

Texas Balance of State Continuum of Care

The TX BoS CoC is Seeking Public Comment on

Ranking Policy and Procedure for Continuum of Care Program Funds in the Texas Balance State Continuum of Care

The TX BoS CoC is seeking public comment on proposed changes to the *Ranking Policy and Procedure for Continuum of Care Program Funds in the Texas Balance State Continuum of Care*. A public comment period allows for stakeholders to review proposed policy, procedure, and statutory compliance implementation and provide feedback based on experience and expertise.

The document(s) with proposed changes can be found here:

<https://www.thn.org/texas-balance-state-continuum-care/get-involved/texas-balance-of-state-public-comment-portal/>

An electronic public comment form can be found here:

<https://forms.gle/fnr8ndE7LQpNKp5G7>

Written comments may be submitted, in hard copy/fax or electronic formats to:

Texas Homeless Network
Attn: Jim Ward
1713 Fortview Rd
Austin TX, 78704
Fax: 512-478-9077
Email: jim@thn.org

This Public Comment Period opens June 29, 2020 12:01 A.M. and closes on *Thursday*
July 9, 2020 at 5:00 P.M. CST

There will be multiple rounds of public comment. The next rounds of Public
Comment are as follows;

July 14, 2020 12:01 A.M. - July 24, 2020 5:00 P.M. CST
August 1, 2020 12:01 A.M. - August 10, 2020 5:00 P.M. CST

Comment received outside these windows will not be considered.

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Introduction:

THN, as Lead Agency for the Texas Balance of State Continuum of Care is recommending changes to the *Ranking Policy and Procedure for Continuum of Care Program Funds in the Texas Balance State Continuum of Care*. The recommended changes ensure the Texas Balance of State Continuum of Care (TX BoS CoC) hosts a transparent Continuum of Care Program Competition. Changes are intended to make this a standing policy rather than one that is required to be updated annually. Additionally, staff reviewed for accessibility and reduced redundancy where possible.

1. **Ranking Policy and Procedure for Continuum of Care Program Funds in the Texas Balance State Continuum of Care:**

Substantive proposed changes include

Document Length,

The proposed changes reduce the length of the policy from three (3) pages to two (2) pages. The proposed policy focuses solely on the policy and relevant processes. References to specific Project Year Notice of Funding Availability (NOFA) have been removed

Policy Content,

Removed duplicative content referenced in other policies. Added footnotes where appropriate

Policy Content,

Clarified the treatment of Expansion Project Applications when ranking

For questions about this public comment process, or for assistance with giving public comment, please contact *Jim Ward, Assistant Director of Planning* at jim@thn.org or (512) 861-2165

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Ranking Policy and Procedure for Continuum of Care Program Funds in the Texas Balance of State Continuum of Care

About the Ranking Policy

The Texas Homeless Network (THN) is the Collaborative Applicant and Continuum of Care (CoC) Lead Agency for the Texas Balance of State Continuum of Care (TX BoS CoC). THN facilitates the local application process/competition in the TX BoS CoC for U.S. Department of Housing and Urban Development (HUD) Continuum of Care (CoC) Program funds. The TX BoS CoC Board of Directors is required to establish priorities for the inclusion of Projects into the Priority Listing as well as establish considerations for especially vulnerable populations.

Overview of Ranking

HUD requires Collaborative Applicants to rank all new reallocated, bonus, DV Bonus, and renewal project applications submitted by project applicants in two tiers. This ranking is done in the CoC's Priority Listing. The purpose of this two-tiered approach is for CoCs to indicate to HUD which projects are prioritized for funding.

Tier 1 is equal to a percentage of the CoC's Annual Renewal Demand (ARD). This amount is updated annually, and described in the Department of Housing and Urban Development (HUD) Notification of Funding Availability (NOFA). Tier 1 projects traditionally have been protected from funding cuts.

Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for bonus projects (not including amounts available for DV Bonus projects and before adjustments are made to permanent housing leasing, operating, and rental assistance budget line items based on changes to Fair Market Rent (FMR)) as described in the NOFA. Tier 2 projects have to compete nationally for funding. Projects placed in Tier 2 will be assessed for eligibility and threshold requirements, and funding will be determined using the CoC Application score as well as the factors listed in the NOFA.

Ranking in the TX BoS CoC

The CoC is required to prioritize Tier 1 for the highest performing projects or promising New Projects and must have a clear and transparent method for determining which projects rank in Tier 1, and which projects rank in Tier 2. The following sections describe past considerations for the ranking process.

First-Time Renewal Projects

First-time Renewal Projects are those that were funded as part of the prior year's CoC Program competition that are not yet under contract or who are in the first operating year during the current CoC Program Competition and do not have 12 months of data to base performance analysis. These projects have been historically "held harmless" and ranked in the bottom of Tier 1, in order of their prior ranking. If a project that is being held harmless straddles Tier 1 and Tier 2, that is, the inclusion of the requested renewal funds associated with that project in Tier 1 would cause the Tier 1 total to exceed the allowed percentage per the NOFA, all projects held harmless will move up one ranked position, and the lowest scoring renewal project in Tier 1 will drop to Tier 2.

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CoC Infrastructure

In FY2018, the Board amended the FY 2018 TX BoS CoC Review, Score, and Ranking Policies and Reallocation Process for HUD Continuum of Care Program Funds to include all CoC Infrastructure at the top of Tier 1 since CoC Infrastructure supports the operation of the CoC and the implementation of CoC Program requirements, like HMIS or Coordinated Entry. To be considered CoC Infrastructure a Project must support the entire Geographic Service Area of the TX BoS CoC.

Ranking Policy

Given the above considerations and historical context, the TX BoS CoC Board adopts the following ranking policy:

Tier 1,

- Any CoC-wide Infrastructure Projects, such as HMIS Renewal Project, HMIS Expansion Project, Supportive Services Only – Coordinated Entry (SSO-CE), will be ranked first provided that the proposed project covers the entire Geographic Service Area of the Continuum of Care.
- Renewal Projects, will be placed next in order from highest-scoring to lowest-scoring. Lowest-scoring Renewal Projects may drop to Tier 2
- First Time Renewal Projects, or projects that are in their first year of operation and do not have at least 12 months' worth of project data, will be ranked at the bottom of Tier 1 based on their prior year's ranked position.

Tier 2,

- Remaining Renewal Projects and all New Projects, including the expansion component of Expansion Projects, will be placed in Tier 2 beginning in their ranked order based on the Project's Score.

Ultimately, projects will be prioritized to best maximize the CoC Consolidated Application's overall score and potential for funding.

Ranking Procedure

Once scoring¹ is complete THN Staff will use the Ranking Policy above, Project scores and an Excel calculator that determines the Tier 1 lower threshold and the mathematical advantage of a given ranking scenario to create several scenarios. These scenarios will be presented for consideration to the Continuum of Care Board of Directors to approve or reject.

The Continuum of Care Board of Directors at a specially called board meeting will review the proposed rankings, the rationale, and the advantages and disadvantages of each. Once a scenario has been selected, THN will populate the Priority Listing and make it available for public review via the THN website, Social Media, and targeted email campaign no less than 2 days before the Competition deadline or as outlined in the CoC Program NOFA.

*****This policy was approved by the Texas Balance of State Continuum of Care Board of Directors [XX/XX/XXXX] and made publically available at thn.org on [XX/XX/XXXX]*****

¹ [footnote to be updated] For more information on reallocation, refer to "Review and Scoring Policies and Procedure for Continuum of Care Program Funds in the Texas Balance of State Continuum of Care".