

FY 2018 Continuum of Care (CoC) Program Competition NOFA

What’s New, Changes, and Highlights

The FY 2018 CoC Program Competition NOFA has new information and a few changes that are important for CoCs to consider as they implement their local competition process. We are providing a list of the new information and a few of the changes that include references to the FY 2018 CoC Program Competition NOFA in a single, easy to use document. The references listed may not include all the instances where a topic is mentioned; but rather, directs you to the main section(s) of the NOFA that provides the complete information you need to determine the course of action you as the CoC, Collaborative Applicant, or project applicant wants to take in this year’s CoC Program Competition.

| Topic | FY 2018 CoC Program Competition NOFA Section(s) | |
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| Transition Grants | II.B.2 III.C.3.q III.C.3.r | <p>Project applicants can transition an existing renewable component (e.g., TH) to another component (e.g., PH-RRH). To take advantage of the transition grant, the project applicant must use the reallocation process to relocate the existing eligible renewal component to one of the eligible new project components: PH-PSH, PH-RRH, Joint TH and PH-RRH, dedicated HMIS, or SSO-CE. The term of the new grant must be for 1 year. A project applicant can transition more than one existing component to create a new component provided the new project meets the following:</p> <ul style="list-style-type: none"> • is from the same recipient for the eligible renewal grant(s) being eliminated; and • the project applicant must provide the grant number(s) of the project(s) being eliminated to create the new project; and • must attach a copy of the most recently awarded project application. <p>To create a Transition Grant, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant.</p> <p>The FY 2018 CoC Program Competition NOFA also requires:</p> |

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| | | <ul style="list-style-type: none"> • No more than 50 percent of each transition grant may be used for costs of eligible activities of the program component originally funded; • transition grants in this Competition are eligible for renewal in subsequent fiscal years for eligible activities of the new program component; and • to be eligible to receive a transition grant, the renewal project applicant must have the consent of its Continuum of Care and meet the standards outlined in Section III.C.3.r of the NOFA. <p>Transition grants must meet all FY 2018 CoC Program Competition eligibility and threshold requirements and if conditionally selected:</p> <ul style="list-style-type: none"> • the operating year start date of the new grant will be the date after the end of the previous grant term for the expiring component; • if more than one eligible renewal project was reallocated to create a single transition grant, HUD will use the day after the end of the earliest expiring grant term; and • the project will have 1 year to fully transition from the original component to the new component that must take place during the normal operating year. <p>Transition grants cannot use the consolidation process in the FY 2018 CoC Program Competition.</p> |
| <p>Domestic Violence (DV) Bonus</p> | <p>II.B.3 II.B.10.e III.C.3.g V.B.3.a.(4) V.B.3.a.(6) V.C.3.b.(4)(d) VIII.A.2.e</p> | <p>Up to \$50 million is available for the DV Bonus which will provide housing and services to survivors of domestic violence, dating violence, and stalking. A CoC may apply for up to 10 percent of its Preliminary Pro Rata Need (PPRN), or a minimum of \$50,000, whichever is greater, or a maximum of \$5 million. A CoC may apply for one of each of the following types of projects which are limited to a 1-year funding request and must follow the Housing First approach:</p> <ul style="list-style-type: none"> • 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) to implement policies, procedures, and practices that equip the CoC’s coordinated entry to better meet the needs of survivors of domestic violence, dating violence, sexual assault, or |

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| | | <p>stalking (e.g., to implement policies and procedures that are trauma-informed, client-centered or to better coordinate referrals between the CoC’s coordinated entry and the victim service providers coordinated entry system where they are different).</p> <p>CoC may apply to expand an existing renewal project in accordance with Section III.C.3.i of the NOFA, that is not dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that meet the definition of homeless in paragraph (4) of 24 CFR 578.3 to dedicate additional units, beds, persons served, or services provided to existing program participants to this population.</p> <p>DV Bonus projects will be reviewed for eligibility and threshold requirements and will be selected based on the CoC Application score plus other criterion specified in Section III.B.10.e of the NOFA. CoCs are required to rank all DV Bonus projects on the New Project Listing of the CoC Priority Listing with a unique rank number.</p> |
| <p>Consolidations</p> | <p>II.B.4 III.C.3.d V.B.2.b.(4) V.B.3.a.(7)</p> | <p>Eligible renewal project applicants will have the ability to consolidate two or more eligible renewal projects (but no more than four projects) into one project application during the application process. Prior to beginning the consolidation process in the project application, the applicant should consult with the local HUD field office to ensure each project is eligible to be consolidated. The projects being combined during a grant consolidation will continue uninterrupted. To be eligible for consolidation, projects must have the same recipient and be for the same component; and they will be funded in this competition only with FY 2018 funds (meaning no funds recaptured from prior years will be awarded to the project). HUD will not permit projects that have the following characteristics to consolidate:</p> <ul style="list-style-type: none"> • outstanding audit or monitoring findings; • outstanding obligation to HUD that is in arrears, • unresolved construction delays, • history of poor financial management/drawdown issues, • history of low occupancy levels, or lack experience in administering the project type, or • other capacity issues. |

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| | | <p>HUD will not permit a transitional housing and a permanent housing project to consolidate to form a Joint TH and PH-RRH component project and will not permit a transition grant to be consolidated with any other project. Additionally, transition grants cannot use the consolidation process in the FY 2018 CoC Program Competition.</p> |
| <p>Bonus and Reallocation</p> | <p>Bonus: III.B.3.c</p> <p>Reallocation: III.B.3.q</p> <p>Both: V.B.2.c.(1) V.B.3.a.(3) V.B.3.a.(6)</p> | <p>CoCs may submit new project applications under the bonus and reallocation process. In the FY 2018 CoC Program Competition, HUD will allow projects and CoCs to combine bonus and reallocation available funding in a single project as both new bonus and new projects created through the reallocation process have the same eligible new components:</p> <ul style="list-style-type: none"> • PH-PSH; • PH-RRH; • Joint TH and PH-RRH • HMIS (dedicated); and • SSO-CE. <p>Bonus: A CoC is eligible to apply for up to 6 percent of its Final Pro Rata Need (FPRN) and may apply for more than one bonus project provided it has demonstrated the ability to reallocate lower performing projects to create new higher projects as outlined in Section VII.B.2.c of the NOFA.</p> <p>Reallocation: CoCs can shift funds in whole or part from existing eligible renewal projects to create one or more new projects without decreasing the CoC's ARD. New projects created through reallocation must meet the requirements set forth in Section II.B.1 of the NOFA and the project eligibility and project quality thresholds established by HUD in Sections V.C.3.b and V.C.3.c of the NOFA. CoCs may only reallocate eligible renewal projects that have previously been renewed under the CoC Program</p> <p>Because new project applications may be created through the reallocation or bonus processes, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as reallocation or bonus, HUD may reclassify the project(s)</p> |

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| | | as either reallocation or bonus if the CoC exceeded either its reallocation or bonus amount. |
| Tier 1 and Tier 2 | II.B.10 | <p>Tier 1 remains at 94 percent of the CoC's Annual Renewal Demand (ARD) and Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for bonus amounts as described in Section III.C.3.c of the NOFA. All project applications except CoC planning and UFA Costs project must be ranked. Project applications that must be ranked are: all new reallocation, bonus, DV Bonus and renewal project applications.</p> <p>DV Bonus projects will be reviewed for eligibility and threshold requirements and will be selected based on the CoC Application score plus other criterion specified in Section III.B.10.e of the NOFA. If the DV Bonus project application is selected for conditional award with DV Bonus funds, HUD will remove the DV Bonus project from the CoC's ranking and projects under the DV Bonus will move up one rank position. If the DV Bonus project is not selected with DV Bonus funds, HUD will retain the DV Bonus project in its ranked position and consider the project for conditional award under the regular bonus amount available to the CoC.</p> |
| Ranking | L.2 II.B.9 II.B.10.b.(2) | <p>HUD will continue to require Collaborative Applicants to rank all projects, except CoC planning and Unified Funding Agency (UFA) Costs projects, in two tiers as described Sections II.B.10. a and b of the NOFA.</p> <p>All project applications approved by the CoC must be listed on the CoC Priority Listing in rank order, except project applications for CoC planning and UFA Costs which will not be ranked, to establish the project applications located within Tier 1 and the project applications located within Tier 2.</p> <p>CoCs are required to rank all DV Bonus projects on the New Project Listing of the CoC Priority Listing with a unique rank number. If a project application designated as DV Bonus is conditionally selected by HUD with DV Bonus funds, HUD will remove the ranked DV Bonus project from the New Project Listing and all other project applications ranked below the DV Bonus project will slide up one rank position. If the DV Bonus project is not selected with DV Bonus funds, HUD will retain the DV</p> |

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| | | Bonus project in its ranked position and consider the project for conditional award under the regular bonus amount available to the CoC. |
| CoC Mergers | II.B.5 III.C.3.e VII.B.3.d VII.B.7 | Encourage merges and mitigate potential adverse scoring implications that may occur when a high performing CoC merges with one or more lower performing CoCs. CoCs that merged between the FY 2016 and the FY 2018 CoC Program Registration deadlines are eligible for the merger bonus points mentioned in the NOFA. |