Connecticut Balance of State Continuum of Care



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Ranking Policy – 2023 Continuum of Care Competition

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Background on Ranking and Tiering

Each year the Connecticut Balance of State Continuum of Care (CT BOS) must compete with other communities across the country to retain funding for current projects and obtain new funding to develop more projects under the federal Continuum of Care (CoC) Program.

- As part of the competition, the US Department of Housing and Urban Development (HUD) requires CoC communities to rank all renewal and new projects¹.
 - HUD requires that the ranking is based on project performance on system performance measures and local priorities.
 - HUD has two "Tiers" in the ranking and establishes the amount of funding in each Tier.
 - In 2023, HUD is requiring the ranking of YHDP (Youth Homelessness Demonstration Projects) projects for the first time.
- <u>Tier 1.</u> As long as the CoC submits a viable application, 93% of the money needed to fund existing renewal projects is guaranteed to be awarded to the community. This is called <u>Tier</u> <u>1</u> funding and HUD establishes this amount.
 - For 2023, the amount of funds in Tier 1 is estimated at \$46,721,193.
 - Projects in Tier 1 are all funded as one group as are almost guaranteed to be funded as long as the CoC and Project Applications meet HUD's minimum requirements.
- <u>Tier 2</u> includes the balance of the funding needed for all renewal projects and bonus funds for new projects.
 - For 2023, the amount of funding in Tier 2 is estimated at \$7,033,298.
 - CoC Bonus funds are estimated at \$3,516,649 of the Tier 2 total.
 - Applications for CoC Bonus funds must be included in the ranking of projects.
 - Projects in Tier 2 are scored on a 100-point basis, and each project competes against every other Tier 2 project across the nation.
 - The 100 points is based on the CoC Application score, adoption of Housing First practices and the project's relative position in the ranking.
 - Projects at the top of Tier 2 are more likely to be funded than those at the bottom.
 - HUD funds Tier 2 projects in order of application score until they spend all available CoC funds.

¹ All DV Bonus projects submitted by CoCs across the country compete against each other and are funded regardless of ranking position if selected by HUD in the national DV Bonus competition. The amount available in DV Bonus funds is estimated at \$1,493,000 for CT BOS.

Prior Ranking Strategies:

- Historically, CT BOS has ranked projects using a combination of performance evaluation scores, new project application 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.
- Coordinated Entry (CE) and HMIS have been placed in Tier 1 to ensure funding.
- Renewal projects that have not been evaluated have been ranked below evaluated projects, but before new projects.
- New projects have been ranked in Tier 2.

Established Principles for New Projects:

- 1. All rental assistance will 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 stated in the 2023 new project RFP, to ensure sufficient case management capacity, all Permanent Supportive Housing (PSH), Rapid Rehousing (RRH), and Joint Transitional Housing (TH)/RRH projects, unless the project has another source of funding for services, must request \$9,000 annually for supportive services per household to be served at a point in time. Projects may not request more than this amount.
- 3. Funding is allocated using an objective formula based on data/need in each Coordinated Access Network (CAN) such as By Name List (BNL) data or a similar equitable standard.
- 4. Budgets for projects that are expanding to enhance services for existing tenants are allocated based on the current number of participants in the program.

2023 Ranking Policy - Proposed General Ranking Order:

- 1. Renewal projects that have been evaluated will be ranked in order of 2023 Evaluation Score. Projects with identical scores will be ranked based on budget from largest to smallest.
- 2. Followed by renewal HMIS and Coordinated Entry projects at the bottom of Tier 1.
- 3. Followed by the remaining evaluated renewal projects at the top of Tier 2.
- 4. Followed by renewal projects which have not been evaluated in an order that considers the maximum advantage on the relative ranking score.
- 5. Followed by new projects braiding RRH and PSH projects starting with the highest scoring RRH or PSH application as scored by the Scoring Committee, followed by the highest scoring program of the other program type, followed by the next highest scoring project in the first program type, and so on until all funds are expended. To help ensure the CT BOS secures the greatest amount of funding possible and that funds are allocated based on need, the ordering and final budgets will also consider the maximum advantages on the relative ranking and housing leverage scoring factors and need in the relevant CAN.
- 6. Followed by DV Bonus projects ranked in an order based on the project application score as determined by the Scoring Committee. Note that DV Bonus Projects will be funded regardless of ranking position if selected by HUD in the national DV Bonus competition.