

# Recommendations For New CoC CE-SSO Funding

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Presented to CAM Governance, April 12, 2023

Notes are added in red font

# CAM Governance Committee Ask

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- CAM Governance Committee is asked to develop a recommendation on how the CoC should handle new applications for CE-SSO funding in the FY2023 CoC Competition
- Recommendation will go to Values and Funding Priorities Committee
- Continuation of our conversation from 4/5

# Background and Context

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- Development of new project funding priorities for CoC competition historically included input from CAM Governance on what should be considered for new CE-SSO applications.
- Recommendations from CAM Governance sent to Values and Funding Priority Committee (VFP). VFP makes new project priority recommendations to CoC Board for approval.
- Historically, recommendations from CAM Gov. and VFP have been supported by CoC Board.
- Initial discussion on 4/5 included a discussion on whether CoC bonus funds should be “set aside” for the new CAM Lead agency.

# Outcome of 4/5 Discussion

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At 4/5, following was agreed to:

- RFP for CoC Bonus for CE-SSO should be released
  - Eligible applicants limited to current CE-SSO recipients
- RFP for DV Bonus for CE-SSO should be released
  - Any eligible applicant may apply
- For both, CAM Governance will provide input on types of services applicants will be able to apply for and require a letter of support for applications.

# Funding Gap Discussion

- Gaps in funding to have an optimal Coordinated Entry system have been identified
  - Total gap: approximately \$1.4 million (annually)
- Gaps identified based on best assumptions available to us in early 2023 (assumptions regarding costs to operate “optimal” CAM implementation and funding dedicated to CAM at that time). **Optimal funding was not compared to other CE Leads of like size. We can ask our consultant, CSH to do this analysis. We will need to be mindful that like size does not mean like services as CE has some latitude about what services CE provides (i.e. not all include shelters)**
- Analysis done to determine proportion of projects, by primary funder, in the CoC required to participate in CAM. **Analysis did not account for size of programs in dollar amount or beds/units. Additional analysis can be done by CSH**
  - Primary funders being CoC, City, VA, MSHDA, & MDHHS

# Funding Gap Discussion

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- These proportions then applied to the ideal CAM budget to determine the amount of funding that funder could be expected to contribute to CAM
- Proportional amount CoC could be asked to contribute (in addition to CoC funding already supporting CAM) is \$350,000
- There was disagreement if this amount being asked of the CoC was appropriate

# Funding Gap Discussion

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- Additional work will be done on CAM funding needs
  - CSH working as a technical assistance provider to help develop a strategy to fill identified gaps
  - Once new CAM Lead is identified, further refining can be done on the CAM budget and gaps, as we'll have more specific information to work with at that time
- This additional work (taking place over the coming months) will allow the CoC to develop additional strategies for future CoC competitions

# Recommended Options

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- Recommended options made based on these facts:
  - Current projects show a gap in CAM funding
  - CoC Bonus is a viable source of funding to help close that gap
  - CAM Gov. Committee desires to see competitive applications for CoC Bonus and DV Bonus CE-SSO projects



# Recommended Options

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- **Option #1 (competitive only):**
  - CoC releases an application for CoC Bonus and DV Bonus for new CE-SSO applications
  - CoC bonus: limited to current CE-SSO grantees only
  - DV bonus: any eligible applicant
  - All applications reviewed and selected on a competitive basis
  - CAM Gov will be asked for input on specific services to be supported by these applications and require a letter of support for applicants

# Recommended Options

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- **Option #2 (competitive + set aside):**
  - Open competition as outlined in Option 1; AND
  - The CoC will commit to submitting a CoC Bonus application in amount of \$350,000 to expand current grant that will be transferred to new CAM Lead agency
    - New CAM Lead would not need to apply locally for this “set aside”
    - If it wants more than \$350K, it would need to apply for that additional amount competitively.

# Ranking of New CE-SSO Projects

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- Role Values and Funding Priorities Committee (VFP) is to recommend project priority ranking policies to CoC Board.
- VFP will be having discussions on these policies in the coming months, with Board to approve policies in July.

# CAM Governance Recommendation Vote

- **Option #1 (competitive only):** Open competition for new CE-SSO applications. Would allow both new CAM Lead Agency and any other agency to apply for new funding.

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  - CoC Bonus: Current CE-SSO grantees only
  - DV Bonus: Any eligible applicant
- **Option #2 (competitive + set-aside):** Allow open competition (as given in option 1) AND set aside \$350,000 new CE-SSO funding for new CAM Lead Agency only.
  - New CAM Lead would not need to apply locally for this “set-aside”. Would need to apply competitively if it wanted more than \$350,000 for that additional amount. **The CAM Governance Committee voted as follows 1 Vote for Option 1; 8 Votes for Option 2 and 10 abstentions (Those applying for the CAM Lead were asked to abstain to avoid Conflict of Interest : Option 2 will be recommended to the Values and Funding Committee. Also, the V&FP committee is asked to conduct an analysis on the placement of new CE funding in Tier 1 vs Tier and share recommendation with CGC.**

# CAM Lead Agency and SWS Updates

- As part of their contingency plan, about 25 SWS staff members are participating in a train to learn how to provide CAM support if needed.
- There has only been one resignation since January

## **CAM Governance Recommendations on New CoC CE-SSO Funding in FY2023 CoC Competition**

*April 12, 2023*

*The CAM Governance Committee is asked to develop a recommendation on how the CoC should handle applications for new CoC CE-SSO funding in the upcoming FY2023 CoC competition.*

Recommended options are provided below.

### **Background and Context**

Consistent with prior year's CoC competitions, the CAM Governance committee is asked to recommend to the Values and Funding Priorities Committee whether the CoC should allow agencies to apply for new CoC CE-SSO funding. The initial discussion on this topic at the 4/5/2023 CAM Transition Team meeting included a discussion whether any CoC bonus funds should be "set aside" for the new CAM Lead Agency apart from that agency needing to apply for it competitively.

### **Outcome of 4/5 Discussion**

The following was agreed to at the 4/5 CAM Transition Team meeting:

- An RFP for CoC Bonus funding for CE-SSO projects should be released, with eligible applicants limited to either CHS or the new CAM Lead (ie, current recipients of CE-SSO funding already).
- An RFP for DV Bonus funding for CE-SSO projects should be released, with any entity meeting HUD's eligibility requirements able to apply.
  - It was noted the CAM Governance Committee should engage in further discussions about the needs of people fleeing DV and their interaction with Coordinated Entry.

### **Funding Gap Discussion**

The discussion at the 4/5 CAM Transition Team meeting on if any, and what amount, CoC Bonus funding should be "set aside" for the new CAM Lead agency was unresolved. The highlights of this discussion:

- Funding gaps for the new CAM Lead Agency have been identified. These gaps have currently been projected based on an assumption of what it would cost for an optimal CAM implementation compared to the amount of funding known to be available for CAM as of March 2023.
- We discussed the proposed proportional amounts of this gap in funding the primary funders of projects using CAM could be asked to contribute. Primary funders in this instance being the CoC, the City of Detroit, and the VA.
- The proportional amount of this funding gap the CoC could be asked to contribute is, based on current estimates, \$350,000.
- There was disagreement if this amount the CoC should be asked to contribute towards funding gap was appropriate. Additional work will be done in the coming months to better clarify funding gaps and strategies to fill those gaps. These projections are the best numbers we have at this time.

It is acknowledged a more fulsome conversation needs to be had with the CAM Governance Committee (or the full CAM Transition Team) about CAM funding needs. CSH has been brought on board as a technical assistance provider to help develop a strategy to fill identified funding gaps.

Additionally, once the new CAM Lead Agency is identified, we will be able to further refine and clarify the projected optimal CAM budget and gaps, as we will at that time have more information about actual costs. With that better information, strategies will need to be developed on how to use CoC funding in future competitions. If it is identified more CoC funding should be dedicated to CAM, the CoC can develop a plan to address that need at a future date.

### **Recommended Options for FY2023 CoC Competition**

The following recommended options are made given these facts:

- Our current projections show a gap in CAM funding
- CoC Bonus is a viable source of funding to help close that gap
- The CAM Governance Committee desires to see competitive applications to allow current CE-SSO grantees to apply for CoC bonus and any applicants to apply for DV Bonus.

The recommendation from the CAM Governance Committee will go to the Values and Funding Priorities Committee (VFP) as the VFP develops new project priorities. Ultimately, all recommendations must be approved by the CoC Board.

**Option #1 (competitive only):** The CoC releases an application for CoC Bonus funding and DV Bonus funding to expand current, or fund additional, additional CE-SSO grants.

- CoC Bonus applications: Limited to current CE-SSO grantees only
- DV Bonus applications: Open to any eligible applicant
- All applications reviewed and selected on a competitive basis
- CAM Governance will be asked for input on the specific services to be supported in these applications and require letters of support for applicants (consistent with prior year's process).

**Option #2 (competitive + set aside):** In addition to the open competitive process for new funding, the CoC Board would also commit to submitting a CoC Bonus application in the amount of \$350,000 to expand the current CE-SSO grant that will be transferred to the new CAM Lead Agency.

- The new CAM Lead Agency would need to agree, as it increases their match obligation by \$87,500.
- The new CAM Lead Agency would not need to submit an additional application to the CoC for this "set aside" funding, as their selection as the new CAM Lead Agency may be considered as that the application, although the CAM Governance should ask for, and give approval to, how the new CAM Lead Agency proposes to use this new funding.
  - If the new CAM Lead Agency wanted more than \$350,000, it would need to apply for that additional amount competitively.

### **Ranking of New CE-SSO Project Application(s)**

The role of the Values and Funding Priorities (VFP) Committee is to recommend the project priority ranking policies to the CoC Board. These policies dictate the priority order in which projects are submitted to HUD (ie, which projects are in Tier 1 and which are in Tier 2). The VFP will begin discussions on these ranking policies in the coming months. The current plan is for the CoC Board to approve the project priority ranking policies at their July board meeting.