Detroit Continuum of Care

**FY2021 Detroit Continuum of Care Competition Project Priority Ranking
and Reallocation Policies**

June 2021

This document provides the policies by which projects seeking funding in the FY2021 Continuum of Care competition will be prioritized and ranked. This document also provides the policy that will guide reallocation for renewal projects.

I. FY2021 Detroit Continuum of Care Project Priority Ranking Policies

A. Project Priority Ranking Order

The Detroit Continuum of Care (CoC) is required to prioritize and rank projects applying for Continuum of Care (CoC) funding in the annual CoC competition. Projects seeking renewal or new funding in the FY2021 CoC competition will be prioritized and ranked as follows.

1. The CoC's renewal infrastructure projects will be ranked first, by overall percentage scored on the renewal application, from highest to lowest, unless the project scores less than 90% on **both of the following**: Overall score and HMIS Lead Agency or CAM Lead Agency Specific component, (component 7 or component 8). Projects scoring less than 90% on **both** components will be ranked with renewal Permanent Supportive Housing projects according to the project's overall score. For the purposes of project prioritization and ranking, "infrastructure projects" are defined as dedicated HMIS grants and Coordinated Entry Supportive Services Only (CE-SSO) grants.

2. New, including new expansion project(s), created via reallocation and/or CoC Bonus funds up to approximately $1,000,000 in the following order by overall project score:
  a. New or expansion PSH projects that, if funded, would bring additional units of PSH to the CoC, with a baseline goal of at least 40 new units.
  b. New or expansion PSH projects requesting supportive services funding only.
  c. Remaining new or expansion PSH projects.
  d. New or expansion RRH projects.
  e. New or expansion CE-SSO projects.

3. New Domestic Violence Bonus projects up to approximately $500,000 by overall project score.

4. Renewal projects that have not yet completed one full calendar year of operations as of 12/31/2020 will be ranked in the following order by overall percentage scored on the application, from highest to lowest:
  a. PSH projects
  b. RRH projects
  c. TH-RRH projects
  d. CE-SSO projects
  e. Dedicated HMIS projects

Note: This ranking order only applies to "stand-alone" renewal projects. Projects that received new expansion funding in FY2018 or FY2019 will be ranked as a renewal project according to project type in ranking order 5, 6, or 7.

5. Renewal Permanent Supportive Housing (PSH) projects ranked by overall percentage scored on the renewal application, from highest to lowest, unless the project scores less than 90% on **all three of the following**: Overall score, Permanent Housing Placement or Retention (component 2A) and Average Utilization (component 2B). Projects scoring less than 90% on **all three** of these components will be ranked with renewal Rapid Rehousing projects according to the project's overall score.

6. Renewal Rapid Rehousing (RRH) projects ranked by overall percentage scored on the renewal application, from highest to lowest, unless project scores less than 90% on **all three of the following**: Overall score, Permanent Housing Placement (component 2A) and Average Utilization (component 2B). Projects scoring less than 90% on **all three** of these components will be ranked with renewal Transitional Housing projects according to the project's overall score.

7. Renewal Joint Component Transitional Housing-Rapid Rehousing (TH-RRH) projects, ranked by overall percentage scored on the renewal application, from highest to lowest, unless project scores less than 90% on **all three of the following**: Overall score, Permanent Housing Placement (component 2A) and Average Utilization (component 2B). Projects scoring less than 90% on **all three** of these components will be ranked with renewal Transitional Housing projects according to the project's overall score.

8. Renewal Transitional Housing (TH) projects ranked by overall percentage scored on the renewal application, from highest to lowest, unless project scores less than 90% on **all three of the following**: Overall score, Permanent Housing Placement (component 2A) and Average Utilization (component 2B). Projects scoring less than 90% on **all three** of these components will be ranked at the bottom of the project ranking list by overall project score.

9. Remaining new or expansion CoC Bonus projects in the following order by overall score:
    a. New or expansion PSH projects that, if funded, would bring additional units of PSH to the CoC, with a baseline goal of at least 40 new units.
    b. New or expansion PSH projects requesting supportive services funding only.
    c. Remaining new or expansion PSH projects.
    d. New or expansion RRH projects.
    e. New or expansion CE-SSO projects.

10. Remaining new Domestic Violence Bonus projects by overall score.

B. Exclusion or Removal from Project Ranking List
The Detroit CoC reserves the right to exclude or remove a renewal project from the project ranking list, and consequently not submit a project for renewal funding, in the event of written notification from the local HUD Field Office that the project has been out of compliance with regulatory or programmatic requirements and has made no progress on any corrective actions as required by HUD. Any renewal projects excluded or removed from the project ranking list will be reallocated to a new project(s).

C. Consolidated Project Ranking
Projects that submit as a consolidated project will be ranked as follows:
- The individual projects will be ranked according to individual project score; and
- The consolidated project will be ranked according to the highest scoring individual project included in the consolidation.

D. Tiebreaking Criteria
Tiebreakers for ranking policies 2, 3, 9, and 10 will be applied in the following order:
1. First tie-breaker (for PSH, RRH, TH-RRH project applications): Percentage of points earned on past housing outcomes data. For new, non-expansion, projects this will be based on the narrative response given in the application as scored by the review committee. For expansion projects, this will be based on the score earned on component 2A of the renewal being expanded. Expansion projects still in first year of operation with no data for Component 2A will be ranked last within this tie-breaking group.

   First tie-breaker (for CE-SSO applications): Percentage of points earned on narrative response in the application on applicant experience in area of request as scored by the review committee.

2. Second tie-breaker (for all applications): Percentage of points earned on Housing First response in the project application as scored by the review committee.

Tiebreakers for ranking policies 5, 6, 7, and 8 will be applied in the following order:
1. First tiebreaker: the percentage earned on component 2A of the project-specific housing performance in the local application (permanent housing placement and/or retention).
2. Second tiebreaker: the percentage earned on component 2B of the project-specific housing performance in the local application (average project utilization rate).
3. Third tiebreaker: the percentage earned on component 1A of the project performance in the local application (leaving with source of cash income).
4. Fourth tiebreaker: the percentage earned on component 1B of the project performance in the local application (leaving with source of non-cash income).

Tiebreaking criteria for ranking policy 4 will be the time the application was submitted to HAND, from first submitted to last.

E. Projects Straddling Tier 1/Tier 2
If a project, once listed in ranked 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 feasibility of the project to operate with only the Tier 1 amount will be determined as follows:
1. In the annual renewal application, agencies will indicate the minimum amount of funding needed for the renewal project to still be feasible.
2. The Values & Funding Priorities Committee will review this response for the project straddling the Tier 1/Tier 2 line and decide whether the project would be feasible at the reduced amount. If the Committee decides it will be feasible, the project will be submitted as is, straddling the Tier 1/Tier 2 line. If the Committee determines it would not be feasible, that project will be dropped down so that it is wholly in Tier 2, and the next ranked project will be moved up. The feasibility of this project will then be determined.
3. If an agency indicates a minimum amount needed to still be feasible exceeding the project's Tier 1 amount, that project will be automatically moved down into Tier 2, and the next ranked project will be moved up and the process given in #2 above will then be repeated with the next ranked project.
4. This process will continue until the following are realized:
   a. All Tier 1 funds are allocated; OR
   b. The amount of funds remaining in Tier 1 are a negligible amount. If this occurs, the CoC retains the discretion to allocate the remaining funds to another project in Tier 1 that can accept additional funds. The Collaborative Applicant will make a recommendation on this allocation; this recommendation will be reviewed and approved by the CoC Board before implementing.
5. If the amount remaining in Tier 1 is of such a small amount that no project indicates it would be feasible at that reduced amount, steps 2 through 4 will not apply, but rather the projects will be ranked according to their original ranked order.

F. Renewal Project Threshold Score
All projects applying for renewal funding will be evaluated and scored on a given point scale which will be given in the FY2021 CoC Application Policies. In the FY2021 competition, renewal projects must score at least 70% of the points possible in order to be placed on the project ranking list. Renewal projects that do not score at least 70% will be able to submit an appeal in accordance with the Appeals Policy. Projects should anticipate the 70% threshold may increase in subsequent competitions.

G. Final Ranking List Review and Recommendation
Following the review, scoring, and appeals of renewal projects and board decisions on new project applications, a preliminary project ranking list will be developed in accordance with the above priority ranking order. This ranking list, with projects identified by name and type, will be reviewed by the Values & Funding Priorities Committee. The Values & Funding Priority Committee may recommend to the CoC board that a project(s) that would have been in Tier 2 because of the ranking policies instead be placed into Tier 1. If the Committee chooses to move a Tier 2 project up to Tier 1, it will need to provide rationale for the recommendation. The Committee will present its final

recommended project ranking list to the CoC board in accordance with the timeframe required by HUD. The CoC board will make the final decision on the project ranking list.

H. Renewal Project Appeals
The process by which renewal projects may appeal their project score is given in the CoC's Appeals Policy. A project may not appeal its placement on the project priority ranking list.

I. Project Priority and Ranking Policy Review Post NOFO Release
The Detroit CoC Board approved the preliminary ranking policies on June 7, 2021 prior to the release of the FY2021 CoC Program Notice of Funding Opportunity (NOFO). The preliminary policies were approved noting that adjustments may need to be made following the release of the FY2021 NOFO to ensure the policies aligned with, and did not contradict, the NOFO.

II. FY2021 Reallocation Policy

A. Reallocation Policy
Reallocation is the process by which the budget of a CoC funded project is reduced in part or in whole, with those funds used to fund new projects. In the FY2021 competition, projects may be reallocated for the following reasons:

1. An agency voluntarily relinquishes its CoC grant; *OR*
2. Any renewal project failing to meet the 70% scoring threshold and not granted a threshold waiver will be reallocated. Funding from reallocated project(s) will be used to fund new projects via a competitive application process. Agencies should expect the 70% scoring threshold to increase in future competitions; *AND*
3. In addition to #1 above, the CoC Board may decide to reallocate a renewal project for reasons other than a project falling below the scoring threshold. If such a decision is made, it must be demonstrated this decision is data-driven and furthers the CoC's goals and priorities; the agency in question would have the opportunity to appeal this decision in accordance with the CoC's appeals policy; *AND*
4. This policy be reviewed, and modified if needed, following the release of the FY2021 Notice of Funding Opportunity (NOFO).

B. Notification of Reallocation Decision
Agencies will be notified of the decision to reallocate a project within 15 days of the CoC application being due to HUD.

C. Appealing Reallocation Decisions
An agency may appeal a decision to reallocate its project in accordance with the CoC's Appeal Policy.