

HUD Funding Priorities
Per FY2018 NOFA

II. HUD's Homeless Policy and Program Priorities

A. Policy Priorities. This section provides additional context regarding the selection criteria found in Section VII.B of this NOFA and is included here to help applicants better understand how the selection criteria support the goal of ending homelessness:

1. Ending homelessness for all persons. To end homelessness, CoCs should identify, engage, and effectively serve all persons experiencing homelessness. CoCs should measure their performance based on local data that consider the challenges faced by all subpopulations experiencing homelessness in the geographic area (e.g., veterans, youth, families, or those experiencing chronic homelessness). CoCs should have a comprehensive outreach strategy in place to identify and continuously engage all unsheltered individuals and families. Additionally, CoCs should use local data to determine the characteristics of individuals and families with the highest needs and longest experiences of homelessness to develop housing and supportive services tailored to their needs. Finally, CoCs should use the reallocation process to create new projects that improve their overall performance and better respond to their needs.

2. Creating a systemic response to homelessness. CoCs should be using system performance measures such as the average length of homeless episodes, rates of return to homelessness, and rates of exit to permanent housing destinations to determine how effectively they are serving people experiencing homelessness. Additionally, CoCs should use their Coordinated Entry process to promote participant choice, coordinate homeless assistance and mainstream housing and services to ensure people experiencing homelessness receive assistance quickly, and make homelessness assistance open, inclusive, and transparent.

3. Strategically allocating and using resources. Using cost, performance, and outcome data, CoCs should improve how resources are utilized to end homelessness. CoCs should review project quality, performance, and cost effectiveness. HUD also encourages CoCs to maximize the use of mainstream and other community-based resources when serving persons experiencing homelessness. CoCs should also work to develop partnerships with Public Housing Authorities (PHAs) to work toward helping CoC Program participants exit permanent supportive housing through Housing Choice Vouchers and other available housing options. Finally, CoCs should review all projects eligible for renewal in FY 2018 to determine their effectiveness in serving people experiencing homelessness, including cost effectiveness.

4. Use a Housing First approach. Housing First prioritizes rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions. CoC Program funded projects should help individuals and families move quickly into permanent housing, and the CoC should measure and help projects reduce the length of time people experience homelessness. Additionally, CoCs should engage landlords and property owners, remove barriers to entry, and adopt client-centered service methods.

New Projects

New Projects Created Through Reallocation or Bonus. New project applications may be created through the reallocation process or as bonus projects:

- (a) Permanent housing-permanent supportive housing (PH-PSH) projects that meet the requirements of Dedicated PLUS as defined in Section III.C.3.f of this NOFA or where 100 percent of the beds are dedicated to individuals and families experiencing chronic homelessness, as defined in 24 CFR 578.3.
- (b) CoCs may create new permanent housing-rapid rehousing (PH-RRH) projects that will serve homeless individuals and families, including unaccompanied youth;
- (c) Joint TH and PH-RRH component projects as defined in Section III.C.3.m of this NOFA to better serve homeless individuals and families, including individuals or families fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking who meet the following criteria:
 - (i) residing in a place not meant for human habitation;
 - (ii) residing in an emergency shelter;
 - (iii) person meeting the criteria of paragraph (4) of the definition of homeless, including persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking;
 - (iv) residing in a transitional housing project that is being eliminated;
 - (v) residing in transitional housing funded by a Joint TH and PH-RRH component project as defined in Section III.C.3.m of this NOFA; or
 - (vi) receiving services from a VA-funded homeless assistance program and met one of the above criteria at initial intake to the VA's homeless assistance system.
- (d) Dedicated HMIS project for the costs at 24 CFR 578.37(a)(2) that can only be carried out by the HMIS Lead, which is the recipient or subrecipient of an HMIS grant, and that is listed on the HMIS Lead form in the CoC Applicant Profile in *e- snaps*.
- (e) Supportive services only (SSO-CE) project to develop or operate a centralized or coordinated assessment system.

Domestic Violence (DV) Bonus. The FY 2018 HUD Appropriations Act provides up to \$50 million for "rapid re-housing projects and supportive service projects providing coordinated entry and for eligible activities that the Secretary determines are critical in order to assist survivors of domestic violence, dating violence, and stalking." In the FY 2018 CoC Program Competition, CoCs will be able to apply for a DV Bonus for PH-RRH projects, Joint TH and PH-RRH component projects, and SSO projects for coordinated entry (SSO-CE). A CoC may apply for up to 10 percent of its Preliminary Pro Rata Need (PPRN), or a minimum of \$50,000, whichever is greater, or a maximum of \$5 million, whichever is less, to create up to three DV Bonus projects.

A CoC may apply for one of each of the following types of projects:

- (1) Rapid Re-housing (PH-RRH) projects that must follow a housing first approach.
- (2) Joint TH and PH-RRH component projects as defined in Section II.C.3.m of this NOFA that must follow a housing first approach.
- (3) SSO Projects for Coordinated Entry (SSO-CE) to implement policies, procedures, and practices that equip the CoC's coordinated entry to better meet the needs of survivors of domestic violence, dating violence, sexual assault, or stalking (e.g., to implement policies and procedures that are trauma-informed, client-centered or to better coordinate referrals between the CoC's coordinated entry and the victim service providers coordinated entry system where they are different).

Definitions

Beds Dedicated to Chronically Homeless Individuals and Families. A permanent supportive housing bed that is dedicated specifically for use by chronically homeless individuals and families within a CoC's geographic area, as reported in the CoC's HIC and the FY 2017 permanent housing project applications. When a program participant exits the project, the bed must be filled by another chronically homeless participant unless there are no chronically homeless persons located within the CoC's geographic area. This concept only applies to permanent supportive housing projects.

Bonus Project. A CoC is eligible to apply for up to 6 percent of its Final Pro Rata Need (FPRN) and may apply for more than one bonus project provided it has demonstrated the ability to reallocate lower performing projects to create new higher projects as outlined in Section VII.B.2.c of this NOFA. New projects created through the bonus process must meet the project eligibility and threshold requirements established by HUD in Sections V.C.3.b and V.C.3.c of this NOFA.

Consolidation. The process by which two or more projects that are eligible for renewal in the FY 2018 CoC Program Competition apply for funding and are combined into a single renewal project upon award. See Sections II.B.4, V.B.2.b.(2) and V.B.3.a.(7) of this NOFA for additional information.

DedicatedPLUS project. A permanent supportive housing project where 100 percent of the beds are dedicated to serve individuals, households with children, and unaccompanied youth that at intake are:

- (1) experiencing chronic homelessness as defined in 24 CFR 578.3;
- (2) residing in a transitional housing project that will be eliminated and meets the definition of chronically homeless in effect at the time in which the individual or family entered the transitional housing project;
- (3) residing in a place not meant for human habitation, emergency shelter, or safe haven and had been admitted and enrolled in a permanent housing project within the last year but were unable to maintain a housing placement and met the definition of chronic homeless as defined by 24 CFR 578.3 prior to entering the project;
- (4) residing in transitional housing funded by a Joint TH and PH-RRH component project and who were experiencing chronic homelessness as defined at 24 CFR 578.3 prior to entering the project;
- (5) residing and has resided in a place not meant for human habitation, safe haven, or emergency shelter for at least 12 months in the last three years, but has not done so on four separate occasions and the individual or head of household meet the definition of 'homeless individual with a disability'; or
- (6) receiving assistance through a Department of Veterans Affairs(VA)-funded homeless assistance program and met one of the above criteria at initial intake to the VA's homeless assistance system.

A renewal project where 100 percent of the beds were dedicated to chronically homeless individuals and families, as described in Section III.C.3.b, under the grant that is being renewed may either become a DedicatedPLUS project or may continue to dedicate 100 percent of its beds to chronically homeless individuals and families. If a renewal project that has 100 percent of its beds dedicated to chronically homeless individuals and families elects to become a DedicatedPLUS project, the project will be required to adhere to all fair housing requirements at 24 CFR 578.93.

Projects that were awarded as DedicatedPLUS in the FY 2017 CoC Program Competition are required to include households with children to qualify as a DedicatedPLUS project in the FY 2018 CoC Program Competition.

DV Bonus. A DV Bonus is a project that is dedicated to survivors of domestic violence, dating violence, sexual assault, or stalking as defined in paragraph (4) at 24 CFR 578.3. A CoC may apply for up to 10 percent of its Preliminary Pro Rata Need (PPRN), or a minimum of \$50,000, whichever is greater, or a

maximum of \$5 million, whichever is less, to create up to three DV Bonus projects. See Sections II.B.3 and II.B.10.e of this NOFA for project application requirements and how DV Bonus projects will be reviewed and selected See Sections II.B.3 and II.B.10.e of this NOFA for additional information.

Expansion. The process by which a renewal project applicant submits a new project application to expand its current operations by adding units, beds, persons served, services provided to existing program participants, or in the case of HMIS, increase the current HMIS grant activities within the CoC's geographic area. There are two types of expansion:

(1) *Expanding CoC Program Projects.* Expansion in which a project applicant submits a new project application to expand the current operations of an eligible renewal project for which it is the recipient by adding additional CoC Program funds. Under this type of expansion, for the new expansion project to be selected for conditional award the renewal project application must also be selected for conditional award.

(2) *Expanding a non-CoC Program funded project.* Expansion in which a project applicant submits a new project application that requests CoC Program funds to add to a current homeless project that is funded from sources other than CoC Program funds. However, as stated in Section 426 of the Act, project applicants are prohibited from using CoC Program funds to replace state and local funds

Housing First. A model of housing assistance that prioritizes rapid placement and stabilization in permanent housing that does not have service participation requirements or preconditions (such as sobriety or a minimum income threshold). Transitional housing and supportive service only projects are considered using a Housing First model for the purposes of this NOFA if they operate with low-barriers, work to quickly move people into permanent housing, do not require participation in supportive services, and, for transitional housing projects, do not require any preconditions for moving into the transitional housing (e.g., sobriety or minimum income threshold). Additional information regarding Housing First is in Section II.A.4 of this NOFA.

Joint TH and PH-RRH Component Project. The Joint TH and PH-RRH component project combines two existing program components—transitional housing and permanent housing-rapid rehousing—in a single project to serve individuals and families experiencing homelessness. HUD will require the recipient to adopt a Housing First approach (see Section II.A.4 of this NOFA) across the entire project and program participants may only receive up to 24-months of total assistance. For more information about Joint TH and PH-RRH component projects, see Section V.C.3 of this NOFA for additional information.

If funded, HUD will limit eligible costs as follows, in addition to other limitations found in 24 CFR part 578:

- (1) leasing of a structure or units, and operating costs to provide transitional housing;
- (2) short- or medium-term tenant-based rental assistance on behalf of program participants to pay for the rapid rehousing portion of the project;
- (3) supportive services;
- (4) HMIS; and
- (5) project administrative costs.

When a program participant is enrolled in a Joint TH and PH-RRH component project, the recipient or subrecipient must be able to provide both components, including the units supported by the transitional housing component and the tenant-based rental assistance and services provided through the PH-RRH component, to all participants. A program participant may choose to receive only the transitional housing unit, or the assistance provided through the PH-RRH component, but the recipient or subrecipient must make both types of assistance available. Additionally, if CoC Program funds are not being requested for both TH and PH-RRH units, the project application must still describe the number of TH and PH-RRH units that will be utilized by the project, if selected for conditional award, and provide details in the project description of how TH and PH-RRH assistance will be provided.