Metro Denver Homeless Initiative (MDHI) Scoring, Ranking and Reallocation Policy for Continuum of Care (CoC) Funded Projects

Performance Scoring Policy

Applications for New and Renewal Projects will undergo a threshold review to ensure compliance with CoC regulations at 24 CFR 578 and the CoC Program Notification of Funding Availability (NOFA) and MDHI Policies. Any new or renewal project not meeting the threshold requirement will not be further reviewed and will not be considered for inclusion in the Collaborative Application to HUD. Renewal projects have previously passed HUD threshold review and only in very exceptional cases of changed HUD policies or program changes will be at risk of not passing the threshold review.

Scoring of renewal projects is largely based on data obtained from the most recent, completed APR and HMIS and aligns with the HUD approved System Performance Measures.

The NOFA Committee, a standing committee of the MDHI, will review, rate and rank applications and make recommendation(s) to inform the MDHI Board of Directors vote. No person who has an interest in an application may participate in this process. Renewals will be reviewed based on the renewal evaluation criteria. All New Projects will be reviewed based on the new project scoring criteria. The committee has the discretion to select one or more applications for the amount available for new projects. The committee also may give staff direction to negotiate with conditionally selected applicants.

The MDHI will rank applications after scoring all New and Renewal Projects within the CoC based on the Renewal Project Scoring Tool and the New Project Scoring Criteria.

Ranking Policy

HUD requires that CoCs rank projects in two Tiers. Tier 1 projects, contingent on available HUD funds, are most likely going to be funded. Tier 2 projects will be funded, based on available HUD funds, competitively on a national basis. Factors for awarding the Tier 2 projects include: the score that HUD gives to the overall Continuum of Care Application, whether the project follows Housing First, and a HUD determined ranking score (for formula see HUD NOFA).

Each CoC funded project that is not a first-time renewal will be scored and ranked according to the Renewal Project Scoring Tool. Renewal projects will be ranked solely on their scores, ahead of new project applications (with the exception transitioning projects). First time renewal projects will be ranked after the renewal projects scored using the Scoring Tool, and ahead of the new project applications. Should there be a need to place a first-time renewal project(s) in Tier 2, the first time renewal projects will be ranked based on cost (number of households served / total grant award), with the highest ranked program being the one that provides assistance to the greatest number of homeless

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persons. New projects will be scored based on the New Project Scoring Criteria and ranked after renewal projects.

If the NOFA allows for Specific Bonus (e.g., domestic violence), only the highest scoring bonus project in each eligible component for the bonus will be included in the Collaborative Application. The bonus projects will be scored using the same new project review criteria as all new projects. They will be ranked with the new projects according to their score.

Projects that are deemed essential to the CoC but which would be at risk of loss of funding if placed in Tier 2, will be ranked in Tier 1. These projects are not comparable to other new and renewal projects, can only be submitted by the entity designated by the CoC and therefore cannot be competitively evaluated. This includes HMIS and Coordinated Entry projects.

Tier 2: Project components will be ranked to best maximize the Tier 2 project scores.

Projects will be ranked in Tier 2 as follows:

- Renewal project applications ranked according to the renewal score
- First time renewal projects
- Reallocation and Bonus project applications (including Specific bonus) ranked according to new project scores and with consideration of local priorities for funding and gap analysis.

Planning Project: not ranked in accordance with the NOFA policy.

Re-Allocation Policy

Any funds reallocated as part of recapturing unspent funds, voluntary or involuntary reallocation will be made available for reallocation to create new projects during the local solicitation process.

This re-allocation policy is consistent with and aligns to the MDHI Monitoring Plan. If an inconsistency is found between this Re-allocation Policy and the Monitoring Plan is found, the policy as established in the Monitoring Plan takes precedence and will be followed.

Unspent Funds

Projects that are not fully expending or are underspending their grant awards are subject to the reallocation process. Projects that have underspent more than 10% of their award or $50,000.00, whichever is less, may be reduced and those funds will go to the reallocation for New Project(s). Projects that have under-expended more than 10% or $50,000.00 of their award in two consecutive program years will have their funding reduced through reallocation in the next CoC NOFA competition.

Voluntary Re-Allocation/Transitioning Projects

As part of the local solicitation for inclusion in the HUD CoC collaborative application, providers are asked whether they wish to voluntarily re-allocate their project’s funding. Such re-allocated funds are pooled for re-allocation to New Projects.

Involuntary Re-Allocation
To be included in Tier I the Collaborative Application, renewal applications must either meet the threshold renewal score or determined to be critical to going CoC service continuity by the NOFA Committee and the MDHI Board of Directors, subject to available funds. To meet the renewal threshold, renewal projects must score at least 20% of the score of the highest scoring renewal project. For example, if the top score is 90, the minimum threshold will be set at 72.

Projects scoring below the threshold will be asked to develop a plan to address performance issues. Performance plans will be due to be submitted within 30 days of the request and will be reviewed at the next regularly scheduled meeting of the System Performance Council. The Plan must be approved by the System Performance Council. If the System Performance Council does not approve the Plan, the funds may be subject to future reallocation. If a plan is not submitted the project may be subject to future reallocation. Any recommendations by the System Performance Counsel formalized through MDHI Board of Director’s vote, are subject to appeal through the CoC Grievance process and, if unresolved, to HUD.