



RANKING AND REVIEW POLICY AND PROCEDURE

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The Department of Housing and Urban Development (HUD) requires Continuum of Care to rank all projects being recommended for funding into two tiers as part of the Consolidated Application's Priority Listing.

- Tier 1 is defined by HUD in the Notice of Funding Opportunity (NOFO) as a percentage of a Continuum of Care's (CoC) Annual Renewal Demand (ARD) approved by HUD. Tier 1 projects traditionally maintain existing funding in the NOFO competition provided the CoC's Consolidated Application is properly submitted and meets the minimum threshold score established by HUD.
- The amount of funding available in Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for all bonus projects. Tier 2 projects must compete nationally for funding and are therefore at risk of not being awarded.

Renewal projects are those with existing CoC funded grant agreements, as noted on the approved HUD Grant Inventory Worksheet (GIW). New projects are those applying for the first time in a given year. Project applications are ordered from highest to lowest ranking in the CoC's Priority Listing, and in accordance with HUD's two-tier system as outlined in the NOFO.

CoC's that score high enough on their NOFO may be awarded Bonus Funds and/or Domestic Violence Bonus Funds. Both types of Bonus Funds are awarded by HUD based on a competitive national rating and ranking process.

Projects are ranked according to their assigned score in the Priority Listing in two Tiers as outlined below, with the exception of projects supporting the CoC infrastructure (i.e. HMIS, SSO-CE) necessary to maintain the homeless delivery system and first-time renewals. The CoC Planning Grant is considered a new grant each competition and covers planning activities such as Point in Time Count and personnel costs to support Consolidated Application. As required by HUD, the CoC's infrastructure projects do not receive a score and the CoC Planning Grant is not ranked in the CoC Priority Listing.

Tier 1: Project Ranking

CoC Infrastructure projects are defined as dedicated HMIS grants and Supportive Services Only-Coordinated Entry (SSO-CE) grants. The CoC's renewal infrastructure projects may be given a rank in the middle of Tier 1 based on the total of applications on the Priority Listing ranked in Tier 1 that maximizes the allowable ARD. Renewal SSO-CE project may be ranked above the renewal HMIS project as the SSO-CE project provides direct services to people experiencing homelessness.

Projects that are being renewed for the first time in the competition and subsequently have not completed a full project year and have not submitted an APR to HUD are subject to the requirements

defined in the NOFO. These projects may be renewed and ranked in the middle of Tier 1 based on the total number of applications on the Priority Listing ranked in Tier 1 that maximizes the allowable percentage of the ARD. The CoC will seek to maintain the maximum amount of funding coming into the community by placing high performing projects in Tier 1.

See the Reallocation Policy to determine handling of low performing renewal projects.

Tier 1: Tie Breaking

In the event that two projects earn the same score based on the NC 507 scoring tool, resulting in the same rank/placement on the Priority Listing, the following criteria will apply:

- First Tie-Breaker: CoC Funding Review Committee identifies a project as a priority to meet a community-wide need based on current data (point-in-time count, needs and gaps analysis, system performance measures, e.g.) and/or emphasizes HUD priorities as outlined in the NOFO.
- Second Tie-Breaker: The project with the highest percentage of project participants with increased income.
- Third Tie-Breaker: The project exceeded the number of households served from the previous grant year.
- Fourth Tie-Breaker: The project with the highest percentage of project participants who exited to permanent housing or highest percentage of project participants with positive exits without subsidy.

Tier 1/Tier 2: Project Straddling

If a project, once listed in ranking order, straddles the Tier 1/Tier 2 funding line with a portion of the project budget falling within Tier 1 and the remaining within Tier 2, the viability of a project to operate with only the Tier 1 amount may be determined by the CoC Funding Review Committee taking into account the feasibility of operating the project with reduced funds, community need (reduced outcomes), and maximizing the percentage of Tier 1 funding available to the CoC. The Funding Review Committee may continue to evaluate all Tier 1 low ranking projects until a viable project for Tier 1/Tier 2 straddler is identified.

Tier 2: Project Ranking

Renewal projects will be ranked in Tier 2 according to their overall project score. If applicable, New and Expansion Projects created from reallocated funding or transition grants may be ranked higher than renewals placed in Tier 2. The CoC Funding Review Committee may evaluate the project's positive impact on the community, whether the renewal project had funding recaptured, and the percentage of the ARD left in Tier 2 funding that is available to the CoC.

Because CoC Bonus Project and DV Bonus Project applications must compete nationally for funding, they are ranked according to scores chronologically, below renewal and reallocated projects. If a Bonus Project is ranked higher than a renewal or reallocation project the community risks losing part of the ARD while also not guaranteeing that Bonus funds will be awarded to the CoC. To maximize

the potential funding coming into the community, Bonus Projects will be ranked below renewal and reallocation projects.

Tier 2: Tie-Breaking

In the event that two projects earn the same score based on the NC 507 scoring tool, resulting in the same rank/placement on the Priority Listing, the following criteria will apply:

- First Tie-Breaker: The project emphasizes HUD priorities as outlined in the NOFO.
- Second Tie-Breaker: CoC Funding Review Committee identifies a project as a priority to meet a community-wide need based on current data (point-in-time count, needs and gaps analysis, system performance measures, e.g.).