Highlights of the 2017 Continuum of Care NOFA

A. Overview and General Requirements

- CoCs will be required to place projects into Tier 1 and Tier 2. This year Tier 1 is 94% of Annual Renewal Demand (ARD) and Tier 2 is 6%. Our ARD is $9,542,856 so the Tiers are:
  o Tier 1 = $8,970,285
  o Tier 2 = $572,571

  Last year Tier 1 was 93% of ARD so this year there is a slight increase in the relative proportion of funding in Tier 1

- Bonus funding may be requested for new Rapid Re-Housing (RRH) or Permanent Supportive Housing (PSH) projects serving single adults, families or youth. Bonus funds can also be used to for a new Transitional Housing/Rapid Re-Housing (TH/RRH) project type (see below for more details). We can apply for up to $572,571 for new permanent housing projects.

- CoCs are required to rate and rank projects based on objective assessment of performance and strongly encouraged to re-allocate lower performing projects.

- Re-allocated funds may be used to create new RRH, PSH or TH/RRH projects. Re-allocated funds may also be used to create HMIS or Coordinated Entry projects operated by the Collaborative Applicant (H.S.A.).

B. HUD Policy Priorities

This year HUD's policy priorities have more of a focus on developing systems to end homelessness and using data to inform system planning.

1. Ending Homelessness For all Persons
   - Identify, engage, and effectively serve all persons experiencing homelessness.
   - Measure performance based on local data that takes into account the challenges faced by all subpopulations experiencing homelessness in the geographic area
   - Have a comprehensive outreach strategy to identify and continuously engage all unsheltered individuals and families.
   - 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.
   - 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
   - Use 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 the CoC is serving people experiencing homelessness.

- Use the Coordinated Entry process to promote participant choice, coordinate homeless assistance and mainstream housing and services, and make homelessness assistance open, inclusive, and transparent.

3. Strategically Allocating and Using Resources
- Use cost, performance, and outcome data to improve how resources are utilized to end homelessness.
- Maximize the use of mainstream and other community-based resources when serving persons experiencing homelessness.
- Review all projects eligible for renewal in FY 2017 to determine their effectiveness in serving people experiencing homelessness as well as their cost effectiveness.

4. Use a Housing First Approach
- Prioritize rapid placement and stabilization in permanent housing
- No service participation requirements or preconditions
- Measure and help projects reduce the length of time people experience homelessness.
- Engage landlords and property owners
- Remove barriers to entry
- Adopt client-centered service methods

C. Important Changes Since 2016

HUD is in the process of "re-imagining" the CoC program, including identifying ways to streamline and simplify the application process. Some of these improvements are being rolled out this year.

1. New Flexibility for Renewal Projects

Some new options for renewal projects include:

- Project Expansion. Existing projects that wish to expand by adding additional beds and units may apply for a new project under the "expansion" option. The expansion units must operate identically to the existing project (same target population, service model, etc.). See below for more details.

- Rapid Re-Housing. Renewing rapid re-housing (RRH) projects may now serve an expanded set of eligible participants. These new categories of participants are listed on page 31 of the NOFA. Additionally, RRH projects currently restricted to serving families may now opt to serve both families and single individuals.

- Dedicated Plus Projects. For PSH projects where units are dedicated to serving chronically homeless people, there is an option to become a "Dedicated Plus" project. A Dedicated Plus project can serve people who do not technical meet the definition of chronic homelessness by

expanding eligibility to encompass some additional prior living situations. These additional categories are described on page 18-19 of the NOFA.

- E-Snaps Changes. New this year, renewing projects must import their application from the prior year. There is an option to "submit without changes" which allows the applicant to simply re-submit the prior year's application (if the applicant wants to keep all of the information the same as on the 2016 application). This will significantly reduce data entry, particularly for grantees with multiple projects. Other changes have been implemented to streamline the process, such as "hard coding" of required forms into e-snaps so that applicants no longer need to upload attachments.

2. New Options for New Projects

There are two main changes for new projects this year:

- Project Expansion: CoC's can use either bonus or re-allocation funding to create new projects that are expansions of existing projects. This provides an opportunity for the community to expand capacity for projects that are high performers and for which additional capacity is needed. The expansion project must be of the same project-type as the existing project – PSH projects can add more PSH units and RRH projects may add more RRH slots. Existing TH projects may not add RRH slots to become a joint TH/RRH project. Joint TH/RRH projects must be created as entirely new projects.

- New Project Type: Transitional Housing/Rapid Re-Housing (TH/RRH). CoC's can use either bonus or re-allocation funding to create new projects that are a combination of transitional and rapid re-housing. This project type is intended to help communities fill a gap if there is an insufficient supply of crisis housing (shelter or transitional housing) where participants can live while they are in the process of being rapidly re-housed. This project type is particularly designed for communities who want to create TH/RRH programs to meet specific needs, such as the following: (1) large numbers of unsheltered people living in encampments; (2) large numbers of unsheltered youth; or (3) people fleeing domestic violence in communities that lack shelters for people fleeing domestic violence.

  TH/RRH projects must:
  - o Use a Housing First approach with client-driven service models and a focus on helping people move to permanent housing as quickly as possible. Participants cannot be required to participate in treatment or services to receive assistance.
  - o Have low-barriers to entry and accommodate people with possessions, partners, pets, or other needs.
  - o Incorporate client-choice by helping participants find permanent housing based on their unique strengths, needs, preferences, and financial resources. Participants will choose when they are ready to exit the crisis housing portion of the project and move to permanent housing
  - o Provide or connect participants to resources that help them improve their safety and well-being and achieve their goals.
  - o Target and prioritize people experiencing homelessness with higher needs and who are most vulnerable.

Note: Additional information on this new project type is available in the HUD SNAPS In Focus notice online at https://www.hudexchange.info/news/snaps-in-focus-the-new-joint-transitional-housing-and-rapid-re-housing-component/ This notice includes the following statements: "Joint component projects are not intended to replace transitional housing projects that have been reallocated or lost funding in recent years," and "A joint-component project may not be a good fit for all communities. Before applying, communities need to assess whether a joint component project is the best use of resources and will best meet the needs of people experiencing homelessness in their community."