The Continuum of Care (CoC) Program
(24 CFR part 578)
NC-513 RANKING AND REVIEW POLICY AND PROCEDURE

Overview
The Department of Housing and Urban Development (HUD) requires Continua of Care to rank all projects being recommended for funding into two tiers as part of the Consolidated Application's Priority Listing. Tier 1 is defined by HUD in the Notice of Funding Opportunity (NOFO) as a percent of a Continuum of Care's (CoC) Annual Renewal Demand (ARD) approved by HUD. Tier 1 projects traditionally maintain existing funding in the NOFO competition provided the CoC's Consolidated Application is properly submitted and meets the minimum threshold score established by HUD. The amount of funding available in Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for all bonus projects. Tier 2 projects must compete nationally for funding and are therefore at risk of not being awarded.

Renewal projects are those with existing CoC funded grant agreements, as noted on the approved HUD Grant Inventory Worksheet (GIW). New projects are those applying for the first time in a given year.

Project applications are ordered from highest to lowest ranking in the CoC's Priority Listing, and in accordance with HUD's two-tier system as outlined in the NOFO.

CoC's that score high enough on their NOFO may be awarded Bonus Funds and/or Domestic Violence Bonus Funds. Both types of Bonus Funds are awarded by HUD based on a competitive national rating and ranking process.

Projects are ranked according to their assigned score in the Priority Listing in two Tiers as outlined below, with the exception of projects supporting the CoC infrastructure (i.e. (1) Homeless Management Information System - HMIS, (2) Supportive Services Only Coordinated Entry – SSO-CE) necessary to maintain the homeless delivery system and first time renewals. These CoC infrastructure projects are often referred to as the CoC's Planning Project. As required by HUD, the CoC's infrastructure projects do not receive a score and are not ranked in the CoC Priority Listing.

Tier 1: Project Ranking
CoC Infrastructure projects are defined as dedicated HMIS grants and Supportive Services Only-Coordinated Entry (SSO-CE) grants. The CoC's renewal infrastructure projects will be automatically renewed and ranked in Tier 1. Renewal SSO-CE project will be ranked above renewal HMIS project as SSO-CE project provides direct services to people experiencing homelessness.

Projects that are renewing for the first time in the competition, and subsequently have not completed a full project year and have not submitted an Annual Progress Report (APR) to HUD will not have a Project Renewal Scorecard.

These projects will be automatically renewed and ranked in Tier 1. See the Reallocation Policy to determine handling low performing renewal projects. HUD regulations prevent first year renewals, HMIS or SSO-CE projects from being placed as a straddler in Tier 1 and Tier 2.

Tier 1: Tie Breaking
In the event that two projects earn the same score based on the CoC scoring tool, resulting in the same rank/placement on the Priority Listing, the following criteria will apply:
- First Tiebreaker: CoC Funding Review Committee identifies a project as a priority to meet a community-wide need based on current data (point-in-time count, needs and gaps analysis, system performance measures, e.g.)
- Second Tiebreaker: The project exceeded the number of households served from the previous grant year.
- Third Tiebreaker: The project with the highest percentage of project participants who exited to permanent housing.
- Fourth Tiebreaker: The project with the highest percentage of project participants with increased income or benefits.

Tier 1/Tier 2: Project Straddling
If a project, once listed in ranking order, straddles the Tier 1/Tier 2 funding line with a portion of the project budget falling within Tier 1 and the remaining within Tier 2, the viability of a project to operate with only the Tier 1 amount will be determined by the CoC Funding Review Committee taking into account the feasibility of operating the project with reduced funds, community need (reduced outcomes), and maximizing the percentage of Tier 1 funding available to the CoC. The Funding Review Committee may continue to evaluate all Tier 1 low ranking projects until a viable project for Tier 1/Tier 2 straddler is identified.

Tier 2: Project Ranking
Renewal projects will be ranked in Tier 2 according to their overall project score. If applicable, new and Expansion Projects created from reallocated funding may be ranked higher than renewals placed in Tier 2. The CoC Funding Review Committee may take into account the project's positive impact on the community, whether the renewal project had funding recaptured, and the percentage of the ARD left in Tier 2 funding that is available to the CoC. Because CoC Bonus Project and DV Bonus Project applications must compete nationally for funding, they are ranked according to scores chronologically, below renewal and reallocated projects. If a Bonus Project is ranked higher than a renewal or reallocation project the community risks losing part of the ARD while also not guaranteeing that Bonus funds will be awarded to our community. In order to maximize the potential funding coming

into the community, Bonus Projects will be ranked below renewal and reallocation projects.

Tier 2: Tie-Breaking
In the event that two projects earn the same score based on the CoC scoring tool, resulting in the same rank/placement on the Priority Listing, the following criteria will apply:
- First Tiebreaker: The project emphasizes HUD priorities as outlined in the NOFO.
- Second Tiebreaker: CoC Funding Review Committee identifies a project as a priority to meet a community-wide need based on current data (point-in-time count, needs and gaps analysis, system performance measures, e.g.).

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