



This document describes the decision-making process behind the CoC project ranking and Tier 1/Tier 2 funding thresholds for the FY2012 CoC Competition. HUD CoC funded agencies should review this information to understand how their project(s) were ranked. The last pages of this document provide the ranking of all projects in the Detroit CoC.

## **Background**

In the FY2012 [Notice of Funding Availability \(NOFA\)](#), HUD instructed CoCs to rank their projects (both new and renewal) into Tier 1 and Tier 2, which are financial thresholds. CoCs were instructed to do this because the total amount of funding appropriated to HUD for homeless programs was not enough to fund all renewal and new projects this year.

HUD indicated it will fund all projects that a CoC places in Tier 1. They further indicated that they expect to fund some – but not all – projects in Tier 2. Whether or not a CoC has any Tier 2 projects funded will depend on how high that CoC scores in comparison to other CoCs across the country, and if HUD has the funds to allocate to those projects.

HAND was able to only allocate projects up to – but not exceeding – our thresholds. Our Tier 1 threshold was \$21,853,745. After funding projects in Tier 1, we had an additional \$2,835,951 for projects in Tier 2, for a total amount of \$24,689,696.

The total amount to fund all renewal projects in Detroit in the FY2012 competition was \$22,646,368. In addition, HAND intended to also fund projects with our Permanent Housing Bonus dollars (up to \$1,793,328), and a new CoC Planning project (up to \$250,000). Taken all together, the sum of all of these projects exceeded the amount available in Tier 1, requiring us to decide which project(s) would be placed into Tier 2.

## **Decision of HAND Board of Directors**

The Board of Directors of the Homeless Action Network of Detroit met on December 12, 2012, to make a decision on how to allocate projects and funding, in light of the new requirement in the FY2012 NOFA that CoCs allocate projects in two tiers. Agencies receiving HUD CoC funding were invited to attend this meeting.

After much discussion and deliberation, HAND's Board of Directors made the following decisions:

- 1) The HMIS renewal project will be listed in Tier 1 for its full renewal amount.
- 2) All Permanent Housing renewal projects will be listed in Tier 1 for their full renewal amounts, ranked by their performance. See note below for further explanation of how projects are ranked by performance.
- 3) The Safe Haven project will be listed in Tier 1 for its full renewal amount.
- 4) A new CoC Planning grant, requesting no more than \$250,000, will be placed in Tier 1.
- 5) A new SSO project to fund coordinated assessment will be funded at no more than \$200,000, and will be placed in Tier 1.
  - a) The funds for this project would be garnered by reallocating funds from an SSO renewal project that voluntarily withdrew its application for funding from the FY2012 competition.
- 6) The remaining funds from the SSO project withdrawing from the competition will be re-allocated to a new, PSH project and placed into Tier 1. See below for details on this project.
- 7) All renewal TH and SSO projects will be listed together and ranked by their performance. These projects will be listed in rank order after the Safe Haven project and before the reallocated projects and CoC Planning project. They will be listed in Tier 1 until we reach our Tier 1 threshold.

- 8) Any renewal projects that are not able to be listed in Tier 1 will be listed in Tier 2, in rank order of their performance.
- 9) Permanent Housing Bonus project(s) will be placed in Tier 2, for a total amount not exceeding \$1,793,328. See note below for more discussion on this point.

All renewal projects (PH, TH, and SSO) that are listed in either Tier 1 or Tier 2 must have passed HAND's scoring threshold of at least 65 points, and been approved by the appeals committee to be submitted for renewal, if applicable.

### **How Renewal Projects Were Ranked By Performance**

Permanent Housing projects were ranked first, separately from TH and SSO. These projects were ranked according to the criteria given below. TH and SSO projects were ranked together, according to the criteria below.

The HMIS and Safe Haven projects were not ranked according to performance because there is only one of each of these projects, and it was been decided that both of these projects would be placed in Tier 1.

Projects were first ranked in the following order from highest to lowest:

- 1) The percentage on the first half (part a) of their project-specific score.
    - a) For PH: the percentage of people who remained in PH 6 months or longer
    - b) For TH: the percentage of people who exited to permanent housing
    - c) For SSOs: the percentage of people who exited to a positive housing destination
  - 2) If necessary, the following tie-breaking rules were used:
    - a) For PH: the percentage of people who exited to permanent housing (project specific part b)
    - b) For TH: the percentage of people who exited to a known destination (project specific part b)
    - c) For SSO: the percentage of people who had improvements in their Self-Sufficiency Matrix (project specific part b)
  - 3) If a second tie-breaker was necessary, the following tie-breaking rules were used:
    - a) For PH: the percentage of people who left with cash income
    - b) For TH: the percentage of people who left with cash income
    - c) For SSO: the percentage of people who left with cash income
- Projects are listed by the *percentage* that they achieved, not by the score they earned during the project review process held earlier in 2012. This allowed HAND to focus on the primary outcomes HUD expects of projects.

### **Questions and Answers**

#### **1. Why were Permanent Housing Bonus (PHB) projects being placed in Tier 2?**

Placing the PHB projects in Tier 2, instead of Tier 1, allowed HAND to allocate an additional \$1.8 million to fund renewal projects in Tier 1. Additionally, our CoC Application must score at least 97 out of 130 points for us to be awarded PHB dollars. After careful analysis of HUD's scoring criteria and the way in which our CoC has scored previously, we were not able to make a clear projection whether or not we would achieve this score.

#### **2. Given the explanation above for how projects are ranked, why is a lower-performing project (#53) ranked higher than a higher-performing project (#54)? It appears that the lower-performing project was placed in Tier 1, and the higher performing project in Tier 2.**

The project ranked #54 performed 2% points higher than the project ranked #53. However, the budget amount of project #54, if placed into Tier 1, would have exceeded the amount available for Tier 1. HUD instructed us that

projects may not “straddle the line” between Tier 1 and Tier 2. The budget of the project ranked #53 was such that we were able to fully place that project into Tier 1. The decision was made to move this project up to Tier 1 in order to fully expend all of the available funds in Tier 1 and to fund as many renewals as possible. Furthermore, it is possible projects ranked #54 and #55 are in a strong position to receive renewal funding.

**3. What are the reallocated dollars, and why didn't my organization have the opportunity to apply for them?**

CoCs are able to reallocate funds from one project to another; this can be done by reducing a project budget in part, or eliminating the project altogether. In mid-December HAND was informed by an agency in the CoC that it was withdrawing its request for renewal funding from the FY2012 competition. This action left HAND with approximately \$655,000 to reallocate to a new project(s). A prior decision had already been made to reallocate a portion of this project's funds to the new Coordinated Assessment SSO grant. After learning the project was withdrawing from the competition, the remaining funds became available to reallocate to an additional new project.

The decision was made that these funds would be used to fund additional PSH units targeted to people who are chronically homeless and have been homeless the longest, which is a HUD goal. Due to the very tight timeframe in which to review applications (3 weeks) applications were only accepted from organizations currently providing PSH in the Detroit CoC. All applications were reviewed according to HAND's project review process.

**4. My renewal project was placed into Tier 2. Now what?**

Renewal projects that are in Tier 2 may be funded, if HUD has enough money to fund them. We expect to hear about the status of Tier 2 projects by April or May. If your project in Tier 2 is not funded, HUD has established an appeals process by which you may appeal their decision. Details on this appeals process may be found on the HUD HRE website, or by clicking [here](#).

**FY2012 Detroit CoC Competition: Final Project Ranking**

CoC Rank	Grantee	Project	Project Type	Total Annual Renewal Demand (ARD)	CoC Running Budget Total	Project Specific (a) percentages	Tie-Breaking #1: Project Specific (b) percentages	Tie-Breaking #2: Income (a) % adult leavers w/cash
	<b>Tier 1 Projects</b>							
1	HAND	HMIS	HMIS	\$194,078	\$194,078			
2	Cass Community Social Svcs	Hubbell Manor/Bernauer Manor	PH	\$90,363	\$284,441	100%	100%	
3	Wayne County	S+C - Southwest Solutions - Matrix	PH	\$42,821	\$327,262	100%	no leavers	
4	Southwest Housing Solutions	Wilshire Apartments	PH	\$132,006	\$459,268	100%	50%	
5	Wayne County	S+C - Southwest Solutions - 0110	PH	\$225,892	\$685,160	94%		
6	TASMD	Infinity	PH	\$956,890	\$1,642,050	93%		
7	MI Dept of Community Health	S+C - Southwest - Chronically Homeless II	PH	\$496,728	\$2,138,778	92%		
8	COTS	Bursemeyer Manor	PH	\$137,916	\$2,276,694	90%		
9	Wayne County	Supportive Housing Program - DCI - Omega	PH	\$461,783	\$2,738,477	88%		
10	DRMM	Maranatha	PH	\$402,439	\$3,140,916	87%		
11	TASMD	BEIT	PH	\$884,528	\$4,025,444	86%		
12	Wayne County	S+C - Gateway Community Health	PH	\$303,859	\$4,329,303	82%		
13	Wayne County	Supportive Housing Program - Gateway Community Health	PH	\$408,878	\$4,738,181	81%		
14	Detroit Central City CMH	Permanent Supportive Housing	PH	\$1,029,254	\$5,767,435	78%		
15	DRMM	My Own Place	PH	\$224,530	\$5,991,965	70%		
16	MI Dept of Community Health	S+C - Southwest - Springwells	PH	\$190,109	\$6,182,074	69%		
17	Mariners Inn	Extended Residency	PH	\$248,237	\$6,430,311	52%		
18	MI Dept of Community Health	S+C - Development Centers (consolidated grant)	PH	\$2,261,484	\$8,691,795			
19	Cass Community Social Svcs	Safe Haven	SH	\$428,000	\$9,119,795	84%		
20	Catholic Social Svcs Wayne County	Teen Infant Parenting Services Program (TIPS)	TH	\$362,392	\$9,482,187	100%	100%	85%
21	DRMM	Genesis House I/ Teen Moms	TH	\$414,457	\$9,896,644	100%	100%	67%
22	TASMD	SHOP II	TH	\$217,366	\$10,114,010	100%	100%	60%

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23	Catholic Social Svcs Wayne County	Teen Empowerment Program (TEP)	SSO	\$184,873	\$10,298,883	100%	49%	
24	TASMD	SHOP III	SSO	\$82,191	\$10,381,074	100%	35%	
25	Wayne County	Supportive Housing Program - SWSOL - SW Partners	SSO	\$114,811	\$10,495,885	100%	29%	
26	UCHC	Permanent Supportive Housing	SSO	\$580,310	\$11,076,195	98%		
27	Freedom House	New American Homeless/New Beginnings	TH	\$390,841	\$11,467,036	96%		
28	COTS	DV TSP - New Beginnings	TH	\$313,960	\$11,780,996	94%		
29	Cass Community Social Svcs	TH for Men at Scott	TH	\$192,319	\$11,973,315	91%		
30	TASMD	SHOP I	TH	\$227,076	\$12,200,391	89%		
31	The Salvation Army	Target Home	SSO	\$475,341	\$12,675,732	87%		
32	Positive Images	Positive Images II	TH	\$713,343	\$13,389,075	86%		
33	COTS	SAFAH	SSO	\$69,559	\$13,458,634	83%	46%	
34	Community & Home Supports	Homeless Assessment & Supportive Services	SSO	\$693,486	\$14,152,120	83%	38%	
35	Covenant House Michigan	Rights of Passage	TH	\$408,056	\$14,560,176	82%	97%	
36	NLSM	Project Permanency One	SSO	\$782,720	\$15,342,896	82%	33%	
37	Cass Community Social Svcs	Mom's Place I & II	TH	\$262,172	\$15,605,068	80%	98%	
38	Mariners Inn	Residential Program	SSO	\$107,803	\$15,712,871	80%	31%	
39	Wayne County	SHP - Gateway Community Health - New Beginnings	SSO	\$130,248	\$15,843,119	78%		
40	DRMM	Genesis House II	TH	\$1,077,868	\$16,920,987	75%		
41	COTS	Peggy's Place	TH	\$673,271	\$17,594,258	73%		
42	COTS	Peterboro TSP	TH	\$86,598	\$17,680,856	72%		
43	DRMM	Douglass	TH	\$553,885	\$18,234,741	71%	97%	
44	DRMM	Samaritan Center	TH	\$634,527	\$18,869,268	71%	94%	
45	DRMM	Veterans Independence Program	TH	\$456,970	\$19,326,238	71%	92%	

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46	DRMM	The Oasis	TH	\$774,061	\$20,100,299	71%	91%	
47	DRMM	DRM	TH	\$434,277	\$20,534,576	70%		
48	COTS	W. Grand Blvd TSP	TH	\$107,556	\$20,642,132	68%		
49	Southwest Housing Solutions	Springwells Partners SSO	SSO	\$206,844	\$20,848,976	67%		
50	Southwest Counseling Solutions	Reallocated #1: PH	PH	\$360,000	\$21,208,976			
51	HAND	CoC Planning	CoC Plan	\$150,260	\$21,359,236			
52	HAND	Reallocated #2: New SSO for Coord Assmn't	SSO	\$200,000	\$21,559,236			
53	Mariners Inn	Transitional Housing	TH	\$294,509	<b>\$21,853,745</b>	55%	100%	
<b>Tier 1 Limit = \$21,853,745</b>								
	<b>Tier 2 Projects</b>							
54	Michigan Veterans Foundation	Detroit Vets Center	TH	\$723,357	\$22,577,102	57%		
55	Alternatives for Girls	H.O.P.E. Initiative	SSO	\$113,854	\$22,690,956	55%	47%	
56	Southwest Counseling Solutions	Youth Solutions	PH	\$749,300	\$23,440,256			
57	Detroit Central City CMH	HEARTH	PH	\$521,439	\$23,961,695			
58	NSO	FUSE II	PH	\$521,714	\$24,483,409			
				\$24,483,409				