## FFY2025 COC FUNDING COMPETITION



## FY25 CoC NOFO

#### CoC NOFO

#### **HUD Dates**

- 1. Released November 13<sup>th</sup>
- 2. Due January 14<sup>th</sup>

#### **Local Deadlines**

- 1. Local Competition Applications Due Appx December 14<sup>th</sup>
- 2. Applicant Notification Appx January 1st



Ending the Crisis of Homelessness on the Streets: HUD directs CoCs to allocate resources towards outreach, intervention, and assistance that helps people regain self-sufficiency. HUD directs CoCs to work with law enforcement, first responders, and their state and local governments to reduce encampments, public camping, and public drug use in order to address barriers to maintaining housing and increasing self sufficiency.



**Prioritizing Treatment and Recovery:** HUD outlines that CoCs should prioritize projects that **provide the treatment and services** people need to recover and regain self-sufficiency including on-site behavioral health treatment, robust wraparound supportive services, and participation requirements.

The FY 25 NOFO devotes resources to Transitional Housing programs and Supportive Service Only projects with the goal of improving health and long-term economic independence. HUD encourages CoCs to utilize the full array of mainstream programs and local and private resources to provide housing and healthcare needed to maintain safe and stable housing.



Advancing Public Safety: HUD indicates that CoCs should cooperate with law enforcement. HUD encourages CoCs to assist in preventing and minimizing the trauma associated with living on the streets or in encampments, especially for women and youth that are the victims of sexual assault and trafficking.



**Promoting Self-Sufficiency:** HUD directs CoCs to partner with workforce development centers, employers, childcare, and other supportive service providers to **increase employment** and employment income for program participants. CoCs should prioritize projects that help lead to long-term economic independence for individuals and families to exit homelessness and prevent future returns to homelessness.



Improving Outcomes: HUD indicates that CoCs should review all projects eligible for renewal to determine their effectiveness in reducing homelessness and increasing self-sufficiency. CoCs should prioritize projects that promote self-sufficiency, increase employment income over government assistance, and promote treatment and recovery.



Minimizing Trauma: HUD outlines that CoCs should encourage providers to provide trauma informed care and ensure participant safety in programs, especially for youth and survivors of domestic violence, dating violence, sexual assault, and stalking. Women experiencing homelessness or domestic violence should have access to safe spaces.



# CHANGES FROM PRIOR COMPETITIONS

#### Tiering Cap.

HUD has significantly changed the percentage of CoC funding for each Tier.

	FY2025	FY2024
Tier 1	30%	90%
Tier 2	70% + Bonus	10% + Bonus



#### **Program Component Eligibility.**

Permitted and encouraged to apply for Transitional housing and projects that deliver supportive services only as new projects (reallocated from existing renewal project funding)



#### Permanent Housing Cap.

HUD has determined that only 30% of the CoC Funds can be used for permanent housing projects.

#### This includes ALL:

- Permanent Supportive Housing
- Rapid Rehousing
- Joint TH-RRH

#### The remaining 70% of the CoC Funds can be used for:

- Transitional Housing
- Supportive Services Only
- HMIS

#### Service Participation Requirements.

CoC funded projects must require that program participants take part in supportive services (ex: case management, life skills, substance use treatment, etc)

New Transitional Housing project must provide 40 hours per week of customized services for each participant (ex: case management, employment training, substance use treatment, etc)\*



#### Project Eligibility Threshold Review.

**NEW Language:** project **certifies affirmatively** that the project applicant will not engage in racial preferences or other forms of illegal discrimination and will not engage in any activities under the pretext of "harm reduction."



#### **Project Quality Threshold Review.**

**NEW Language:** allows HUD to **verify past performance** and reject a project if there is evidence that it has previously or currently engaged or engages in racial preferences or other forms of illegal discrimination, engaged or engages in activities that "violate the sex binary in humans," and, engaged or engages in any activities under the pretext of "harm reduction.



#### Renewal Project Threshold Review.

**NEW Language:** Added two additional reasons for HUD to reject a renewal project from the competition:

- evidence that the project has previously or currently engages or engaged in racial preferences or other forms of illegal discrimination,
- engages or engaged in activities that violate the "sex binary in humans", or engages or engaged in activities under the pretext of "harm reduction."



#### Merit Review.

HUD has significantly changed the scoring process for the Collaborative Application and has added new criteria.

New factors tied to the extent in which:

- existing projects require service participation
- the existence of state or local laws that cover the CoCs entire geographic area that prohibit illicit drug use and camping
- the existence of treatment and recovery services
  - 30% onsite / condition of participation / 24/7 detox availability



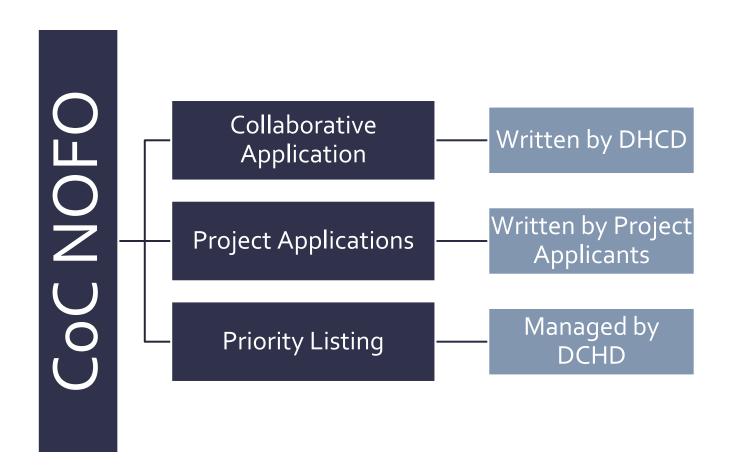
#### **Preference Points / Bonus Point.**

- If more than 50% of proposed activities happen within an Opportunity Zone
- If all non-profit applicants/recipients of funding voluntarily, thoroughly, and demonstrably facilitate verification of immigration status using SAVE directly or in coordination with state/local government



## COC APPLICATION COMPONENTS

## CoC Application Submission: eSNAPS





## Collaborative Application: DHCD Writes

Application **Collaborative** 

Project Capacity, Review & Ranking

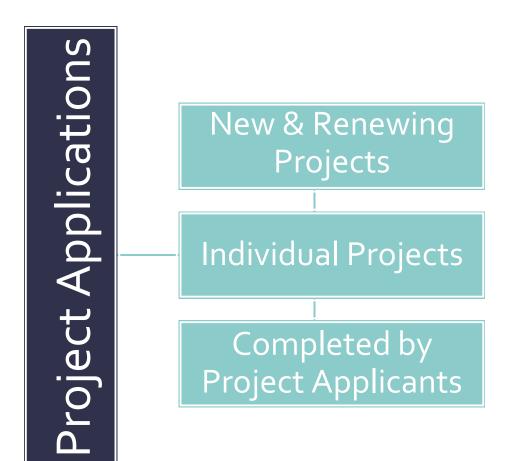
System Performance

CoC Coordination & Engagement

CoC Score & competitiveness for new funding

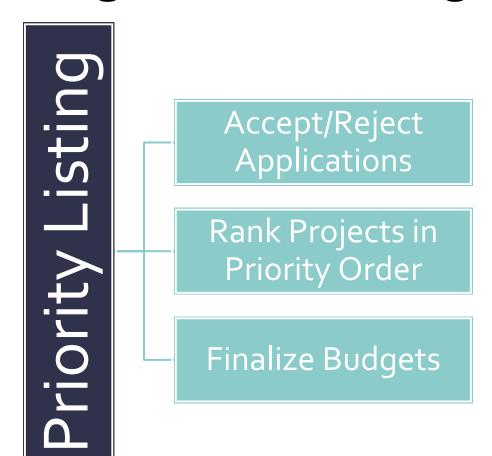


### Project Applications: Projects Write





## Priority Listing: DHCD Manages





## COLLABORATIVE APPLICATION SCORING

## Collaborative Application Scoring

1. CoC Coordination & Engagement 81 Points

2. Project Capacity, Review & Ranking 9 Points

3. System Performance <u>40 Points</u>

**130 Available Points** 

CoC Merger15 Bonus PointsPolicy Initiative Preference Points4 Bonus Points



## RANKING, TIERING & AVAILABLE FUNDS

## Estimated Available Funding

2025 CoC NOFO
Total Available Project Funding: \$10,395,672

Annual Renewal Demand

\$8,311,095

CoC Bonus Funding 20% FPRN

\$1,662,219

DV Bonus Funding 10% PPRN

\$422,358



Tier 1 (30% of ARD) \$2,493,329

Tier 2
(ARD Remainder + Bonus)
\$7,902,343

CoC Planning \$415,555

## Estimated Available Funding

Permanent Housing Cap
Includes ALL: Permanent Supportive Housing, Rapid Rehousing and
Joint TH-RRH Projects

PH Cap 30% CoC ARD

\$2,493,329

Current PH Budget for Renewals

\$7,911,344

Difference to Reallocate

\$5,418,015



## Ranking & Tiering Funding Structure

- CoCS are required to rank all new and renewal project applications in priority order based on CoC policy which may include local priorities, needs and gaps
- Ranked projects will fall into two tiers
  - Projects in Tier 1 likely to receive funding assuming threshold approval
  - Projects in Tier 2 are subject to additional scoring and compete nationally based on CoC Performance and rank order



#### Tier 1

Tier 1 Funding Amount: 30% of the Annual Renewal Demand (ARD)

 Projects in Tier 1 will be conditionally selected from the highest scoring CoC to the lowest scoring CoC (or until funding runs out), provided the projects pass both eligibility and threshold review



#### Tier 2

#### Tier 2 Funding Amount: 70% ARD + Bonus Funds

- Projects that fall into Tier 2 undergo project eligibility and threshold review AND are subject to additional scoring and competition by HUD
- Scored Tier 2 projects then compete with all Tier 2 projects across the nation and funding is determined by HUD based on the score and available funds
- If a project application straddles Tier 1 & Tier 2, the portion in Tier 1 will be funded based on Tier 1 criteria, the Tier 2 portion will be scored and funded per the above



#### Tier 2 Scoring

Each project that falls into Tier 2 undergoes additional scoring and then competes on a national level. Each project may receive up to 100 points.

#### CoC Score: Up to 50 Points

- Direct proportion to the CoC Collaborative Application Score
  - If a CoC receives 100 out of 200 available points on the Application, the individual project application would receive 25 out of 50 points for this criterion

#### CoC Project Ranking: Up to 40 Points

• HUD Formula based on Tier 2 rank order, the higher the rank, the higher the points

Service Participation: Up to 10 Points

**Replaces Housing First Participation** 

## Ranking & Tiering

1	Renewal PSH	
2	Renewal PSH	
3	Renewal PSH	
4	New TH	
5	New TH	
6	New TH	
7	New TH	
8	New TH	
9	SSO	
10	SSO	

Tier 1: 30% of Annual Renewal Demand (ARD)

Tier 2: 70% of ARD + Bonus Funds



## ELIGIBLE PROJECT APPLICATIONS

## Renewal Projects

Renewing: Permanent Supportive Housing, Rapid Rehousing, Joint TH-RRH, HMIS, SSO-CE Projects

A project that will be under grant agreement by December 31, 2025 and will have an expiration date in Calendar Year 2026 (between January 1, 2026, and December 31, 2026).

Renewal projects cannot request a higher amount than what is listed in the GIW

Renewal projects can move up to 10% of funds between the Budget Line Items



AC AC AC	YMCA of Cumberland  Maryland Department of Health	Gilchrist PSH + Exp	PSH
AC	iviarviano Deparimentol Health	PUA DOU Allogopy County	PSH
		BHA PSH Allegany County	
1 ^ _	Allegany County Human Resources Development Commission	HRDC Leasing Supportive Housing Project	PSH
AC	Human Resources Development Commission, Inc.	Rapid Rehousing	RRH
BoS	MD Department of Housing & Community Development	HMIS	HMIS
BoS	MD Department of Housing & Community Development	DV Bonus - SSO CE	SSO
BoS	MD Department of Housing & Community Development	MD-514 CoC Planning Application FY24	Planning
CC	Maryland Department of Health	BHA PSH Cecil County 5 Unit	PSH
CC	Maryland Department of Health	BHA PSH Cecil County 7 Unit	PSH
CC	Cecil County, Maryland	Rapid Rehousing	RRH
FC	Maryland Department of Health, Behavioral Health Administration	BHA PSH Frederick County	PSH
FC	Friends for Neighborhood Progress, Inc.	FFNP Housing First	PSH
FC	City of Frederick	Housing 1st SRO - Individual Project (PSH-Individual)	PSH
FC	City of Frederick	New Project Application FY2022 (Housing 1st SRO)	PSH
FC	Student Homelessness Initiative Partnership of Frederick County	RRH - CoC - SHIP	Joint TH-RRH
GC	Garrett County Community Action Committee, Inc.	SHP DIS 2019	PSH
GC	Garrett County Community Action Committee, Inc.	RRH for Individuals and Families	RRH
HC	Associated Catholic Charities, Inc.	AH PH Consolidated	PSH
HC	Harford Family House, Inc.	Prologue PSH	PSH
HC	Harford Family House, Inc.	HFH PSH I	PSH
HC	Maryland Department of Health	BHA PSH Harford County	PSH
HC	The Sexual Assault/Spousal Abuse Resource Center	SARC 2021 New Project	RRH
HC	Harford Community Action Agency Inc.	HCAA Centralized Intake Support Services	SSO
SM	Maryland Department of Health	BHA PSH Southern MD	PSH
SM	Three Oaks Homeless Shelter, Inc	Nicholson - Permanent Housing Project #8	PSH
SM	Three Oaks Homeless Shelter, Inc	Aldridge PWD#16 Consolidated Grant	PSH
SM	Three Oaks Homeless Shelter, Inc	Haina PWD#13 Consolidated Grant	PSH
SM	Three Oaks Homeless Shelter, Inc	Horne - Permanent Housing Project #11	PSH
SM	Three Oaks Homeless Shelter, Inc	Marek PWD#9 Consolidated Grant	PSH
SM	LifeStyles of Maryland Foundation, Inc.	Fortitude	PSH
SM	Three Oaks Homeless Shelter, Inc	Owens Rapid Rehousing Consolidated Grant	RRH
SM	Three Oaks Homeless Shelter, Inc	Waring Rapid Re-Housing Consolidated Project	RRH
SM	LifeStyles of Maryland Foundation, Inc.	LifeStyles' DV Joint	Joint TH-RRH
SM	LifeStyles of Maryland Foundation, Inc.	Southern Crossing Joint TH-RRH	Joint TH-RRH
SM	LifeStyles of Maryland Foundation, Inc.	Fuller House Joint TH-RRH	Joint TH-RRH
WC	Potomac Community Services, Inc	WC PSH Families + Exp	PSH
WC	Potomac Community Services, Inc	WC PSH Program Individuals + Exp	PSH
- WC	Maryland Department of Health	BHA PSH Washington County	PSH

## Consolidation

- HUD encourages applicants may consolidate two or more (but no more than ten)
  eligible renewal projects into one in the renewal project
- Projects must be held by the same recipient and be of the same project component type
- Projects must be in good standing and not have the following:
  - outstanding audit or monitoring findings;
  - outstanding obligation to HUD that is in arrears,
  - unresolved construction delays,
  - history of poor financial management or drawdown issues,
  - history of low occupancy levels, or lack of experience in administering the project type, or
  - other capacity issues



## **Transition Grant**

- Opportunity to transition an eligible renewal grant to a new program component type via a voluntary reallocation process
  - Example: Transition a Permanent Supportive Housing Project to a Transitional Housing Project
- Transition grants will have one year to fully transition to new component type during the normal operating year
- MUST wholly eliminate one or more existing projects and use to create single, new transition grant



## **Expansion Grant**

- HUD will allow project applicants to apply for a new expansion project (funded through reallocation, CoC Bonus, and DV Bonus processes) to expand existing projects to increase the number of units, persons served, services provided to existing program participants, or to add additional activities to HMIS and SSO-CE projects.
- The expansion portion will be considered a new project and will be required to submit a new project application to BoS and in eSNAPS
- Both the renewal and new project applications will be scored and ranked in the priority list
- If awarded by HUD, would be executed as one project



# New Project Application Opportunities

CoCs may submit new project application created through

- **❖** CoC Bonus
- DV Bonus
- Reallocation
- Combination of the three sources

HUD will review project subrecipient eligibility as part of the project quality threshold review process. Project applicants are required to submit documentation of the subrecipient's eligibility with the project application.



## New Projects: CoC Bonus

CoC Bonus: Up to 20% of the Final Pro Rata Need (FPRN), approximately \$1,662,219

Must be one of the following project types:

- Transitional Housing
- Supportive Services Only
  - SSO Standalone
  - SSO Street Outreach
  - SSO Coordinated Entry
- PSH & RRH (will count toward 30% cap)
- Planning (not included in priority ranking)



## New Projects: DV Bonus

**Domestic Violence Bonus:** Up to 10 % of the Preliminary Pro Rata Need (PPRN), approximately **\$422,358** 

- New projects that want to be considered for the DV Bonus, must be:
  - Must serve survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless
  - Transitional Housing
  - Rapid Rehousing
- Can be stand alone new project or expansion of renewal project



## New Projects: DV Bonus

- Must be 1 year grant term but may request a longer initial grant term not to exceed 18 months
- Any number of submissions per project type (SSO, TH, RRH) provided each application is for at least \$50,000
- Only one SSO for Coordinated Entry application may be submitted per CoC
- HUD will conditionally select DV Bonus projects based on the criteria established in the NOFA
  - Any project conditionally selected by HUD as part of the DV Bonus will be removed from the CoC's Project ranking list and all projects underneath of it will slide up in rank
  - Any project that indicated it would like to be considered as part of the DV Bonus but was not selected as part of the DV Bonus, will retain the ranking provided by the CoC and be considered as a normal ranked project

## New Projects: Reallocation

## REALLOCATION

Reallocation is the process of distributing funding from a lower performing project and making those funds available for new projects without decreasing the CoC's Annual Renewal Demand (ARD).

Per the FY2019 United States Department of Housing and Urban Development (HUD) Appropriations Bill, **HUD must give priority to Continuums of Care that allocate resources effectively**.

Reallocation Limitations: Projects funded under DV Bonus can only be reallocated to other DV serving projects

## New Projects: Reallocation

## **VOLUNTARY REALLOCATION**

Voluntary reallocation means that a project makes the choice to gives up a portion or the entire amount of their project funding for the purpose of creating a new project or to change their project component type.

To meet HUD and community priorities, renewal projects within the MD-514 geography may request a voluntary reallocation request if there is a decision to reduce the overall budget, reduce the number of households served, or acknowledging a difficulty in implementing all performance and compliance related requirements of the grant.



## New Projects: Reallocation

#### **PRIOR YEAR FACTORS**

#### INVOLUNTARY REALLOCATION POLICY

Involuntary reallocation is when the CoC "reclaims" some or all of a renewal project's funding which has been allocated to a particular agency without the explicit consent of the Agency in control of the funds. Involuntary reallocation happens when funding is redirected from an existing Renewal Project for the purpose of creating a New Project.

**Project Performance** 

Renewal projects will be assessed on their project quality and ability to meet performance outcomes such as occupancy rates, participant income growth, successful exits and cost efficiency. All scored renewing projects are subject to an eligibility threshold; projects that score in the lowest 20% of all renewal projects may be subject to further evaluation and review. Further, those not meeting the eligibility threshold may be moved to a lower ranking status and therefore subject to involuntary reallocation.

**Spending History** 

HUD assumes that projects will spend 100% of the funds allocated to them. Projects that fail to spend the total grant award may see a decrease in funding as those funds are added to the pool of funds available for reallocation to other projects. *Projects that have a high recapture rate of 10% or greater for two consecutive program years, may be reduced to the amount disbursed at the end of the 12-month review*. An exception to this policy may be made for new projects that could not expend funds due to implementation barriers. Please note that any organization found to have less than 100% of their grant expended may be required to provide an explanation on why funds were recaptured.

**HMIS Participation** 

HMIS participation is required to meet HUD renewal project threshold requirements. Non-HMIS providers must use a comparable database that meets the needs of the local HMIS to meet this threshold. Monitoring results along with data quality reports will be examined to determine if agency participation in HMIS is adequate. Projects with a data error rate of 10% or more will be placed on a data quality corrective action plan to correct existing errors and prevent future occurrences. The corrective action plan will consist of a series of required data quality workshops for users within the projects. **Projects that do not meet threshold requirements or have the highest rates of data errors may be reallocated to higher performing projects or new projects**.



# BALANCE OF STATE LOCAL COMPETITION

										Emergency
										Services &
Maryland Balance of State - County/Region Level	Maximum PH	Current PH	NOFO Cut	Households	People	Estimated	Landlords	<b>Landlord Rental</b>	Landlord Unit	Healthcare
Breakdown	<b>Funding Allowed</b>	Funding	to PH Funding	Impacted	Impacted	<b>Jobs Lost</b>	Impacted	Income Lost	<b>Turnover Costs</b>	<b>Cost Increase</b>
Allegany County	\$237,138	\$790,459	\$553,321	63	128	6	40	\$416,676	\$264,600	\$2,766,607
Cecil County	\$88,611	\$295,370	\$206,759	15	23	2	14	\$282,072	\$64,680	\$1,033,795
Frederick County	\$225,722	\$752,406	\$526,684	78	86	8	18	\$466,524	\$329,280	\$2,633,421
Garrett County	\$80,336	\$267,786	\$187,450	93	147	7	18	\$164,880	\$391,020	\$937,251
Harford County	\$348,941	\$1,163,136	\$814,195	42	67	4	20	\$452,916	\$176,400	\$4,070,976
Southern MD - Calvert, Charles, St. Mary's Counties	\$1,180,252	\$3,934,174	\$2,753,922	165	350	14	131	\$3,215,088	\$693,840	\$13,769,609
Washington County	\$212,404	\$708,013	\$495,609	20	38	2	19	\$266,952	\$82,320	\$2,478,046
BOSTOTAL	\$2,373,403	\$7,911,344	\$5,537,941	477	839	43	260	\$5,265,108	\$2,002,140	\$27,689,704

# **BoS CoC Ranking Policy Goals**

- To preserve PSH project to the maximum allowable extent
- To maximize the CoC overall application score and ensure the highest possibility of project funding
- Effectively meet HUD policies and priorities



## DISCUSSION QUESTION

- CoC Rating, Ranking & Reallocation: How to address the 30% PH CAP?
  - Reduction of **\$5,418,015**
  - Geographical Representation for PSH
  - Transition/Conversion to Transitional Housing / SSO
  - Voluntary Reallocation
  - Focus on population served
  - Focus on vulnerability
  - Shifting of HSP funds

# Ranking Policy

#### **Preliminary Rank Order: PROPOSED**

- 1. Renewal Permanent Supportive Housing projects, ranked in order of application score
- 2. "New" Reallocated/Transition Grants (Transitional Housing & SSO ) projects, ranked in order of application score
- 3. **New Transitional Housing** projects, ranked in order of application score
- 4. **Renewal SSO-CE** projects
- **5. New SSO** projects
- 6. **Renewal HMIS** project
- 7. **New DV Bonus projects** based on application score

**Tie Breaker** - Rank order for renewal projects that receive equal scores and are of the same project component type will be determined based on the most recent year grant recapture rate, the project with the lower recapture rate will be ranked above the project with the higher recapture rate.

\*The CoC Planning Grant is non-competitive and is not a ranked project in this competition.



# Ranking Policy Adjustments

#### **PRIOR YEAR FACTORS**

#### Renewal Project Score Threshold

All scored renewing projects are subject to an eligibility threshold. Projects that score in the lowest 20% of all renewal projects may be moved to a lower ranking status and may be subject to reallocation. For example, the Performance Review Committee may rank a new project above a renewing project that scores in the bottom 10%.

#### Geography

HUD has determined that geographic diversity is an appropriate consideration in selecting homeless assistance projects in the CoC competition. Likewise, MD-514 recognizes that geography is an appropriate consideration for the competition. Projects may be ranked higher to ensure CoC funded programs are accessible to people experiencing homelessness throughout the entire MD-514 geography.

#### **Vulnerable and High-Needs Populations**

MD-514 recognizes that high quality projects serving vulnerable and high-needs populations, such as chronic homelessness, domestic violence and substance abuse; are a critical component to ending homelessness. The Performance Review Committee may rank the projects higher to ensure the programs are prioritized to receive CoC funding. These programs must meet a need in the community, show positive housing related outcomes and provide choice to participants seeking the services offered.

#### **Voluntary Reallocation**

Projects that choose to voluntarily reallocate at least 50% of their current grant amount in order to apply for a new reallocation-based project may be granted additional consideration in the ranking order. Projects that elect to fully reallocate their grant in order to change project component types, a Transition Grant, will be included in this scenario.

#### Funding Leverage

In alignment with the HUD CoC NOFO priorities, PSH and RRH project applications that demonstrate a commitment to leverage housing and/or health care system resources may be considered for a higher placement in the ranking order.



## DISCUSSION QUESTION

## **Local Application Process**

- Performance Review Committee finalizes the rank order and funding recommendations based on Policy
- Local Competition Must Close by December 14, 2025

	Renewal	New
Performance Scorecard	X	
Request for Proposals	X	X
eSNAPS Application	X	X

## DISCUSSION QUESTION

#### Renewals

- What APR / data to review
- What elements to score
- How to keep as simple as possible

#### New

- How to make RFP as simple as possible
- Align to NOFO "priority"
- eSNAPS requirements



## **BoS Local Competition Components**

#### **PRIOR YEAR FACTORS**

#### Renewal Projects

- Performance Score Card: 75%
- RFP Response: 25%
- eSNAPS
- Any Required Documentation

#### First Time Renewal Projects

- RFP Response: 100%
- eSNAPS
- Any Required Documentation

#### **New Projects**

- RFP Responses: 100%
- eSNAPS
- Any Required Documentation

### **Project Review Committee**

- Renewal projects initially ranked based on score
- Adjustments made per CoC Ranking Policy
- RFP responses scored by committee and ranked based on the CoC Ranking Policy
- Submit Final Project Ranking Recommendations to CoC Leadership for review
- CoC will inform all applicants of their status and publish final ranking, scoring and funding amounts





## Resources

#### **NAEH**

- <u>CoC Competition Information</u>
- Side by Side Comparison of 2024 & 2025 NOFO
- Side by Side Comparison of 2024 & 2025 CoC Scoring
- NAEH Resources

#### **Balance of State**

• Funding Information Page

#### HUD

- HUD CoC Page
- CoC NOFO
- HUD 1 Pager