

2018 Reallocation Policy & Priorities

Appalachian Regional Coalition on Homelessness (TN-509)

Background

The U.S. Department of Housing and Urban Development (HUD) requires that CoCs carefully evaluate and review all renewal projects and to develop a reallocation process for projects funded with CoC funds.

Reallocating funds is an important tool used by CoCs to make strategic improvements to their homelessness system. Through reallocation, the CoC can create new projects that are aligned with HUD's goals, by eliminating projects that are underperforming or are more appropriately funded from other sources.

Reallocation is particularly important when new resources are not available.

Reallocation Policy

All renewal projects are reviewed by the Project Planning, Steering & Ranking Committee to determine how the project performed and determine if a project should be considered for reallocation. The CoC monitors all programs through review of quarterly reports and comprehensive assessment of agency capacity and ability to implement performance measure goals and objectives.

The recommendation for reallocation may be based on any one of the following HUD criteria and the overall score of the project evaluation:

- Outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed upon;
- Audit finding(s) for which a response is overdue or unsatisfactory;
- History of inadequate financial management accounting practices;
- Evidence of untimely expenditures on prior award;
- History of other major capacity issues that have significantly impacted the operation of the project and its performance;
- Timeliness in reimbursing sub recipients for eligible costs. HUD will consider a project applicant as meeting this standard if it has drawn down grant funds at least once per month;
- History of serving ineligible persons, expending funds on ineligible costs, or failing to expend funds within statutorily established timeframes; or
- Programs did not consistently meet the CoC performance measures.
- Failure to follow the Housing First model with preconditions/barriers to entry

Involuntary and Voluntary Reallocations

Involuntary Reallocation

Involuntary Reallocations are primarily based on three criteria:

- Projects that have the lowest score in the evaluation process.

- Projects that have unspent funds in the most recent FY ending. Percentage of funds unspent and history of recaptured funds may be considered.
- Projects that fail to follow Housing First model.

The Project Planning, Steering & Rating Committee will evaluate and determine if programs will have a full or partial reallocation of funding. Well-performing programs that have unspent funding will be subject to review of possible partial reallocation of unspent funds.

All funds freed through involuntary reallocations may be made available for one or more new projects. If no new project applications are submitted, funds will remain available for the original renewal projects. Project applicants that are subject to partial involuntary reallocation must develop a plan to continue with their renewal project, with the reduced level of funding. This includes HUD contract compliance for numbers of persons served and the types of services provided. It may be possible to seek a contract amendment from HUD for some changes; applicants should contact their HUD representative to discuss any options for amendment. If the reduction in funding will result in loss of assistance for persons currently served by the program, the applicant must develop a transition plan for these persons.

Voluntary reallocation

For projects not subject to involuntary reallocation, an applicant may choose to reallocate funds from an existing renewal project, in order to free additional funds for one or more new projects. If the same applicant wishes to apply for a new project using those same funds, the following parameters apply:

- The applicant may choose to reallocate all or a portion of their renewal funds to create the new project.
- The applicant will have “first rights” to 80% of funds that are freed as a result. The applicant may also choose to compete for a portion or all of the funds available to the CoC through involuntary reallocation of other projects or bonus funds. Through the reallocation process, the CoC ensures that projects submitted with the CoC Collaborative Application best align with the HUD CoC funding priorities and contribute to a competitive application that secures HUD CoC dollars to address and end homelessness in Appalachian Regional Coalition on Homelessness CoC. The CoC will make decisions based on alignment with HUD guidelines, performance measures, and unspent project funds.

2018 Priorities for Reallocation

Reallocation should be used to increase or maintain Appalachian Regional Coalition on Homelessness CoC performance by advancing quality projects that meet documented needs and/or strategically allocating resources from HUD CoC and other sources.

Four types of projects may be created via reallocation in FY2018. These are listed below, in order of priority to Appalachian Regional Coalition on Homelessness CoC, with rationale:

1. DV Projects. Rationale: The CoC needs to address the unmet needs of survivors of DV, dating violence, sexual assault and stalking; expand units and beds for DV victims; reduce multiple barriers faced by DV victims; improve the safety of DV survivors; and, address best practices on safety and planning protocols and Housing First.

2. New rapid re-housing project(s) for homeless individuals, families and unaccompanied youth coming directly from the streets or emergency shelters, and include persons fleeing domestic violence or other persons that meet the criteria of paragraph (4) of the definition of homeless. Rationale: As evidenced in Coordinated Entry priority lists as well as the Point in Time Count, Appalachian Regional Coalition on Homelessness CoC experiences continued need for effective projects serving chronically homeless persons homeless using the Rapid Rehousing/Housing First model.
3. New SSO project for centralized or coordinated assessment. Rationale: A Coordinated Entry grant would provide funding necessary to make the CE system accessible for all persons within the CoC's geographic area; advertise the CE System to reach homeless persons with highest barriers; maintain a priority list to ensure those with the longest length of homelessness and severest need are served first; ensure program participants are directed to appropriate housing and services that fit their needs; and ensure Housing First principles are followed.
4. New permanent supportive housing project(s) for chronically homeless individuals and families as defined in 24 CFR 578.3. Rationale: As evidenced in the Point in Time Count, Appalachian Regional Coalition on Homelessness CoC has additional chronically homeless households in our communities. Housing and supporting households with the highest needs and most extensive histories of homelessness is critical to ending homelessness in the CoC region. As such, it would also help to improve CoC system performance by reducing average length of time homeless.

Project applicants are encouraged to consider geographic distribution and subpopulation considerations as well for new projects funded through reallocation.