



Connecticut Balance of State Continuum of Care

Ending Homelessness in Connecticut | Email: ctboscoc@gmail.com | Website: www.ctbos.org

Ranking & COLA Policy – 2024 Continuum of Care Competition - Prepared 8/12/24

Background on Ranking and Tiering

- Each year the CT Balance of State Continuum of Care (CT BOS) competes with other communities across the US to keep funding for current projects and get funding for new projects.
 - This funding is from the US Department of Housing and Urban Development (HUD) and supports PSH, RRH, Joint TH-RRH, Coordinated Entry, HMIS and CoC Planning. ¹
 - The total amount of funds potentially available to CT BOS is more than \$68 million.
 - This includes bonus available for DV projects for about \$2.8 million.²
- HUD requires CoCs to rank most renewal and new projects as part of the competition.
 - Ranking must be based on project outcomes on HUD performance measures and local priorities.
 - YHDP (Youth Homelessness Demonstration Projects) will be renewed “non-competitively” meaning YHDP projects are not ranked, nor are CoC Planning grants.
- HUD allocates the funding that CoCs apply for in two “Tiers”.
 - **Tier 1.** As long as CT BOS submits a sound application, 90% of the money needed to fund existing projects will be awarded. This is called **Tier 1** funding.
 - For 2024, the amount of funds HUD set in Tier 1 is estimated at \$48,355,371
 - Projects in Tier 1 are almost sure to be funded as long as the CoC and Project Applications meet HUD’s requirements.
 - HUD lowered the amount of money in Tier 1 (from 93% to 90%).
 - This means that more funding is at risk in 2024.
 - **Tier 2** includes the rest of the funding for all renewal projects and bonus funds.
 - The total amount of funding in Tier 2 is estimated at \$15,008,998
 - This includes CoC Bonus funds - estimated at \$6,876,029. This is nearly double the 2023 amount. Applications must be ranked.
 - Projects in Tier 2 are scored on a 100-point basis. Each project competes against every Tier 2 project across the nation until HUD runs out of CoC funds.
 - Points are awarded based on the CoC Application score, commitment to Housing First, and the project’s size and position in the ranking.
 - Projects at the top of Tier 2 are more likely to be funded than those at the bottom.

¹ Permanent Supportive Housing (PSH), Rapid Rehousing (RRH), and Joint Transitional Housing (TH/RRH), Homeless Management Information System (HMIS)

² HUD has not yet released the final totals for the amount of funding CoC’s can apply for.

- DV Bonus funds available in 2024 are estimated at \$2,760,150 for CT BOS.
 - This is 50% more than 2023. DV Bonus projects compete against other DV Bonus projects submitted by CoCs across the country using scoring factors set by HUD. If selected by HUD in the national DV Bonus competition, these projects are funded no matter their rank.

Past Ranking Strategies:

- Historically, CT BOS has ranked projects using a combination of performance scores, application scores, model type and the best scoring advantage to maximize funds received.
- Renewal projects have been ranked above new projects in order of evaluation score.
 - This prevents housing loss for people living in existing projects.
 - CT BOS works with renewals to correct performance issues. Projects with repeated performance issues that are not corrected are considered for reallocation.
 - Renewal projects that have not been evaluated have been ranked below evaluated projects, but before new projects.
- Renewal Coordinated Entry (CE) and HMIS have been placed in Tier 1 to ensure funding.
- New projects have been ranked in Tier 2.

Established Principles for New Projects:

- Rental assistance is administered by the same rent administrator that is used by the State of CT for homeless services programs or per HUD requirements unless otherwise approved.
- To ensure sufficient case management capacity, all new PSH, RRH, and Joint 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.
- 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.
- Budgets for projects that are expanding services for existing tenants are allocated based on the number of participants in the application.

2024 Decisions Made by the Steering Committee in January 2024:

- CT BOS will set aside funding for enhanced services in existing CoC-funded PSH and RRH with a preference for PSH projects with no designated services funding.
- CT BOS will set aside funding for projects targeting people aged 60 and older.
- CT BOS will have a preference for projects that qualify for HUD Housing Leverage points (i.e., at least 25% of the units designated to serve people experiencing homelessness are subsidized by a source other than CoC or ESG).
- CoC competition funds may be used to fund Coordinated Entry.

2024 Ranking - Proposed Ranking Order and Policy:

CT BOS will rank projects as follows for the 2024 CoC Application to HUD:

1. **Renewal** PSH, RRH and Joint TH-RRH Projects that have been evaluated in order of 2024 score. Projects with identical scores ranked based on budget from largest to smallest.
2. **Renewal** HMIS and Coordinated Entry projects will be ranked at the bottom of Tier 1 to ensure continued funding.
3. The remaining evaluated **Renewal** Projects will be ranked at the top of Tier 2 in order of evaluation score.
4. **Renewal** Projects that have not been evaluated will follow in an order that considers the maximum advantage on HUD's relative need scoring factor.
5. **Expansion** applications for existing PSH projects with no services funding applying for services funds. The ranking will start with those projects serving people 60 and older and follow in order of application score.
6. **Expansion** applications for existing PSH and RRH with services funds below \$5,000 per household applying for services funds to reach the \$9000 cap. The ranking will start with those projects for people 60 and older and follow in order of application score.
7. **New** Coordinated Entry projects.
8. **New** PSH projects starting with those projects for people 60 and older and then in order of application score.
9. **New** RRH projects in order of application score.
10. **DV Bonus** projects ranked in an order based on the project application score followed by unscored DV Bonus Projects (submitted subsequent to the scoring process in order to ensure that CT BOS applies for as much DV Bonus funding as possible).³
11. If applications don't fully expend the available CoC or DV Bonus funds, final budgets will be increased based on need across CANS using the BNL or other similar equitable standard and provider capacity.
12. If the CoC bonus allocation decreases the amount of funds for new projects below current projections, final budgets will be reduced based on need across CANS using the BNL or other similar equitable standard.

Proposed COLA Strategy

In 2024, HUD will apply a Cost-of-Living Adjustment (COLA) - estimated at 4.8% to renewal project budgets on the HMIS and Supportive Services Budget Line Items.

- CT BOS will apply a COLA adjustment to new project budgets and raise the Supportive Services budget cap from \$9000 per household to \$9500.

³ DV Bonus Projects will be funded regardless of ranking if selected by HUD in the DV Bonus competition