeting Discussion Items Overview

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When considering renewal projects for award, the United States Department of Housing and Urban Development (HUD) will review information:

- In the Line of Credit Control System (LOCCS – HUD’s primary grant disbursement system);
- In Annual Performance Report (APRs); and
- Provided from the local HUD Community Planning and Development (CPD) office, including monitoring reports and audit reports as applicable, and performance standards on prior grants.

HUD will assess projects using the following criteria on a **pass/fail** basis:

- Whether the project applicant's performance met the plans and goals established in the initial application, as amended;
- Whether the project applicant demonstrated all timeliness standards for grants being renewed, including those standards for the expenditure of grant funds that have been met;
- The project applicant's performance in assisting program participants to achieve and maintain independent living and records of success, except dedicated Homeless Management Information System (HMIS) projects that are not required to meet this standard; and
- Whether there is evidence that a project applicant has:
 - Been unwilling to accept technical assistance,
 - A history of inadequate financial accounting practices,
 - Indications of project mismanagement,
 - A drastic reduction in the population served,
 - Made program changes without prior HUD approval, or
 - Lost a project site.

HUD reserves the right to reduce or reject a project application from the project applicant for the following reasons:

- Outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed upon;
- Audit finding(s) for which a response is overdue or unsatisfactory;
- Evidence of untimely expenditures on prior award; and
- History of:
 - Inadequate financial management accounting practices;
 - Other major capacity issues that have significantly affected the operation of the project and its performance;
 - Not reimbursing sub-recipients for eligible costs in a timely manner, or at least quarterly; and
 - Serving ineligible program participants, expending funds on ineligible costs, or failing to expend funds within statutorily established timeframes.

- Upon approval of the Grant Review Committee (GRC), the Office of Homeless Services (OHS) will issue a Letter of Intent (LOI) for Renewal Project Applications as a requirement for sub-recipients interested in renewing their project/s for funding in the 2023 Continuum of Care (CoC) Program Competition.
- The LOI process is to:
 - Assess an agency's capacity to administer CoC homeless projects while complying with HUD requirements;
 - Determine which agencies are eligible to proceed to submission; and
 - Identify the amount of funds to be reallocated, if any.

The LOI Details

1. CoC Agency and Project Information
2. Budget
3. Verification Signature

Threshold Requirements

- Housing First and Low Barrier Approach
- HEARTH Act Compliance
- Match Requirements

If a renewal project passes the Project Eligibility Threshold as noted on pages 5 – 14 of this LOI, the project will be reviewed and scored based on the following rating factors:

- System Performance Measures → 30 points
- Recipient Compliance with Grants and Financial Management → 30 points
- Participation in HMIS → 10 points
- Equity Factors → 10 points
- Supportive Services for Participants → 5 points
- Bed Utilization Rates → 5 points
- Assessing Vulnerability → 5 points
- Participation in Coordinated Entry System → 3 points
- Leverage with Healthcare and Housing Agencies → 2 points *(new)*

Section I – System Performance Measures (30 Points)

- **Measure 2b:** The extent to which persons who exit homelessness to permanent housing destinations return to homelessness within 24 months.

Scores measured by percentage:

- 0% - 25%: 10 points
- 26% - 50%: 8 points
- 51% - 75%: 6 points
- 76% - 100%: 0 points

A lower percentage reported by the agency results in higher points for the program.

Section I – System Performance Measures (30 Points)

- **Measure 4:** Employment and Income Growth for Homeless Persons in CoC Program-funded Projects.
 - For system stayers
A “system stayer” is an adult client active in any one or more of the relevant projects for at least 365 days in latest stay to be included in this measure.
 - For system leavers
A “system leaver” is any adult client who has exited from one or more of the relevant projects between the report start date and report end date and who is not active in any of the relevant projects as of the report end date.
 - Scores measured by percentage:
 - 30%-100%: 5 points
 - 20%-29%: 4 points
 - 15%-19%: 3 points
 - 9%-14%: 2 points
 - 5%-8%: 1 point
 - 0%-4%: 0 points
 - A higher percentage reported by the agency results in higher points for the program.

Section I – System Performance Measures (30 Points)

- **Measure 7: Successful Placement from Street Outreach and Successful Placement in or Retention of Permanent Housing**
 - Metric 7b.1 – Counts leavers who exited Emergency Shelter (ES), Short-Term Housing (SH), Transitional Housing (TH), Permanent Housing-Rapid Re-housing (PH-RRH), and Permanent Housing (PH) (without moving into housing) during the report range and how many of those exited to permanent housing destinations.

Example on how the calculations are completed:

	A	B	C	D
1		FY2017	FY2018	%Difference
2	Universe: Persons in ES, SH, TH and PH-RRH who exited, plus persons in other PH projects who exited without moving into housing			
3	Of the persons above, those who exited to permanent housing destinations			
4	% Successful exits/retention			=C3/C2*100.00

- Metric 7b.2 – Counts stayers and leavers with a housing move-in date in all PH projects except PH-RRH and how many of those were stayers or leavers who exited to permanent housing destinations.
- Scores are measured by percentage:
 - 80% - 100%: 10 points
 - 50% - 79%: 5 points
 - 0% - 49%: 0 points

Section II – Recipient Compliance with Grants and Financial Management (30 Points)

- Applicants will be rated on the following criteria:
 - On-time APR submission to HUD
 - 0 Submission → 0 points; Late Submission → 5 points; On-time submission → 10 points
 - Resolved HUD/OHS monitoring findings, or Office of Inspector General (OIG) Audits, if applicable
 - Unresolved and/or OIG Audit Findings → 0 points; No Findings → 5 points
 - Monthly submission of claims, quarterly drawdowns
 - Did not submit claims → 0 points; Periodically submitted claims → 3 points; Monthly submittals → 5 points
 - The full expenditure of awarded funds
 - 10% or more recaptured → 0 points; $\leq 10\%$ → 5 points
 - Cost effectiveness per permanent housing exit from RRH and Permanent Supportive Housing (PSH) (with six months retention)
 - Costs are above local median cost → 0 points; Costs are within local median costs → 5 points

Section III – Participation in the HMIS (10 Points)

- The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act CoC Program Interim Rule places a high emphasis on having a functioning and comprehensive HMIS and mandates participation in HMIS for those that receive CoC and Emergency Solutions Grant (ESG) funding.
- The percentage of unduplicated client records with null or missing values during the last 10 days of January 2023.
 - Universal Data Element (the lower the percentage the higher the score awarded)
 - Program Specific Data Element (the lower the percentage the higher the score awarded)
 - Scores measured by percentage:
 - 0% - 1%: 5 points
 - 2%: 4 points
 - 3%: 3 points
 - 4%: 2 points
 - 5%: 1 point
 - >6%: 0 points

Section IV – Equity Factors – Agency Leadership and Policies (10 Points)

- The Executive Branch has placed equity front and center through a series of Executive Orders and has issued a memorandum specific to HUD instructing the Department to redress the Nation's long history of discriminatory housing practices and reaffirming the Administration's commitment to ending housing discrimination. As such, HUD has focused on increasing equity and improving the customer experience for those seeking and receiving HUD services.
 - Does the applicant have under-represented individuals (LGBTQ, Black, Indigenous, People of Color [BIPOC], Persons with Lived Experience of Homelessness) in managerial and leadership positions.
 - Yes → 5 points; No → 0 points
 - Has the applicant reviewed internal policies and procedures with an equity lens and has a plan for developing and implementing equitable policies that do not impose undue barriers that exacerbate disparities and outcomes.
 - Yes → 5 points; No → 0 points

Section V – Supportive Services for Participants (5 Points)

- Supportive services must be necessary to assist program participants obtain and maintain housing. HUD scores Project Applicants on the type of supportive services that will be offered to program participants to ensure successful retention or help with obtaining permanent housing, including all supportive services regardless of funding source.
- Does the applicant provide:
 - Transportation assistance to clients to attend mainstream benefit appointments, employment training, or jobs?
 - Yes → 3 points; No → 0 points
 - At least annual follow-ups with participants to ensure mainstream benefits are received and renewed?
 - Yes → 1 point; No → 0 points
 - Do program participants have access to SSI/SSDI technical assistance provided by the applicant, a sub-recipient, or partner agency?
 - Yes → 1 point; No → 0 points

Section VI – Bed Utilization Rates (5 Points)

- A bed utilization rate is equal to the total number of people served on any given day divided by the total number of beds available on that day. HUD's expectation of Bed Utilization rates fall between 65% and 105%, with 85% the target goal.
 - Scores for **PSH** measured by percentage of utilization (for projects that serve households with children and projects that serve households without children):
 - 85% +: 5 points
 - 65%-84%: 3 points
 - 51%-64%: 2 points
 - 0%-50%: 0 points
 - Scores for **RRH** measured by percentage of utilization:
 - 85% +: 5 points
 - 65%-84%: 3 points
 - 51%-64%: 2 points
 - 0%-50%: 0 points
 - Final points are based on the average of the four Utilization Rates.
 - The LOI refers to any given day as the last Wednesday in January, April, July and October.

Section VII – Assessing Vulnerability (5 Points)

- In terms of serving vulnerable populations, the local regional assessment and prioritization process must be based on an individual's vulnerability or need level according to a CoC's standardized prioritization criteria.
- Indicate the percentage of persons served during a Program Year who are in under-served groups (i.e., BIPOC, youth, domestic violence chronic, and Veterans):
 - 25% +: 5 points
 - 15% - 24%: 3 points
 - 10% - 14%: 2 points
 - 0% - 9%: 0 points

Section VIII – Participation in Coordinated Entry System (3 Points)

- HUD requires each CoC to establish and operate a “centralized or coordinated assessment system” (referred to as “coordinated entry” or “coordinated entry system [CES]”) with the goal of increasing the efficiency of local crisis response systems and improving fairness and ease of access to resources, including mainstream resources. Both the CoC and Emergency Solutions Grant (ESG) Program interim rules require use of the CoC’s coordinated entry process, provided that it meets HUD requirements. Coordinated entry processes are intended to help communities prioritize people who are most in need of assistance.
- Scoring is based on the percentage of intake involved in the CES process:
 - 80% +: 3 points
 - 0%-79%: 0 points

Section IX – Leverage with Healthcare and Housing Agencies (2 Points) *(new)*

- HUD strongly promotes partnerships with healthcare organizations, public housing authorities and mainstream housing providers, and people with lived experience and expertise of homelessness.
- Does the recipient partner with healthcare and housing agencies to leverage mainstream housing and healthcare resources beyond the 25% match?
 - Yes: 2 points
 - No: 0 points

- High score to low score based on the agency's responses taken from:
 - APRs
 - Data retrieved from HMIS
 - LOI responses by the agency
 - Direct reports received by the Lead Agency from HUD

- The Reallocation and Bonus Project applications will be reviewed by the GRC for recommendation.
- All projects will be scored for consideration of inclusion in the FY 2023 CoC renewal and new recommended projects.
- Projects should demonstrate the:
 - Extent to which the proposed project fills a gap in the community's CoC and addresses an eligible population.
 - Applicant's ability to:
 - Provide documentation for the required match.
 - Propose an eligible project type.
 - Provide solid fiscal accountability to the project and the proposed budget is less than or equal to the amount of available funding, if noted.
 - Extent to which the proposed project meets **HUD's threshold requirements**.
 - Requirements as noted in the FY 2023 CoC Notice of Funding Opportunity (NOFO).

The Applicant has:

- An active SAM registration with current information.
- A valid Unique Entity Identifier (UEI).
- No Outstanding Delinquent Federal Debts - It is HUD policy, consistent with the purposes and intent of 31 U.S.C. 3720B and 28 U.S.C. 3201(e), that applicants with outstanding delinquent federal debt will not be eligible to receive an award of funds, unless:
 - A negotiated repayment schedule is established and the repayment schedule is not delinquent; or
 - Other arrangements satisfactory to HUD are made before the award of funds by HUD.
- No Debarments and/or Suspensions - In accordance with 2 CFR 2424, no award of federal funds may be made to debarred or suspended applicants, or those proposed to be debarred or suspended from doing business with the Federal Government.

The Applicant has:

- An Accounting System - HUD will not award or disburse funds to applicants that do not have a financial management system that meets federal standards as described at 2 CFR 200.302.
- Disclosed any violations of Federal criminal law - Applicants must disclose, in a timely manner and in writing to HUD, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.338, Remedies for noncompliance, including suspension or debarment.
- Demonstrated they are Eligible Project Applicants – Eligible project applicants for the CoC Program Competition are, under 24 CFR 578.15, nonprofit organizations, States, local governments, and instrumentalities of State and local governments. Public housing agencies, as such term is defined in 24 CFR 5.100, are eligible without limitation or exclusion.

The Applicant has:

- Submitted the required certifications as specified in the NOFO.
- Demonstrated the project is cost-effective, including costs of construction, operations, and supportive services with such costs not deviating substantially from the norm in that locale for the type of structure or kind of activity.
- Demonstrated they participate in HMIS – Project applicants, except Collaborative Applicants that only receive awards for CoC planning costs and, if applicable, United Funding Agency (UFA) Costs, must agree to participate in a local HMIS system. However, in accordance with Section 407 of the Act, any victim service provider that is a recipient or subrecipient must not disclose, for purposes of HMIS, any personally identifying information about any client. Victim service providers must use a comparable database that complies with the federal HMIS data and technical standards.

The Applicant has:

- Demonstrated the Project Meets Minimum Project Standards – HUD will assess all new projects for the following minimum project eligibility, capacity, timeliness, and performance standards. Project applicants and potential subrecipients must have satisfactory capacity, drawdowns, and performance for existing grant(s) that are funded under the CoC Program, as evidenced by timely reimbursement of subrecipients, regular drawdowns, and timely resolution of any monitoring findings.
 - For expansion projects, project applicants must clearly articulate the part of the project that is being expanded. Additionally, the project applicants must clearly demonstrate they are not replacing other funding sources; and,
 - Project applicants must demonstrate they will be able to meet all timeliness standards per 24 CFR 578.85. Project applicants with existing projects must demonstrate that they have met all project renewal threshold requirements of this NOFO. HUD reserves the right to deny the funding requests. Additionally, HUD reserves the right to withdraw funds if no APR is submitted on the prior grant.

Please note that these are minimum threshold criteria. CoCs and project applicants should carefully review each year's NOFO to ensure they understand and have accounted for all applicable standards.

- The Demonstrated Project is Consistent with Jurisdictional Consolidated Plan(s) – All projects must be consistent with the relevant jurisdictional Consolidated Plan(s). The CoC will be required to submit a Certification of Consistency with the Consolidated Plan at the time of application submission to HUD.

- Housing First and Low Barrier Approach
- HEARTH Act Compliance
- Meet Match Requirements

- **Experience and Capacity (30 points)**
 - The applicant's experience and capacity in providing similar services, the length and type of experience it has working with the homeless, the quality of programs/services it provides, and the experience level of key staff.
 - The applicant's ability to adequately describe and address those requirements as set out in the CoC Homeless Assistance Grant funding NOFO.
- **Housing First Emphasis (25 points)**
 - The extent to which the applicant is a Housing First organization.
 - Housing Emphasis - The extent to which the applicant is a Housing First organization. Housing First practices include, rapid placement and stabilization in permanent housing and does not have service participation.
- **Sub-population Focus (25 points)**
 - Applications that will provide Permanent Housing (i.e., PSH, RRH, joint transitional housing and permanent housing, and supportive services only).
- **Cost Effectiveness (10 points)**
 - The total project cost/number of persons served within a program year.
- **Equity Factors (10 points)**
 - Agency Leadership - Agency has under-represented persons in managerial and leadership positions.
 - Internal Policies & Procedures.

- **Experience and Capacity (30 points)**

- The applicant's experience and capacity in providing similar services, the length and type of experience it has working with the homeless, the quality of programs/services it provides, and the experience level of key staff.
- The applicant's ability to adequately describe and address those requirements set out in the CoC Homeless Assistance Grant funding NOFO.

- **Housing First Emphasis (25 points)**

- The extent to which applicant is a Housing First organization.
- Housing First practices include, rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions.

- **Sub-population Focus (25 points)**

- **PH-RRH and Joint TH and PH-RRH** – The applicant’s ability to administer a project that is dedicated to survivors of domestic violence, dating violence, sexual assault, or stalking as defined in paragraph (4) at 24 CFR 578.3. These projects must demonstrate trauma-informed, victim centered approaches.
- **SSO Projects for Coordinated Entry (SSO-CE)** – The ability 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 providers coordinated entry system where they are different).

- **Cost Effectiveness (10 points)**

- Total project cost/number of persons served within a program year.

- **Equity Factors (10 points)**

- Agency Leadership - Agency has under-represented persons in managerial and leadership positions.
- Internal Policies & Procedures.

- See attachment

