

**CoC Ad-Hoc Committee Report**  
**August 17, 2018**

**Present:** Judson Brown, Albert Ramirez, and Donald Dermit (Absent: George Searcy, Jeanne Awrey and Curtis Gamble)

**Ad-Hoc Committee Recommendations**

1. Background

On April 09, 2018 HUD released the FY 2018 CoC Program Registration Notice. Subsequently, the CoC Board appointed a NOFA Ad-Hoc Committee (Committee) to move the 2018 NOFA process forward on behalf of the CoC. On May 3, 2018 the Committee met to review the 2017 NOFA process and to establish necessary changes to the 2018 process. These changes involved establishing a scored Agency Administrative Review and one non-scored LOI. Additionally, the Committee determined that the most recently submitted APR would be use for each agency's performance measurements. The Committee also determined that during the 2018 NOFA process agency presentations would be included as a part of the scoring and ranking process. Finally, at the May 16, 2018 meeting the Committee approved drafts of the 2018 Policy and Process document, final performance measurements, NOFA process timeline and the scoring rubric for agency presentations. These items were presented to and approved by the full CoC Board on May 23, 2018.

On June 20, 2018 HUD Released the 2018 CoC NOFA. There were several new elements for consideration in this year's NOFA:

- CoCs may apply for DV Bonus Projects to serve survivors of domestic violence, dating violence, and stalking
- Reallocation and Bonus funding may be combined, and Bonus funding may be used to fund HMIS or Coordinated Entry projects, not just permanent housing
- Applicants may transition their project(s) from one CoC Program Component to another over a one-year grant cycle
- Applicants may consolidate two, three, or four eligible renewal projects into one project during the application process
- Applicants may apply for new funding to expand CoC-Program-funded or non-CoC-Program funded projects

HUD also added a policy priority indicating that CoCs should work to develop partnerships with Public Housing Authorities (PHAs) to work toward helping CoC Program participants exit Permanent Supportive Housing through Housing Choice Vouchers (formerly Section 8 vouchers) and other available housing options.

Additionally, HUD has underscored the point that efforts to prevent and end homelessness should consider and address racial inequities to achieve positive outcomes for all persons experiencing homelessness.

**HUD'S 2018 POLICY PRIORITIES:**

CoCs will be evaluated based on the extent to which they further HUD's policy priorities. The policy priorities listed this year are:

**1. Ending Homelessness for All Persons**

- CoCs should identify, engage, and effectively serve all persons experiencing homelessness.
- CoCs should measure their performance based on local data taking into challenges faced by all subpopulations experiencing homelessness in the geographic area (e.g., veterans, youth, families, and these experiencing chronic homelessness).
- CoCs should have a comprehensive outreach strategy to identify and continuously engage all unsheltered individuals and families.
- CoCs should use local data to determine the characteristics of individuals and families with the highest needs and longest experiences of homelessness to develop housing and supportive services tailored to their needs.
- CoCs should use the reallocation process to create new projects that improve their overall performance and better respond to their needs.

**2. Creating a Systemic Response to Homelessness**

- CoCs should be using system performance measures such as the average length of homeless episodes, rates of return to homelessness, and rates of exit to permanent housing destinations to determine how effectively they are serving people experiencing homelessness.
- CoCs should be using their Coordinated Entry process to promote participant choice, coordinate homeless assistance and mainstream housing and services to ensure people experiencing homelessness receive assistance quickly, and make homelessness assistance open, inclusive, and transparent.

**3. Strategically Allocating and Using Resources**

- Using cost, performance, and outcome data, CoCs should improve how resources are utilized to end homelessness.
- CoCs should review project quality, performance, and cost effectiveness.
- HUD encourages CoCs to maximize the use of mainstream and other community-based resources when serving persons experiencing homelessness.
- CoCs should work to develop partnerships with Public Housing Authorities to work toward helping CoC Program participants exit Permanent Supportive Housing through Housing Choice Vouchers and other available housing options.
- CoCs should review all projects eligible for renewal in FY 2018 to determine their effectiveness in serving people experiencing homelessness, including cost effectiveness.

**4. Using a Housing First Approach**

- CoC-Program-funded projects should help individuals and families move quickly into permanent housing, and the CoC should measure and help projects reduce the length of time people experience homelessness.
- CoCs should engage landlords and property owners, remove barriers to entry, and adopt client-centered service methods.

## 2018 COC AD HOC REALLOCATION, RANKING, TIERING, BONUS AND DV BONUS RECOMMENDATIONS

Having received this direction from HUD, the Committee met with CoC Executive Directors on July 9, 2018 to align the priorities for the 2018 NOFA process based on HUD's instructions in the NOFA. Based on that meeting a revised 2018 Policy and Process document was submitted to the CoC Board for approval at special Board meeting held on July 18, 2018.

As in year's past, CoCs will be required to rank all new and renewal project applications submitted by project applicants in e-snaps. HUD will also continue the Tier 1 and Tier 2 funding process. HUD has established each CoC's Tier 1 and Tier 2 amounts based on the total amount of funds requested by eligible renewal project applications. This is referred to as the Annual Renewal Demand (ARD). This year HUD has determined that Tier 1 is equal to 94% of a CoC's ARD. Projects in this tier are conditionally selected from the highest scoring CoC to the lowest scoring CoC, provided the project applications pass both eligibility and threshold review. Any type of new or renewal project application can be placed in Tier 1.

Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for the permanent housing and Dv bonuses. This does not include the amounts available for CoC planning grants. Project applications that are in Tier 2 will be selected for FY 2018 CoC Program funding using a process/formula described in the NOFA. Projects placed in Tier 2 will be assessed for eligibility and threshold requirements, and funding will be determined using the CoC's overall score, CoC project ranking order, and a project's commitment to Housing First.

If a project application straddles the Tier 1 and Tier 2 funding line, HUD will conditionally select the project up to the amount of funding that falls within Tier 1 as stated above; and then, using the CoC score and other factors described in the NOFA, HUD may fund the Tier 2 portion of the project. If HUD does not fund the Tier 2 portion of the project, HUD may award the project at the reduced amount, provided the project is still feasible with the reduced funding (e.g., is able to continue serving homeless program participants effectively).

This year the funding available for the CA-602 Santa Ana, Anaheim/Orange County CoC is as follows:

Annual Renewal Demand (ARD) - \$22,807,570

Tier 1 (94% of ARD) – \$21,439,116

Tier 2 (6% of ARD) – \$1,368,454

Bonus (6% Of ARD) – \$1,368,454

DV Bonus – \$1,461,215

Planning Grant – \$684,227

Based on the instructions given in the NOFA and the results of performance measures and agency presentations the scoring rubric approved by the CoC Board were tallied and the Ad-Hoc Committee met on August 17, 2018 to analyze the final performance results for each project and to determine a possible strategy for reallocating, ranking and tiering of each project. Immediately following, the Ad-Hoc Committee met with the CoC Executive Directors and had a comprehensive discussion about reallocation of funds and where projects should be ranked in Tier 1 and Tier 2.

### 2. Recommendations

#### **Recommendation 1 – Reallocation**

It was recommended that funding from two projects be reallocated toward the expansion of existing projects.

- 1736 Family Crisis Center RRH - \$191,000
- Orange County Housing Authority (OCHA) - \$109,000
  
- TOTAL Available for Reallocation: \$300,000

The Ad-Hoc recommends that the total reallocated amount of \$300,000 be divide evenly amongst the three top performing RRH projects (Families Forward, Interval House, and SPIN). This funding is to be used for increasing direct housing placement assistance proportionate to each projects current serving capacity.

## **Recommendation 2 – Ranking and Tiering**

**Ranking:** Project rankings were based on performance weighted score.

**Tiering:** Because of where the funding line fell this year, one project by necessity is required to straddle Tier 1 and Tier 2. 1736 Family Crisis Center RRH was chosen to straddle this year based on several factors including poor performance measures and request to reclassify target population. The strategic decision was also made to place a higher performing OCHA project (2003 Shelter Plus Care) in Tier 2 in lieu of multiple small projects. This was also done ensure Service Planning Area (SPA) coverage. Finally, the Ad-Hoc determined that the Bonus Project(s) be placed at the bottom of Tier 2 with the Bonus project first and the DV Bonus last.

## **Appeal Process**

The CoC Board approves all reallocation decisions and applications for ranking/funding recommendations to HUD. That ranking decision is communicated to all applicants by email. In all cases, the Appeals Committee has the final authority on appeals decisions.

### **A. Who May Appeal**

An agency may appeal a decision made by the CoC Board concerning a project application submitted by that agency. If the project was submitted by a collaboration of agencies, only one joint appeal may be made.

### **B. What May Be Appealed**

An agency may appeal a flaw in methodology or in the process used in the decision. The overall performance measurements or data are not a basis for an appeal.

Agencies may appeal any of the following decisions of the CoC Board.

- Elimination of renewal grant (i.e. entire grant re-allocated to a new project)
- Placement of project into Tier 2

Applicants placed in Tier 1 may not appeal their rank on the Project Priority List.

### **C. Timing**

Agencies intending to appeal must notify Jim Wheeler Continuum of Care Manager by email (jim.wheeler@occr.ocgov.com) by the given deadline which will allow for a minimum of 24 hours after being notified of the decision. Agencies will receive an email after the CoC Board meeting with the decisions and appeal process information. The email will also contain the specific deadline.

If an appeal is filed, other agencies whose rank may be affected will be notified as a courtesy. Such agencies will not be able to file an appeal after the appeals process is complete. They may file an appeal within the original appeals timeline.

**D. Initiating the Formal Appeal**

The Formal Appeal must be submitted by 12:00 p.m. 2 business days after the CoC Board decision. The appeal document must consist of a short, written statement (no longer than 2 pages) of the agency's appeal of the decision addressing the flaw in methodology or in the process used in the decision. The overall performance measurements or data are not a basis for an appeal.

The statement can be in the form of a letter or a memo from an individual authorized to represent the agency (i.e., Executive Director). The appeal must be transmitted by email to Jim Wheeler Continuum of Care Manager by email (jim.wheeler@occr.ocgov.com)

**E. Members of the Appeal Panel**

The Appeals Panel will be selected from the CoC Board or its designees. These individuals have no conflict of interest in serving. Voting members of the Appeal Panel shall not serve simultaneously on the CoC Ad Hoc Committee; however, a CoC Ad Hoc Committee member and a CoC staff person will participate in the Appeals Panel to inform discussion.

**F. The Appeals Panel**

The Appeal Panel will conduct an in person or telephone meeting with a representative(s) of the agency/collaborative who filed the appeal to discuss it, if needed. The Appeal Panel will inform appealing agencies of its decision. In all cases, the appeals panel has the final authority on appeals decisions.

**The Ad-Hoc Committee ask that the CoC Board approve all recommendations and this document as presented.**