

## **2021 St. Louis County (MN-509) Ranking & Review Policy for HUD NOFA**

St. Louis County's HUD CoC NOFA Ranking and Review process utilizes non-biased criteria based on the HUD ranking tool, Local CoC priorities, and project performance. 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 FY2021 CoC HUD NOFA funding.

### **1. Review and Ranking Process and Policies**

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#### **1.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
- submitting these documents to the CoC Governance Board (Heading Home Advisory Committee) for review and approval each year.

#### **1.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 NOFA and comply with Local CoC Competition requirements 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 eligibility criteria are scored by CoC Ranking & Review Committee based on the Ranking Criteria and Scoring tool approved by the Heading Home Advisory Committee.

#### **1.c. Ranking and Review Committee Scoring Process**

The Ranking & Review Committee members read all project applications and documentation submitted for completeness and consistency. CoC Staff will compile initial scoring data for Ranking & Review committee members on all data-based scoring criteria (ex. % of exits to permanent housing). At least four reviewers from the Committee will read each applicant's materials to score individual elements.

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, there may be a call by the CoC for new projects that will then also be scored and ranked.

#### **1.d. Ranking of Housing Projects (PSH, RRH, TH)**

HUD Requires Continuums of Care to rank all projects that are submitted for funding for the HUD CoC Notice of Funding Availability (NOFA). Ranking does not apply to CoC Planning Grants, which HUD does not require CoC's to rank with other projects. SLC CoC ranks project applications based on how they improve the CoC System Performance, as required by HUD guidelines for the CoC Program Competition.

Scoring informs but does not solely dictate the final ranking decisions.

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.

If there is a tie between two projects, a ½ point tiebreaker score will be used. The tiebreaker score will be based on cost effectiveness (cost per positive housing outcome), and will be calculated as follows, with the APR used for project reviews:

- For PSH: (# Stayers + # Leavers to Permanent Housing) / Total HUD CoC Program funds requested.
- For RRH and Joint TH/RRH: # Leavers to Permanent Housing / Total HUD CoC Program funds requested.

The project with the lower cost per positive housing outcome will be placed one rank higher than the other.

If there is a tie between more than two projects, the ½ point cost effectiveness tiebreaker will be applied as described above, followed by a tiebreaker based on the percentage of performance points awarded on the Ranking Tool. The project that received the highest percentage of performance points will be placed highest of the tied projects, followed by the next highest, and following.

#### **1.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 NOFA, 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 has a full year of operating will not be scored on performance, 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 in 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 totaling a minimum of 2% 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 Bonus Projects**

If a bonus grant is available and a bonus project (or projects) are included in ranking, the bonus grant(s) is placed at the bottom of Tier Two.

**1.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 to the Heading Home Advisory Committee 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. In addition, any adjustment applied by the Committee will be applied uniformly across applicable projects.

Reordering may be proposed when:

- A project straddling Tier 1 and Tier 2 would not likely be feasible if only the Tier 1 portion were funded. This can only be applied if both projects agree to the change in ranking.

After the specific reorder and reduction considerations listed above, Committee members may also consider the following in making adjustments for the final Project Priority List.:

- 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 need across the rural and urban geography of the CoC.

**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 1/Tier 2 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.

## 2. CoC Project Reallocation Policy

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### **2.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 project.
- b. Under HEARTH CoC Regulations and the FY2021 NOFA, 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 the FY2021 NOFA.
  - ii. The reallocation project 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 transformation process. If reallocation is a possibility, the entire CoC is informed and a request for new project applications is announced.

### **2.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. Low performing 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).

- b. The CoC may initiate a competitive system transformation process due to a renewal grantee ending a CoC program.
- c. As part of the application process for renewal projects, applicants are required to supply information so that the CoC can determine if each renewal project will meet the minimum threshold requirements. The minimum threshold requirements are outlined in the Ranking and Scoring Criteria, as identified in the FY2021 NOFA and by the CoC Evaluation and Planning Committee and approved by the St. Louis County CoC Governing Board.
- d. 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. The Ranking & Review Committee will review funding information for the last three 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.
- e. 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 timeframes.
- f. Projects transferred to a new grantee within the last two NOFA cycles are exempt from reallocation due to poor performance.
- g. 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, a meeting of the CoC Review and Ranking Committee will be held to determine whether or not 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 or not 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, the funds that were allocated to that project will be released as new funds and agencies will have the opportunity to apply for them.

### **2.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 new project application by the deadline set by the CoC to be eligible.
- c. 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 project meets HUD's CoC funding priorities, local needs, and is an eligible reallocation project type under the NOFA, the applicant will be given the opportunity to apply to HUD for the new project.

If the new project does not meet HUD's CoC priorities, local needs, is an ineligible project type, or does not request the full grant amount awarded to the existing project, the funds either in total or in part not covered by the request, will be released by the CoC for proposal during the CoC competitive reallocation process.

## **3. CoC NOFA Scoring and Ranking Appeal Process**

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### **3.a. Introduction**

The Duluth/St. Louis County CoC (CoC) strives to conduct a transparent rating and review process in determining which projects will be included in the local submission to the national CoC competition. Although a local appeals process is not required by the U.S. Department of Housing and Urban Development (HUD), this 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 ranking and allocations 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 Scoring and Ranking Notice.

The Appeals Committee reviews the submittals and extends an invitation to a brief in-person session, as warranted.

### **3.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.

### **3.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](mailto:CoCHomelessPrograms@StLouisCountyMN.gov).

### **3.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.**

### **3.e. In-Person Session**

After review of 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.

### **3.f. The Appeal Committee**

The Appeal Committee will be made up of three (3) voting members of 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.

## **4. Development and Approval of Final Ranking List**

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### **4.a. 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 priority 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 not less than 48 hours to provide comment.

### **4.b. 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 1/Tier 2 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: \_\_\_\_\_ Phone \_\_\_\_\_

Email: \_\_\_\_\_