

SUMMARY OF THE 2015 NOTICE OF FUNDING AVAILABILITY (NOFA) FOR THE CONTINUUM OF CARE (COC) PROGRAM

BACKGROUND

The CoC Program (24 CFR part 578) is designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, States, and local governments to quickly re-house homeless individuals, families, persons fleeing domestic violence, and youth while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs by homeless; and to optimize self-sufficiency among those experiencing homelessness.

Each year the U.S. Department of Housing and Urban Development (HUD) releases a Notice of Funding Availability (NOFA), signifying the beginning of a funding competition among approximately 450 Continuums of Care (CoC), the community stakeholder groups that guide local responses to homelessness. The 2015 CoC NOFA was released on September 17, 2015, opening the competition making available **approximately \$1.89 billion** to serve homeless people nationally. The information in the NOFA sets forth the competition rules and processes for 2015. This summary includes the highlights of the NOFA and the FY2015 CoC NOFA broadcast.

Before the application is submitted to HUD, the CoC is required to hold a local competition to determine which projects will be included in the consolidated application, along with their relative priority. The results of the local competition dictate for which projects the CoC will seek funding. Additional information about project application requirements and standards will be available at the upcoming **TA Workshop**. Additional details about anything in this summary can be found in the NOFA, available at: <https://www.hudexchange.info/resource/4688/fy-2015-coc-program-nofa/>

HIGHLIGHTS OF THIS YEAR'S NOFA

- As expected, the NOFA and scoring criteria are very focused on HUD's policy priorities, including making strong progress on ending chronic, veteran, youth, and family homelessness and implementing Housing First system-wide.
- The CoC application has been restructured to be more cohesive and useful to CoCs for managing projects, building relationships, and being strategic. It will rely heavily on HMIS and other data, using system level performance measures.
- This year the Permanent Housing Bonus is available to create multiple projects and can be used for either (1) new permanent supportive housing projects that will exclusively serve chronically homeless individuals and families or (2) rapid re-housing projects that will serve individuals, families or unaccompanied youth who come directly from the streets, emergency shelters, or are fleeing domestic violence or other persons who meet the criteria of paragraph (4) of the definition of homeless.

- As in past years, the funding that CoCs can apply for is divided into tiers, with projects prioritized in Tier 1 being more likely to be funded than projects of lower priority that fall into Tier 2. HUD is confident it will be able to fund all Tier 1 requests.
 - **New this year**, however, projects in Tier 2 will be selected and funded based on a score related to: the overall CoC score, the project’s ranked order, project type, and Housing First implementation. This change is intended to reduce incentives for CoC’s to “game the system” and instead, encourages CoCs to simply rank projects in priority order.
 - CoCs are expected to critically evaluate projects for ranking purposes.
 - Tier 2 will be equal to 15% of annual renewal demand plus Permanent Housing Bonus amount (last year it was equal to 2% of annual renewal demand plus CoC planning amount).
 - Bonus projects will be ranked and reviewed in the same way as other projects; there is not a separate competition this year.

HUD’S HOMELESS POLICY AND PROGRAM PRIORITIES

CoCs and Project Applications will be evaluated based on the extent to which they further HUD’s policy priorities. Aligned with *Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness*, the policy priorities set forth in the NOFA are:

1. **Strategic Resource Allocation** based on performance evaluation and data of all resources, including:
 - Comprehensive review of projects and reallocation when it would reduce homelessness
 - Maximizing the use of mainstream resources
 - Leveraging resources through partnerships (PHAs, philanthropy, etc.)
 - Reviewing the efficacy of transitional housing
2. **Ending Chronic Homelessness**
 - Increasing units for chronically homeless people
 - Targeting permanent supportive housing beds to chronically homeless people by prioritizing for entry within each project’s structure consistent with Notice CPD 14-012
3. **Ending Family Homelessness**
 - Ensuring access to housing resources for families, such as rapid rehousing, affordable housing units, permanent supportive housing
 - Addressing safety needs of persons fleeing domestic violence
4. **Ending Youth Homelessness**
 - Understanding the unique needs of homeless youth and reaching out to youth-serving organizations to help them fully participate in the CoC
 - Meeting the needs of homeless youth, including Lesbian, Gay, Bisexual, Transgender, and Questioning (LGBTQ) youth and victims of trafficking
 - When evaluating the performance of youth programs, taking into account the specific challenges faced by homeless youth
5. **Ending Veteran Homelessness**
 - To the extent possible, prioritizing veterans and their families who cannot be effectively assisted with Department of Veterans Affairs (VA) services for CoC-funded services
 - Coordinating CoC resources with VA-funded housing and services (e.g., HUD-VASH, SSVF)

On or after October 9, 2015: A report that lists each CoC's ARD Tier 1 amount, Tier 2 amount, and permanent housing bonus amount available will be posted to the HUD Exchange website.

By November 18, 2015: Each CoC must post the CoC Consolidated Application (i.e., the CoC Application and CoC Priority Listing) on its website (or a partner website) and notify community members and key stakeholders that it is available, in a manner that is accessible for persons with disabilities and persons with limited English proficiency.

By November 19, 2015, 7:59:59 p.m. eastern time: CoCs must submit by this date to get three bonus points in the competition.

By November 20, 2015, 7:59:59 p.m. eastern time: Deadline for submission

Winter/Spring: HUD intends to issue one conditional funding announcement for all projects.

September 30, 2017: Statutory deadlines for obligation of grant funds

APPLICATION STRUCTURE

The CoC Consolidated Application is made up of three parts:

- **CoC Application:** Includes information about the CoC planning body, governance structure, overall performance, and the strategic planning process. This part of the application is scored and will determine the order in which CoCs are funded.
- **Project Applications**
- **CoC Priority Listing:** Ranks projects in order of priority and identifies any project applications rejected by the CoC.

RANKING INFORMATION

CoCs will be required to rank all projects submitted by project applicants in e-snaps, except CoC planning projects. Ranked projects must include renewal projects, new projects created through reallocation, and permanent housing bonus projects. CoCs should consider the policy priorities established in the NOFA in conjunction with local priorities to determine the ranking of projects. The Collaborative Applicant will be required to certify that there is a demonstrated need for all ranked permanent housing renewal projects on the Renewal Project Listing. All projects must pass HUD's eligibility and threshold requirements to be funded, no matter their priority.

TIER 1

The amount of funding available for Tier 1 is equal to 85 percent of the CoC's annual renewal demand. HUD will conditionally award projects from the highest scoring CoC to the lowest scoring CoC. Projects should be placed in priority order.

TIER 2

The amount of funding available for Tier 2 is equal to the difference between Tier 1 and the CoC's annual renewal demand plus any amount available for the permanent housing bonus.

Funding will be determined by the point value of each project application based on a 100 point scale. All Tier 2 projects will be funded in point order starting with the highest scoring CoCs (e.g. starting with the top ranked CoC, all projects receiving 96-100 points across the country will be funded first, then all projects receiving 91-95 points, etc.)

Tier 2 points are awarded as follows:

- **CoC Score:** Up to 60 points in direct proportion to the CoC score
- **CoC Ranking:** Up to 20 points for the CoC's ranking of the project application(s), with the 20 points spread evenly across the Tier 2 funding amount. Higher ranked projects get more points, however the formula used to award points gives a disincentive to large projects.
- **Project Type:** Up to 10 points will be based on the type of project and the population served
 - 10 points for renewal and new Permanent Housing, renewal Safe Haven, Homeless Management Information System, Supportive Services Only for Coordinated Entry System, or Transitional Housing that exclusively serves homeless youth
 - 3 points for other renewal Transitional Housing
 - 1 point for other renewal Supportive Services Only project applications
- **Commitment to Policy Priorities:** Up to 10 points for Housing First commitment
 - For Permanent Housing: Will receive points based on how the project commits to applying the Housing First model
 - Homeless Management Information System and Supportive Services Only for Coordinated Entry System projects: Will automatically receive 10 points
 - Transitional Housing and other Supportive Services Only projects: Will receive points based on how the project demonstrates that it is low-barrier, prioritizes rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions to entry (such as sobriety or a minimum income threshold).

STRADDLING TIERS

For any projects that straddle the two tiers, the process for funding them is changed this year. In past years, projects were funded as if the whole project fell in Tier 2. This year, the Tier 1 portion will be funded in accordance with Tier 1 processes and the Tier 2 portion will be funded in accordance with Tier 2 processes. HUD may award project funds for just the Tier 1 portion, provided the project is still feasible with the reduced funding (e.g., is able to continue serving homeless program participants effectively). This change reduces the incentive to move projects out of priority order in order to utilize the full Tier 1 amount.

PLANNING COSTS

This year, applications for planning costs will be unranked. CoCs may only submit one application for CoC planning costs and it must be submitted by the Collaborative Applicant that is listed on the CoC Applicant Profile in e-snaps. CoC planning projects that pass eligibility and review threshold will be conditionally selected using CoC scores from the highest scoring CoC to the lowest scoring CoC.

ELIGIBLE NEW PROJECTS

Eligible Permanent Housing Bonus Projects	Eligible Reallocation Projects
<ul style="list-style-type: none"> • New permanent supportive housing projects that will serve 100 percent chronically homeless families and individuals • New rapid re-housing projects that will serve individuals, families or unaccompanied youth who come directly from the streets, emergency shelters, or are fleeing domestic violence or other persons who meet the criteria of paragraph (4) of the definition of homeless <i>[The NOFA is unclear about if youth must come from the streets or shelter. We expect a clarification is forthcoming.]</i> 	<ul style="list-style-type: none"> • New permanent supportive housing projects where all beds will be dedicated for use by chronically homeless individuals and families • New rapid re-housing to serve homeless individuals, families and unaccompanied youth coming directly from the streets or emergency shelters or persons that meet the criteria of paragraph (4) of the definition of homeless (fleeing domestic violence) <i>[The NOFA is unclear about if youth must come from the streets or shelter. We expect a clarification is forthcoming.]</i> • New Supportive Services Only (SSO) project specifically for a centralized or coordinated assessment system • New dedicated Homeless Management Information System (HMIS) project

While the NOFA’s language describing eligible permanent supportive housing and rapid rehousing projects differs for reallocation projects and bonus projects, we believe they are parallel and expect a HUD clarification soon.

QUICK HINTS FOR PROJECT APPLICANTS

- **DUNS/SAM Registration:** Project applicants are required to register with Dun and Bradstreet to obtain a DATA Universal Numbering System (DUNS) number, if they have not already done so, and complete or renew their registration in the System for Award Management (SAM)
- **Required Reading:** Project applicants should read the CoC NOFA, CoC Program Interim Rule, and the General NOFA.
- **Up for Renewal:** All CoC-funded projects (i) that expire in Calendar Year 2016 or (ii) that were originally awarded in the FY 2009 Homeless Assistance Programs Competition and, notwithstanding the expiration date, have not renewed in a previous competition, should be on the Grants Inventory Worksheet and be applying for renewal funding this year.
- **Additional Questions:** Renewal projects should expect new questions on their application form about grants management (e.g. submitting APRs on time) and Housing First implementation (e.g. screening and termination policies).
- **Match and Leverage Letters:** All match and leverage letters will be submitted with the Project Applications via e-SNAPS this year.
- **Increasing to Housing Line Items:** As has occurred in recent years, after submission, HUD is required to adjust awards for leasing, operating, and rental assistance budget line items based on changes to the Fair Market Rents (FMR).

- **Consolidation:** HUD encourages the consolidation of renewal grants when the grants are with the same recipient, have the same component and expire in the same year, however, projects that have not yet been consolidated must submit separate project applications for individual renewal grants. Consolidation can occur at grant agreement execution, with some limitations.
- **CoC Technical Review:** Again this year, HUD expects each CoC to implement a thorough review and oversight process at the local level for both new and renewal project applications. Specifically, HUD requires that each CoC review all applications to ensure that: program participants and proposed activities are eligible, each project narrative is fully responsive based on the question and detailed instructions, the application is internally consistent, and all required attachments are accurate, complete and dated correctly.
- **Indirect Costs:** Applicants selected for funding may charge indirect costs to the award. Applicants with an approved federally negotiated indirect cost rate must submit with their application a copy of their approved Indirect Cost Rate Proposal to substantiate their request. Applicants that do not have an approved federally negotiated indirect cost rate may charge a maximum rate of 10 percent of modified total direct costs.
- **Prioritization:** Renewal projects that indicated they would prioritize chronically homeless persons in beds that become available through turnover in non-dedicated permanent supportive housing projects must continue to do so.
- **Clarification about Category 4 Eligibility:** Persons who are fleeing or attempting to flee human trafficking, including sex trafficking, may qualify as homeless under paragraph 4 of the “homeless” definition (fleeing domestic violence).

COC SCORING CRITERIA

Each CoC will be scored on the following factors this year, competing for a total of 200 points and 3 bonus points. Overall, the application will be more quantitative, and less narrative than past years. CoCs will need to gather information from project applications, APRs, project monitoring reports, HMIS, PIT Count, HIC, and local PHAs to respond to the questions.

1. **CoC Coordination and Engagement (49 points)** [*Note that the subpoints in this section add to 50.*]

We expect clarification soon.]

- Inclusive structure and participation (7 points)
- CoC commitment to *Opening Doors* goals (2 points)
- Coordination with the Consolidated Plan, Emergency Solutions Grants (ESG), and other organizations (8 points)
 - CoCs coordinate with organizations that serve persons fleeing domestic violence (2 points).
 - CoC coordinates with each Consolidated Plan jurisdiction(s) (6 points).
- Addressing the needs of victims of domestic violence (3 points)
- Public housing agencies serving homeless people (3 points)
- Discharge planning (2 points)
- Centralized or coordinated assessment system (3 points)
- Reducing barriers to housing (6 points)
- Housing First for permanent housing (6 points)
- Outreach (2 points)
- Increase in rapid re-housing on HIC (5 points)
- Mainstream benefits (2 points)

- Leveraging at least 150% (1 point)

2. Project Ranking, Review, and Capacity (26 points)

- Objective criteria and past performance (16 points)
 - Attach written documentation to application showing objective criteria (10 points)
 - Consider past performance (3 points)
 - Consider severity of needs (3 points)
- Ranking and selection process (3 points)
- Recipient performance monitoring (4 points)
- Accuracy of GIW (1 point)
- Accuracy of project submissions (2 points)

3. Homeless Management Information System (18 points)

- HMIS governance (2 points)
- HMIS policy and procedures (3 points)
- Housing Inventory Count (HIC) (1 point)
- Bed coverage (4 points)
- Data quality (4 points).
- Required HMIS reports (4 points).

NOTE: While HMIS is only 18 points, most of the CoC Application points rely on quality HMIS data.

4. Point-in-Time Count (9 points)

- PIT Count and data submission (3 points)
- Methodology for sheltered PIT Count (2 points).
- Methodology for unsheltered PIT Count (2 points).
- Commitment to conducting a 2016 unsheltered PIT Count (2 points).

5. System Performance (38 points)

- Reduction in the number of homeless individuals and families (9 points)
- Reduction in the number of first time homeless (2 points)
- Length of time homeless (6 points)
- Successful permanent housing placement or retention (8 points)
 - 80 percent of persons who exit CoC program-funded transitional housing, supportive services only, and rapid re-housing projects exit to a permanent housing destination
 - 80 percent of people in CoC program-funded permanent supportive housing remain for at least 12 months.
- Returns to homelessness (5 points)
- Jobs and income growth (5 points)
- Thoroughness of outreach (3 point)

6. Performance and Strategic Planning (60 points)

- Ending Chronic Homelessness (15 points)
 - 2 points to CoCs that demonstrate the strategies set forth in the FY 2013/FY 2014 CoC Application were accomplished

- 6 points to CoCs that demonstrate that chronically homeless individuals and families will be prioritized in permanent supportive housing that is not dedicated for chronically homeless individuals and families
 - 3 of the 6 points will be awarded to CoCs that have adopted the order of priority described in Notice CPD 14-012
 - 3 of the 6 points will be awarded to CoCs based on the percentage of CoC Program funded permanent supportive housing that becomes available through turnover will be prioritized for chronically homeless individuals or families.
- 2 points to CoCs that increase or maintain the total number of PSH beds (from any funding source) that were identified as dedicated for use by chronically homeless individuals and families
- 5 points to CoCs for reducing the number of chronically homeless individuals and families in the CoC
- Ending Homelessness among Households with Children (15 points)
 - 3 points to CoCs that prioritize households with children based on need
 - 3 points to CoCs based on the local plan to rapidly re-house households with children within 30 days of those families becoming homeless.
 - 5 points to CoCs for the implementation of a rapid re-housing model that will reduce the number of homeless households with children and CoCs that demonstrate an increase in the number of rapid re-housing units available to serve families
 - 2 points to CoCs for ensuring projects within the CoC do not deny admission to or separate family members when they enter shelter or housing
 - 2 points to CoCs that demonstrate the total number of homeless households with children and youth has decreased.
- Ending Youth Homelessness (15 points)
 - 5 points to CoCs for strategies that address the unique needs of unaccompanied homeless youth and for the existence of a proven strategy that addresses homeless youth trafficking and other forms of exploitation
 - 5 points to CoCs that demonstrate an increase, as recorded in HMIS, in the number of unaccompanied homeless youth (up to age 24) served who were residing on the streets or in places not meant for human habitation prior to entering a homeless project
 - 3 points to CoCs that demonstrate a proposed plan to increase funding for unaccompanied youth homeless programs in Calendar Year 2016
 - 1 point to CoCs that specifically describe how it collaborates with local education authorities and school districts in the geographic area
 - 1 point to CoCs that demonstrate the extent in which youth service and education representatives and CoC representatives have participated in each other's meetings over the past 12 month
- Ending Veteran Homelessness (15 points).
 - 7 points to CoCs that demonstrate the total number of homeless veterans in the CoC has decreased.
 - 3 points to CoCs that demonstrate a 75 percent reduction in the total number of homeless veterans and unsheltered homeless veterans as reported in the 2015 PIT count, compared to 2010
 - 2 point to a CoC that demonstrates it identifies, assesses, and refers homeless veterans who are eligible for Veterans Affairs services and housing to appropriate resources such as HUD-VASH and SSVF

- 3 points to CoCs that demonstrate how the CoC is prioritizing CoC Program-funded resources that serve veterans who are not eligible for homeless assistance through the U.S. Department of Veterans Affairs programs.

7. Bonus Points (3 points). HUD will award bonus points to CoCs that submit a day early.

RESOURCES

- **2015 CoC NOFA:** <https://www.hudexchange.info/resource/4688/fy-2015-coc-program-nofa/>
- **General Section NOFA:** www.hudexchange.info/e-snaps/fy-2015-coc-program-nofa-coc-programcompetition/
- **CoC Program Interim Rule (24 CFR part 578):** <https://www.hudexchange.info/resource/2035/coc-program-interim-rule-formatted-version>
- **Training Resources:** www.hudexchange.info/homelessnessassistance/
 - Application Instructional Guides
 - Application Detailed Instructions
 - FAQs
- **Broadcast Information:** www.hud.gov/offices/adm/grants/fundsavail.cfm
- **HUD Exchange e-snaps AAQ:** www.hudexchange.info/get-assistance/
- **To join the HUD listserv:** www.hudexchange.info/maillinglist