

St. Louis County (MN-509) Ranking & Review Policy for HUD NOFO

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St. Louis County's HUD CoC Notice of Funding Opportunity (NOFO) Ranking and Review process utilizes non-biased criteria based on the HUD ranking tool, Local CoC priorities, and project performance measures. SLC CoC ranks project applications based on how they improve the CoC System Performance, as required by HUD guidelines for the CoC Program Competition. The following describes the St. Louis County (SLC) Continuum of Care (CoC) process to score and rank projects for the annual CoC HUD NOFO funding competition.

Review and Ranking Process and Policies

a) Development and Approval of Ranking Criteria and Scoring Tools

The CoC Planning & Evaluation Committee is responsible for:

- Developing the Ranking Criteria and Scoring
- Developing the Ranking Tool
- Developing the CoC Local Application for the Annual NOFO
- Submitting these documents to the CoC Governance Board (Heading Home Advisory Committee) for review and approval each year.

b) Eligibility for Ranking

To be eligible for ranking, all applicants and projects (new and renewal) must meet all HUD eligibility criteria (threshold criteria), as outlined in the NOFO and comply with Local CoC Competition requirements and deadlines as described in this document and project application forms. Threshold requirements will be checked first for all project applicants. Projects that do not meet thresholds will not be scored or ranked.

Note: Committee members may request clarifications or additional information on threshold requirements from applicants if information is not clear enough to score the project. However, the committee must apply the same standard to all applications in seeking clarification.

Projects that meet the HUD & CoC eligibility criteria are scored by CoC Ranking & Review Committee based on the Ranking Criteria and Scoring tool approved by the Heading Home Advisory Committee.

c) Ranking and Review Committee Scoring Process

All members of the Ranking & Review Committee will sign conflict of interest forms and disclose any pre-existing relationships with applicants. The Ranking & Review committee will balance reviewers that represent the geographic diversity of our CoC and reviewers with diverse backgrounds including lived experience of homelessness and BIPOC reviewers will be prioritized for this committee. SLC CoC's Racial Equity & Accountability Project (REAP) team will additionally be engaged in the Ranking & Review process and committee. At least four reviewers from the Committee will read each applicant's materials to score individual elements.

The Ranking & Review Committee members will read all project applications and documentation submitted for completeness and consistency. CoC staff will compile scoring data for Ranking & Review committee members on all data-based scoring criteria (ex. % of exits to permanent

housing). The Ranking and Review Committee uses the CoC Ranking Tool designed by the CoC Planning & Evaluation Committee and approved by the Heading Home Advisory Council (CoC Governance Board) as the basis for scoring projects. They also follow the CoC Project Reallocation Policy, further detailed in this document.

If funding for new projects is identified due to reallocation by the Ranking & Review Committee, there may be a call by the CoC for new project applications that will then also be scored and ranked. This will only occur if no other new applications have been received in the initial grant application period or the new projects received in the initial application period amount to less than the reallocation amount available.

d) Ranking of Project Applications

HUD Requires Continuums of Care (CoCs) to rank all projects that are submitted for funding for the HUD CoC Notice of Funding Opportunity (NOFO). Ranking does not apply to CoC Planning Grants which HUD does not require CoC's to rank with other projects. Additionally, SLC CoC does not score Coordinated Entry (CE) Projects or HMIS projects as we are required by HUD to fund these in the annual competition. CE & HMIS projects will be placed at the top of Tier One in the ranking process to ensure these essential and HUD mandated systems are funded.

SLC CoC ranks project applications based on how they improve the CoC System Performance, as required by HUD guidelines for the CoC Program Competition. The Ranking and Review Committee will initially rank all projects on the CoC Ranking tool based on their overall scores. Projects are ranked in descending order with highest review scores at top and lowest at bottom. Scoring informs but does not solely dictate the final ranking decisions.

Tiebreaker: If there is a tie between two projects, a ½ point tiebreaker score will be used. The tiebreaker score will be based on which project serves the higher percentage of chronically homeless individuals. Whichever project served the highest percentage of chronically homeless households in the last year will be placed in the higher rank position. As chronic homelessness is hard to document and a hard measure to reach for youth, and as youth specific housing is scarce in our CoC, if one of the two projects in the tie-breaker consideration is a youth designated project, the youth project will be placed in the higher rank.

e) Placement of NOFA Projects in Tiers

HUD requires that Continuums of Care designate projects into either Tier One or Tier Two based on their ranking. Each year, with the publication of the HUD CoC NOFO, HUD establishes the percentage of a Continuum's Annual Renewal Demand (ARD) that must be ranked in Tier One and the percentage that must be ranked in Tier Two.

i. Ranking of New Housing Projects from the Previous Funding Round

Any project that has not had a full year of operation will not be scored on data driven performance measures but will be scored on other components of the ranking & review score tool.

ii. Ranking of Non-Housing Projects (Planning, HMIS, SSO-Coordinated Entry)

After housing projects are ranked, the CoC's HMIS Grant and SSO-Coordinated Entry grant are always placed into the top of Tier One. This action is based on CoC policy objectives to ensure a functioning Coordinated Entry System and a Homeless Management Information System (HMIS). HMIS projects total a minimum of 2-3.5% of Annual Renewal Demand (ARD) and Coordinated Entry projects totaling up to a minimum of 5% of ARD will be ranked in Tier One.

iii. Ranking of New & Bonus Projects

If a new and/or bonus project application is included in the ranking, the new and/or bonus grant(s) is placed at the bottom of Tier Two. This is based on the CoC priority to protect renewal projects and preserve our existing housing continuum.

f) Adjustments to Project Ranking

It is the role of the Ranking and Review Committee to recommend the final Ranking List/Project Priority List for approval by the Heading Home Advisory Council. It is the role of the Heading Home Advisory Council to approve the final Ranking List/Project Priority List prior to submission of the NOFA to HUD.

After reviewing the full ranking and breakdown by tier, the Ranking & Review Committee members may recommend adjustments to the ranking. Rationale for any adjustment made will be included in the ranking tool, in notification to applicants, and in the Final Ranking/Project Priority List posted for CoC membership review. This rationale will also be provided to the Heading Home Advisory Council and voted on for approval before the decision is finalized. In addition, any adjustment applied by the Committee will be applied uniformly across applicable projects.

Reordering of the initial score-based ranking may be proposed when:

- A project straddling Tier One and Tier Two would not likely be feasible if only the Tier One portion were funded. Projects whose ranking may change will be consulted.
- Geographic Diversity: The Ranking & Review Committee will review the project list in terms of potential impact on geographic regions. Projects may be reordered or reduced to align with the need across the rural and urban geography of the CoC. This clause cannot be accessed when the lowest scoring project scores significantly lower than the project above it in the ranking order.
- Tribal Sovereignty: Finally, reordering of the initial ranking may be proposed if the ranking puts a project operated by a Tribal Nation at risk of cuts. This clause exists to honor SLC CoC's commitment to tribal sovereignty and to preserve tribal funding for when a tribal CoC

is created, and these funds will then be transferred. This clause only applies to renewal funds and does not allow for reordering to fund new tribal projects. All other clauses about reallocation and project performance detailed later in this policy still apply to projects owned/operated by Tribal Nations.

1.h. Scoring and Ranking Notice

- i. The Ranking & Review Committee (via the CoC Coordinator) will provide all project applicants preliminary notice of project acceptance/rejection, any funding changes due to reallocation, score, rank, Tier One/Tier Two status, and source of funds expected for the project (i.e., reallocated funds, CoC Bonus, or DV Bonus).
- ii. Information on the appeals process will also be provided, and a deadline will be set for appeal submissions.
- iii. After the appeals process concludes, the Heading Home Advisory Council (HHAC) will vote on the final Project Ranking for approval.

CoC Project Reallocation Policy

a) Policy Statement

- a. Under the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH), the HUD reallocation process allows Continuums of Care (CoC) to fund new projects by transferring all or part of funds from any existing CoC grant which is eligible for renewal into a new or bonus project. Reallocation funds can only be applied to new or bonus projects, not low scoring renewal projects.
- b. Under HEARTH CoC Regulations and the annual HUD CoC NOFO guidance, a reallocation project can be funded if all of the following apply:
 - i. The reallocation project is for a program component that HUD identified as allowable to apply for new funding in that year's NOFO .
 - ii. The reallocation goes to a project that meets all of HUD's threshold requirements.
- c. The St. Louis County MN Continuum of Care will reallocate funds granted through HEARTH CoC programs as needed to more effectively resolve homelessness, help households achieve stable housing, and improve CoC performance.
- d. CoC program funds may be reallocated either by a voluntary process or by a competitive system transfer process, where funds a portion or all of a project's funds are reallocated and awarded to a new/bonus project during the NOFO. If reallocation is a possibility, the entire CoC will be informed and a request for new project applications will be announced.

b) Competitive Reallocation

- a. If a project is deemed to be low performing by scoring poorly in the project scoring process and/or having unsatisfactory project performance outcomes, the CoC reserves the right to reallocate funding and make it available through a competitive process.
- b. Low performance is determined based on scoring criteria identified by the Evaluation and

Planning Committee and approved by the St. Louis County Minnesota Continuum of Care Heading Home Advisory Council (Continuum of Care Governing Board).

- c. This scoring criteria is reflected in annual project review and feedback sessions with CoC staff members based on project-level Annual Performance Reports. Additionally, this scoring criteria is reflected in the Annual CoC NOFO score tool.

- d. If a project is deemed to have a history of low performance, The CoC may initiate a competitive system transfer of all or a portion of the project's funds during the annual NOFO competition. Prior to this happening, projects will receive verbal and written feedback on low performance via the CoC staff in annual project review sessions and a project improvement plan will be attempted.
- e. The CoC Ranking & Review Committee may make a recommendation to reallocate some or all of a project's funding for any project that has returned 15% or more of their funding award for two consecutive grant terms. The Ranking & Review Committee will review funding information for the last two completed grant terms to identify if there is a pattern of under-expenditure. Projects will be given the opportunity to provide explanations for under-expenditure and plans or actions taken to improve spending.
- f. In addition, a project may be subject to reallocation by the Ranking & Review Committee if any, or all, of the following are true:
 - i. Has an outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed upon;
 - ii. Audit finding(s) for which a response is overdue or unsatisfactory;
 - iii. History of inadequate financial management accounting practices;
 - iv. Evidence of untimely expenditures on prior award;
 - v. History of other major capacity issues that have significantly affected the operation of the project and its performance;
 - vi. History of serving ineligible program participants, expending funds on ineligible costs or failing to expend funds within the established time frames.
- g. New projects and projects transferred to a new grantee within the last NOFO cycles are exempt from reallocation due to unspent funds until one full grant cycle has passed.
- h. If the CoC determines that a renewal project does not meet minimum threshold requirements, is deemed to be low performing, and/or has shown to consistently under-expend funding, the CoC Review and Ranking Committee will determine whether a recommendation should be made to the CoC Governing

Board for funds to be released for a competitive reallocation process. The following process will be followed:

- i. Any member of the Governing Board whose agency receives funding through the CoC programs shall recuse themselves from the Board deliberation process.
- ii. The CoC Governing Board will make the final decision whether to reject the renewal application for any agency that does not meet minimum threshold requirements, is deemed to be low performing, and/or has shown to consistently under-expend funding.
- iii. All Governing Board deliberations will be documented in meeting minutes.
- iv. If any renewal project application is rejected or funding reduced, these reallocated funds will be applied to new/bonus project applications received during the grant competition. If new projects applications were not received or did not use the full reallocation, then an announcement will be made about new funding availability and applicants will have the opportunity to apply for the available reallocation funds.

c) Voluntary Reallocation Process

- a. CoC grantees may self-nominate to voluntarily reallocate CoC-funded renewal funds to create new projects.
- b. A grantee seeking the ability to reallocate funding through the voluntary grantee-self-nominating process must do so in accordance with the timeline set by the CoC in that year's application process and complete a renewal *al* project application by the deadline that reflects the reduced budget from the voluntary reallocation amount. If a project is reallocating their budget amount, they do not have to reapply in the annual CoC NOFO again.
- c. These funds will then be applied to a new or bonus project in that year's NOFO competition. The CoC Ranking & Review Committee will review the applications and make determinations regarding the acceptance and ranking of the proposed project.
- d. If the new/bonus project meets HUD's CoC funding priorities, local needs, and is an eligible reallocation project type under the NOFO, the applicant will move forward in the grant competition. All new/bonus applicants will be given the opportunity to apply to HUD for the new/bonus project funds annually, but the chances of being awarded funds by HUD greatly increases with partial or full reallocation funds making up their budget.
- e. If the new/bonus project(s) does not meet HUD's CoC priorities, local needs, is an ineligible project type, the reallocation funds will not be applied to this project and a call for new/bonus projects will be released to the full membership of the CoC.

● CoC NOFO Scoring and Ranking Appeal Process

a) Introduction

The Duluth/St. Louis County CoC (SLC CoC) strives to conduct a transparent rating and review process in determining which projects will be included in the local submission to the national HUD CoC Notice of Funding Opportunity (NOFO) competition. Although a local appeals process is not required by the U.S. Department of Housing and Urban Development (HUD), SLC CoC offers a local appeals process. The appeals process occurs after the public release of the initial rating and ranking list but before the final project ranking list is submitted to HUD.

The initial rating and ranking list will be released approximately 30 days prior to the national CoC Competition deadline. The appeals process timeline begins immediately upon release of the initial rating and ranking list. The Duluth/St. Louis County CoC process requires submission of the appeals form and material as described in this notice no later than the date stipulated in the Project Ranking Notice. The Appeals Committee reviews the submittals and extends an invitation to a brief in-person session, as warranted.

b) Types of Appeal

Applicant agencies that can appeal include those applications that:

- a) are unranked,
- b) dispute their scoring,
- c) dispute their ranking, or
- d) disagree with the Review and Ranking Committee’s decision to reallocate some or all of their funding.

c) How to File an Appeal

- Projects wishing to appeal must submit the appeal in writing using the Heading Home St. Louis CoC Appeals form. Appeals Forms can be found at the end of this document.
- A signed Appeals Form and any relevant evidence must be submitted for each project being appealed.
- Email Appeals form to CoCHomelessPrograms@StLouisCountyMN.gov.

d) Appeal Timeline

- Appeals forms and supporting evidence are due to the email address **no later than the date stipulated by the Scoring and Ranking Notice**.
- All agencies filing an appeal must be prepared to rapidly respond to requests from the Appeals Committee.
- The Appeals Committee will inform appealing agencies of its decision **no later than the date stipulated by the Scoring and Ranking Notice**.

e) In-Person Session

After reviewing the information submitted, the Appeals Committee will invite applicants to a brief in-person or online meeting with the Appeals Committee. At this meeting, applicants will have an opportunity to further discuss the reason for their appeal.

f) The Appeal Committee

The Appeal Committee will be made up of three voting members of the CoC Governance Board (Heading Home Advisory Council). Two members will not have participated on the original Rating & Ranking Committee. At least One committee member must be a member of the original Review & Ranking Committee.

No member of the Appeal Committee may have a conflict of interest with any of the agencies applying for funding and must sign a conflict-of-interest statement.

The role of the Appeal Committee is to read and review only those areas of the application that are being appealed. The Appeals Committee makes recommendations to the Ranking & Review Committee on any final adjustments to ranking based on the appeals process.

g) Review of Final Ranking

After project applications are ranked and all adjustments are made, including adjustments made based on appeals, the recommendations of the Ranking and Review Committee will be presented to the CoC Governing Board (Heading Home Advisory Council), and all adjustments based on input and appeals will be documented in the ranking form.

A ranking order for application submission will be voted on and approved by the CoC Governing Board prior to submission to HUD.

Upon approval by the CoC Governing Board, the final project ranking list, together with a final draft of the Collaborative Application will be posted for CoC review in accordance with HUD's timelines and requirements. Project applicants, CoC members, and the general public will be given no less than 48 hours to provide comments.

h) Selections and Award Notifications

- i. The Ranking & Review Committee (via the CoC Coordinator) will provide all project applicants final notice of project acceptance/rejection, any funding changes, score, rank, Tier One/Tier Two status, and source of funds expected for the project (i.e. reallocated funds, CoC Bonus, or DV Bonus).
- ii. The notification will also include any required changes applicants must make in e-snaps to meet HUD requirements.
- iii. All corrections in e-snaps must be made and the e-snaps project application re-submitted in pdf format by to be included in the project list submitted in the national CoC Program Competition.

Appendix A

Heading Home St. Louis County CoC Appeal Form

Agency: _____ Project: _____ Date: _____

Reason for Appeal (mark with an x)

<input type="checkbox"/>	Unranked Project	<input type="checkbox"/>	Scoring Appeal
<input type="checkbox"/>	Ranking Appeal	<input type="checkbox"/>	Reallocation/Reduction Appeal

Project Type (mark with an x)

<input type="checkbox"/>	CoC Bonus Project	<input type="checkbox"/>	Standard Renewal Project
<input type="checkbox"/>	DV Bonus Project	<input type="checkbox"/>	Consolidated Renewal Project
<input type="checkbox"/>	Reallocated Fund Project	<input type="checkbox"/>	
<input type="checkbox"/>		<input type="checkbox"/>	

For each item being appealed, please identify the reason, and attach evidence to support your claim.

To request a brief in-person meeting, please check here: ____

Contact information to set appointment:

Name:

Title:

Phone:

Email: