



DRAFT Ranking and Bonus Policy Discussion

CT BOS CoC 2021 CoC Application

Prepared 9/10/2021

Background on Ranking and Tiering:

In the annual CoC competition, HUD requires communities to rank projects for funding based on performance and community priorities.

Tier 1: 100% of Annual Renewal Demand (ARD) minus Annual Renewal Amounts (ARA of YHDP renewal and replacement projects) = \$41,501,077

- Projects in Tier 1 are ensured funding as long as the CoC and project applications meet minimum HUD requirements.
- CoCs can choose to rank all renewals in Tier 1, but must demonstrate performance review of renewals, a process for reallocating lower performing projects to create new projects, and a project review and ranking methodology related to System Performance Measures.

Tier 2: CoC Bonus@ 5% of Final Pro Rata Need (FPRN) = \$2,243,030

- Projects in Tier 2 are scored on a 100-point basis, and each project competes against every other Tier 2 project across the nation.
- HUD awards funding to Tier 2 projects in order of project scores until it allocates all available CoC funds.
- Tier 2 projects that scored a 68 or above in 2018 were funded. There was no competition in 2020. HUD has declined to release this information for 2019.

Tier 2 Project Scoring:

- Total of 100 points
- 50 points based on CT BOS CoC 2021 Application Score. 2019 score was 185.5/200 (93%). This year's score is based on 163 points plus 25 possible bonus points. HI ran a conservative estimate based on a CoC application Score @ 142.6, which would yield 43.7 points.
- 10 points for projects based on commitment to Housing First, which all projects would receive
- 40 points based on relative ranking of project as compared to total amount in Tier 2 – projects ranked higher and smaller projects get higher scores (algebraic equation – the “1-x factor”)
 - Splitting the bonus funds up into multiple projects gets better scores and increases the likelihood that the CoC will receive bonus funds.

Prior Ranking Strategies in CT BOS:

- Historically, the CT BOS CoC has ranked projects using a combination of performance evaluation scores, model type and the best mathematical scoring advantage to maximize funds received.
- Renewal projects have been ranked above new projects in order of evaluation score. Renewal projects that have not been evaluated have been ranked below evaluated projects, but before new projects. This year, all renewal projects will be able to be ranked in Tier 1.
- Reallocated projects, Coordinated Entry and HMIS have been placed in Tier 1 to ensure funding.
- New CoC projects have been ranked in Tier 2.

2021 Ranking and Bonus Decisions:

A. Proposed General Ranking Order:

1. Renewal projects that have been evaluated in order of 2021 CT BOS CoC Evaluation Score
2. Followed by unscored renewal projects providing housing and/or services directly to clients which have not been evaluated (ranked lowest to highest ARD)
3. Followed by renewal projects transitioning to a different component type
4. Followed by renewal HMIS and Coordinated Entry projects.
5. Followed by new Coordinated Entry projects funded through the CoC Bonus and Reallocation
6. Followed by other new projects funded through the CoC Bonus and Reallocation in an order that considers the maximum advantage on the relative ranking factor (1-X), the project application score as determined by the scoring committee, and need in the relevant CAN (Coordinated Access Network (see below).
7. Followed by DV Bonus projects providing housing and/or services directly to clients in order based on application score as determined by the scoring committee.
8. Followed by DV Bonus SSO-CE project

NOTE: DV Bonus Projects will be funded regardless of ranking position if selected by HUD in the national DV Bonus competition.

Vote on General Ranking Order

B. Bonus Allocation Methodologies for New Projects: (\$2,243,000)

- The CoC support team evaluated more than a dozen scenarios to determine how ranking would affect Tier 2 project scores.
- Splitting the bonus up into multiple projects will result in higher scores for the project applications. (1-X factor)

Types of Projects that applied for New Funding

- 17 applications were reviewed; 14 for PSH and 3 for TH/RRH.
- Applicants proposed both new projects and expansion projects to add units and/or services in existing projects.
- Applicants proposed PSH projects in six CANS and TH/RRH projects in two CANS.

Established Principles for New Projects

1. For continuity and consistency, all rental assistance should be administered by the same rental administrator that is currently used by the State of CT for existing homeless services programs or per HUD requirements.
2. As established in the RFP, all projects should receive at least the minimum per household annual supportive services amount, unless the project has another source of funding for services (i.e., a minimum of \$4000 per household for RRH and \$5000 per household for PSH). No project should receive more than the CT BOS cap for supportive service costs (i.e., \$7,500 per household annually).
3. The CoC allocates funding using an objective formula based on need in each CAN.

Proposed PSH Budget Allocation Methodology:

4. Project budgets for new units will be allocated based on BNL data according to relative need in each CAN or a similar equitable standard.
5. Project budgets for services only for existing tenants will be allocated based on a formula using relative unmet need in the applicable CANs or a similar equitable standard that is applied across programs/CANs.
6. DMHAS will be the applicant with the selected non-profits listed as sub-recipients.

Proposed Joint TH/RRH Budget Allocation Methodology:

7. Project budgets for new units will be allocated based on BNL data according to relative need in each CAN or a similar equitable standard and as required by HUD budget requirements.

[Vote on Bonus Allocation Methodologies](#)