As stated in the Notice of Funding Availability (NOFA) for the Fiscal Year (FY) 2018 Continuum of Care Program Competition (FR-6100-N-25), HUD is accepting applications for eligible renewal projects and new, permanent housing projects created through reallocation or the permanent housing bonus.

2018 NOFA Updates (not inclusive) – Potential project applicants are strongly encouraged to review all applicable CoC NOFA materials.

- Policy priorities continue to focus on: 1) ending homelessness for all persons; 2) creating a systemic response to homelessness, 3) strategically allocating and using resources, and 4) use of a Housing First approach.

- Tier 1 funding is equal to 94 percent of a CoC’s Annual Renewal Demand (ARD); 2019 Tier 1 was 94%. Note that the Tier 1 / Tier 2 ‘straddle’ remains part of the priority listing requirement. Projects prioritized under the DV bonus funds will be included in Tier 1 per HUD instruction.

- Tier 2 funding is equal to 6% of the CoC’s ARD – plus – amount eligible (6%) for new permanent housing projects created through the Permanent Housing Bonus option.

- Types of new project applications permitted through the reallocation process are:
  - Permanent supportive housing projects that meet requirements of DedicatedPLUS or the standard 100 percent dedicated for chronically homeless individuals and families;
  - Rapid rehousing projects that served individuals and families, including unaccompanied youth who meet the criteria outlined in the NOFA;
  - Joint TH and PH-RRH component projects;
  - Dedicated HMIS; and
  - Supportive services to develop or operate a new centralized or coordinated assessment system

- Types of new project applications permitted through the permanent housing bonus, which is 6 percent of a CoC’s Final Pro Rata Need (PPRN) are:
  - Permanent supportive housing projects that meet requirements of DedicatedPLUS or the
standard 100 percent dedicated for chronically homeless individuals and families;
  o Rapid rehousing projects that served individuals and families, including unaccompanied youth who meet the criteria outlined in the NOFA; and
  o Joint TH and PH-RRH component projects.

Types of new projects applications permitted through the DV bonus are limited to a 1-year funding request and must follow the Housing First approach:
  ▪ Rapid Re-housing (PH-RRH) projects.
  ▪ Joint TH and PH-RRH component projects as defined in Section II.C.3.m of this NOFA.
  ▪ SSO Projects for Coordinated Entry (SSO-CE)
  ▪ Expansion of an existing renewal project to dedicate additional beds and services to the DV population.

New projects created through the DV bonus must meet the project eligibility and threshold requirements established by HUD and outlined in Sections II.B.3 of the NOFA.

New DV project applications must include partnership with local/regional DV provider or indicate clear expertise with providing services to DV victims and survivors. New DV project applicant must confirm ability to sub-contract, potentially across multiple jurisdictions.

2018 NOFA Scoring

Consolidated Application
Please review the 2018 CoC NOFA in its entirety (link also posted) but pay special attention to Section VII, pages 51-72, as this section describes the consolidated application scoring criteria in detail - on a 200-point scale:
  a. CoC coordination and Engagement = 48 points total
  b. Project Ranking, Review, and Capacity = 29 points total
  c. HMIS = 13 points total
  d. PIT = 6 points total
  e. System Performance = 56 points total
  f. Performance and Strategic Planning = 48 points total
  g. CoC Merger Bonus = 25 bonus points total
Tier 2 Project Applications

As in 2017, project applications ranked in Tier 1 will be conditionally funded according to the CoC’s priority listing, but project applications ranked in Tier 2 will once again be individually reviewed against a 100-point scale:

a. CoC Score: Up to 50 points in direct proportion to the CoC Consolidated Application score.

b. CoC Project Ranking: Up to 40 points for the CoC’s ranking of the project application.

c. Commitment to Housing First: Up to 10 points for how the permanent housing project application commits to applying the Housing First model.

2018 Reallocation Options

Reallocation is the process by which a CoC may shift funds in whole or in part from existing eligible renewal projects to create one or more new permanent housing projects without decreasing the CoC’s Annual Renewal Demand (ARD). See the CoC’s Project Review-Ranking Packet 1 – Intro for more information.

As stated in the Notice of Funding Availability (NOFA) for the Fiscal Year (FY) 2018 Continuum of Care Program Competition (FR-6100-N-25), CoCs may create through the reallocation process:

- Permanent supportive housing projects that meet requirements of DedicatedPLUS or the standard 100 percent dedicated for chronically homeless individuals and families;
- Rapid rehousing projects that served individuals and families, including unaccompanied youth who meet the criteria outlined in the NOFA;
- Joint TH and PH-RRH component projects;
- Dedicated HMIS; and
- Supportive services to develop or operate a new centralized or coordinated assessment system

To better determine ROCC capacity to create new permanent housing projects through reallocation and to provide assistance to agencies intending to apply for funding through the 2018 HUD CoC process, it is critical that all projects funded through the FY 2018 CoC Competition consider the following available options.
CoC Renewal Grant Options

Eligible renewal projects may elect one of six options in the FY 2018 CoC Competition:

1. Apply for renewal of its existing project for the full amount awarded through the FY 2017 CoC Competition and confirmed by HUD on the 2018 Grant Inventory Worksheet (GIW).

2. Apply for renewal of its existing project but request less than the amount awarded as part of the FY 2017 CoC Competition and confirmed by HUD on the 2018 GIW. Under this scenario, a project may elect to use the funds no longer requested for its current project to create a new, permanent housing project. In other words, the project would continue its existing project at a reduced amount and use the remaining money to create a new PH project. Alternatively, the project may surrender the funds no longer requested so that other agencies may create new, permanent housing projects. This is a potential option for projects where unspent funds have been returned to/recaptured by HUD.

3. Reallocate its entire eligible renewal amount to create a new eligible project it will operate.

4. Elect to not renew its existing grant through the FY 2018 CoC Competition. If this is an option your agency is considering, please advise Jo Zimmer, CoC consultant/coordinator, as soon as possible.

5. Transition an eligible existing grant to another renewable component under certain criteria as defined in the NOFA (Section II.B.2.).

6. Consolidate two or more eligible renewal projects under certain criteria as defined in the NOFA (Section II.B.4.).

HUD Policy Priorities

As discussed during recent CoC Meetings, HUD's policy priorities continue to focus on the goals articulated in Opening Doors: Federal Strategic Plan to Prevent and End Homelessness. Accordingly, CoCs and individual projects will continue to be evaluated on the extent to which they are committed – as demonstrated through policies, practice, and performance – to these goals:

1. Ending homelessness for all persons.
2. Creating a systemic response to homelessness
3. Strategically allocating and using resources
4. Using a Housing First approach

To accomplish these goals and to maximize the potential for retaining the ROCC’s full ARD going forward, projects are asked to:

1. Consider contributing to the pool of funds available for reallocation, if feasible.

2. All current CoC grantees should review how programs are structured and operated, including expenditure rates. If your program has consistently been unable to spend down the full award, it would be prudent to consider asking for less funding in the 2018 CoC renewal application.

3. Collaborate with regional partners in developing new regular or DV bonus projects.

4. Implement a Housing First Approach. All projects should consider implementing a Housing First/Low Barrier model, if it has not done so already; this applies to ALL project types.