

# WI 501 – Milwaukee City & County Continuum of Care Project Ranking, Scoring & Cut Process FY/2017

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## **Introduction**

Annually, the U.S. Department of Housing and Urban Development (HUD) releases the Continuum of Care (CoC) Notice of Funding Availability (NOFA). This year the grant competition was released on **July 14, 2017**. The NOFA is available at <https://www.hudexchange.info/resources/documents/FY-2017-CoC-Program-Competition-NOFA.pdf>. This competition brings funds into both the City and County of Milwaukee to provide housing and supportive services to individuals and families who are experiencing homelessness. The competitive application requires each local Continuum of Care to rank, score, and select new and renewal projects. The CoC must identify and describe the process used for ranking, scoring, and selecting eligible projects. The process should be fair and impartial, inclusive of a public notification which lists the CoC's final determination on funded projects. In the competition, the CoC has the option to re-allocate funds from CoC renewal projects to fund new projects, and to create a new project through the bonus competition. New funding opportunities created through re-allocation will only be available as stated in the NOFA document. This may change per competition. This year, the NOFA states only the following are eligible for new projects through reallocation: Permanent Supportive Housing projects that meet the requirements of DedicatedPLUS as defined in Section III.A.3.d of this year's NOFA; new permanent housing projects where 100 percent of the beds are dedicated to chronic homelessness; Rapid Re-Housing serving homeless individuals, including unaccompanied youth, and families coming directly from the streets or emergency shelter, fleeing domestic violence, residing in transitional housing funded by a Joint TH and PH-RRH component project, or 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; new Joint TH and PH-RRH component projects as defined in Section III.A.3.h. of the NOFA to serve individuals and families, new projects for dedicated HMIS; and new Supportive Services Only (SSO) projects for centralized or coordinated assessment systems.

A ranking, scoring and selection tool has been developed to measure performance and capacity. These measures and criteria have been created by a committee and are based on some of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) System Performance Measures and other criteria. This instruction guide will detail how the WI 501- Milwaukee City and County Continuum of Care (Milwaukee CoC) projects will be evaluated.

## **Intent to Apply:**

Annually, after HUD announces the Continuum of Care registration requirements, the CoC will post an "Intent to Apply" request form on the Milwaukee Continuum of Care website, <http://www.milwaukeeecoc.org>. The Continuum also works to make members aware of the form by announcing at the monthly Full Body CoC meeting and the monthly Provider Advisory Committee

meeting, as well as place it on the Continuum's email listserv or otherwise also known as the CoC e-newsletter. Listserv subscription is also available via the CoC website and anyone is able to join the listserv. The intent form is intended to identify agencies who are seeking CoC funds. The form is applicable for "new" or "renewal" CoC projects. "New" projects include those made through reallocation and through the bonus project funding as made available by HUD within each NOFA. A preliminary, quantitative and qualitative review of each interested applicant is submitted to the Lead Agency, City of Milwaukee. The submission of the form will help confirm the capacity of the CoC to accommodate those agencies interested in receiving funds. The synopsis of interested applicants is communicated with the CoC's Provider Advisory Committee and Full Body. Interested applicants are required to sign the form and agree to the following:

- Must meet all HUD eligibility criteria.
- Must meet all pre-application deadlines as set by the Continuum.
- Must have met all program requirements for most recent program year to be eligible for application.
- Must be a 501(c) 3
- Must possess legal authority to apply for and receive funds and carry out activities authorized by the CoC Program.
- Must provide the supplementary match funds required by HUD.
- Must participate fully in the Milwaukee CoC process to coordinate and integrate with other mainstream programs for which homeless populations may be eligible.
- Must assume ultimate responsibility for preparing an accurate and complete application for submission to HUD that meets all federal rules and regulations.
- Must use the coordinated assessment system established by the Continuum of Care, as set forth in 578.7(a)(8). A victim service provider may choose not to use the CoC's coordinated assessment system, provided that the victim service providers in the area use a coordinated assessment system that meets HUD's minimum requirements and the victim service provider uses that system instead
- Must be in compliance with all local, state, and federal civil rights laws and Executive Orders as well as all standards outlined in the U.S. Department of Housing and Urban Development CoC NOFA.
- All project sponsors must meet any HUD certification requirements as outlined in the 2017 CoC NOFA.
- Renewal Project Sponsors must be entering data into the HMIS system, with the exception of Domestic Violence programs that are exempted by the Violence against Women Act. Compliance with HMIS regulations will be reported by the HMIS administrator for scoring.

### **Ranking of Projects:**

In order to best serve our community members through effective projects and maximizing funds, projects which most closely align with both HUD and local priorities will be prioritized for funding. The NOFA requires the ranking of each project (new/renewals) and to prioritize the eligible project into one

of two funding Tiers; Tier I or Tier II. HUD requests Tier 1 is equal to 94% of the CoC’s Annual Renewal Amount (ARD) amount on the final HUD-approved Grant Inventory Worksheet (GIW). Tier 2 is the difference between Tier 1 and the CoC’s ARD plus any amount available for the bonus project. This does not include the amounts available for CoC planning and UFA costs (the latter of which does not apply to Milwaukee CoC).

This prioritization will occur within the noted Ranking Categories and each CoC project will compete within their own project’s program component. The categories are detailed below.

| <b>Ranking Categories</b> |  |
|---------------------------|--|
| 1.                        | Renewal Permanent Housing projects – Rapid Re-Housing and Permanent Supportive Housing |
| 2.                        | Rapid Re-Housing serving youth   |
| 3.                        | New Joint Transitional and Rapid Re-Housing created through reallocation for families  |
| 4.                        | Renewal Safe Haven   |
| 5.                        | New Permanent Housing Bonus  |
| 6.                        | CoC Planning Costs (not a scored project)  |
| 7.                        | UFA costs – Not Applicable   |
| 8.                        | SSO projects for Coordinated Entry (**not a scored project**)                          |
| 9.                        | Renewal HMIS (not a scored project)  |
| 10.                       | New HMIS (not a scored project)  |

In an effort to meet HUD’s highest priority, new PSH with 100% chronic homeless units and RRH for youth, will be recommended for “full” funding. This high prioritization is in line with the Federal Strategic Plan, which aims to end chronic homelessness in the year 2017, and youth homelessness by 2020. Ranking categories 1 through 10 (with the exception of # 6, #7, #8, #9, & #10 – which are not scored) will be scored and ranked and subject to the determined final pro rata share for the CoC (inclusive of annual budget cut) – FY 2017.

In alignment with HUD’s Project selection process, the Milwaukee CoC will select projects in the order of HUD’s selection priorities (as established by the NOFA), and then by each project’s score. The CoC will use the project list of scores to begin the selection priority when selecting projects for each Tier.

Based on the NOFA competition, projects must meet the project thresholds as well as meet local needs, HUD priorities and have a high score based on the system performance measures and other criteria. Projects will then be ranked based on the factors mentioned above. This competition, the bonus project is subject to ranking. This may change annually based on the NOFA.

| <b>Tier I</b>   | <b>Tier II</b>                           |
|---|--|
| Renewal RRH for Families                                    | Low scoring Permanent Supportive Housing |
| Renewal PSH - Dedicated Plus and Dedicated Chronic Homeless | Permanent Housing Bonus                  |
| New Joint TH-RRH (Re-allocation) Households with Children   |  |
| Renewal Safe Haven  |  |
| Renewal Supportive Services Only                            |  |

### **Project Evaluation Process**

Annually, when the NOFA is released the Milwaukee CoC lead agency will utilize consultants to create an ad-hoc committee which will assist in developing and reviewing the current scoring tool. This evaluation process and tool must be based on the current NOFA. This tool will then be used to review, score, and rank all CoC renewal projects. The priority areas that will be reviewed are as follows:

#### *HUD Priorities, Capacity, Community Need*

- Permanent Housing Placement
- Utilization Rate
- Dedicated Chronic Homeless Beds
- Return to Homelessness
- Housing First

#### *Project's Participant Impact*

- Housing Stability
- Increased Earned Income
- Increased Total Income
- Risk Adjustment

#### *Compliance*

- Data Quality
- % of CoC Funds Returned to HUD (Unspent)
- Timely Submission of APR and Project Application
- Point in Time Count Participation
- CoC Meeting Attendance

Data for each category is extracted from each project's Annual Performance Report (APR) and HMIS. APR performance measures provide an objective evaluation of the desired program performance year. The APR data elements can be easily calculated to measure and provide quantitative basis for scoring the performance of renewal projects in the application process. This tool also helps the CoC assess the system wide progress of the region in meeting established benchmarks. Information related to compliance will be shared by local HUD representative and/or CoC lead agency.

As noted, those CoC projects that have difficulty meeting the thresholds must contact the lead agency. The lead agency will assist projects that are having difficulty in meeting objectives. Once re-evaluated a

year later, if the project or agency is not able to meet objectives; the board of directors maybe re-allocate the funds. Please see the re-allocation section of this document.

*New Projects:*

Applicants will be scored on project design, how the project addresses local priority needs, how the project aligns with local strategies and HUD's priority to end homelessness, budget appropriateness and accuracy, project match, leveraging, CoC participation, organizational capacity, use of Housing First, and implementation timeline. New Projects will be ranked in conjunction with HUD's Priority Listing, as noted in the FY 2017 NOFA.

*Project Evaluation & Scoring:*

The Milwaukee CoC NOFA evaluation workgroup will use the evaluation tool for scoring each CoC project. A list of all FY17 renewal projects can be found in Appendix A, and a copy of the evaluation tool used for the CoC programs can be found in Appendix B of this document. After completing the project evaluation tool, the workgroup will rank all renewals projects according to their evaluation score. New projects will also be evaluated, scored and ranked according to HUD's priority list. Projects scoring highest are ranked best; those scoring lowest are ranked at the bottom.

There also may be new projects that fail to score well enough that are held out of the NOFA submission. These projects may request that the CoC provide them with technical assistance to assist them in improving their application for future competitions. This process ensures that organizations that may lack the current capacity to receive a federal grant, can build their capacity for a future year.

Total scores for each project are determined by adding points in each section and then reducing the total by project penalties, if applicable. Projects that are unable to meet the compliance criteria will be penalized. The threshold compliance criteria are based on HUD's standards and mandatory reporting timelines and requirements. Projects which have a tie in scoring (within the same ranking category) will be evaluated based on a tiebreaker score based on their cost effectiveness. The total HUD grant amount will be divided by the number of successful outcomes (leaving to permanent housing).

Projects will be approved for submission to HUD based on the project funding requests that fall within the final pro rata share for the CoC, split between Tier I and Tier II, according to Section II.A.16 of the FY 2017 HUD NOFA. The CoC's project listing will incorporate submitting all projects to total HUD's final pro rata share amount. All projects being considered will be based on evaluating HUD's recommending priority listing (renewals & new projects) as well as project performance (if applicable).

### **Re-Allocation:**

As HUD sends out priorities, the Lead Agency will begin to look at projects and their performance and begin discussions on re-allocations. As part of the CoC's project review process, the lead agency and its ad-hoc members (generally a make-up of the consultants, a board member, the HMIS lead agency, and the lead agency) will review each project by a matrix provided by the APR/HMIS information. When the scores are presented, the lead agency along with members of the ad-hoc committee, will submit recommendations to the Board of Directors as to which projects should re-allocate. However, it is up to the Board of Directors to make the final decision for involuntary re-allocations. Generally, the lead agency will reach out to have a discussion with any projects that may appear to be "at-risk". As such, the CoC has established two options of re-allocation; voluntary and mandatory.

### ***Voluntary Re-Allocation:***

Voluntary Re-Allocation allows a project agency to re-allocate a portion or in full a project, for use towards a new CoC Project. Should a project agency decide to voluntarily re-allocate a project, this agency has the first right to use the re-allocated funds to create a "new" CoC project; one which meets HUD's requirement stated in the NOFA. The voluntary project agency that is re-allocating funds must notify the CoC Lead Agency as soon as possible, submitting a notification to the agency informing them on their intent to voluntarily re-allocate a CoC project. Should the project agency waive their right to first use of the re-allocated funds, the CoC will announce the re-allocation amount publicly and request an interest to apply for a new CoC project.

### ***Involuntary Re-Allocation:***

The CoC may forward low-scoring renewal projects to the CoC Board of Directors. Any CoC projects that have a low score and do not meet local needs or HUD priorities will be involuntarily re-allocated. The Board will make this final decision. If renewal projects that serve a special sub-population received a low score and did not meet sufficient HUD performance measurements may be placed on probation. Projects determined to be on probation will require the agency to create an action plan to address the problems identified on the evaluation tool. A project on probation will need to demonstrate considerable improvement over the probation timeline, so as to remain in the NOFA competition in future years. The CoC will work with the project during the probation period to develop a plan to improve program performance and to monitor the progress of these efforts. The CoC may request for the project to receive technical assistance and/or implement corrective actions with established timelines.

When the project's probation timeline expires and the project continues to reflect poor performance, the lead agency will make a recommendation to the CoC Board of Directors for an involuntary re-allocation. The Board of Directors may recommend ranking poor performance projects below projects of another ranking category. However, if indicated, the Board of Directors may also choose to re-allocate a project should improvements (via technical assistance or corrective action) not be made by the established deadline.

The Board of Directors may also have the right to recommend a mandatory re-allocation of a CoC project if it is determined to be a ranking category that is classified by HUD as non-priority; to have continual poor data quality efforts are identified; projects without prioritized placement for Chronically Homeless individuals and/or to serve the Special Targeted Population; and historical projects who return an excessive amount of CoC funds to HUD.

**Notifications to Projects:**

If a CoC project has been rejected or re-allocated (via involuntary re-allocation), the project applicant will be notified no later than 15 days before the NOFA application deadline. The written notification will be emailed to the project applicant. In addition, all CoC projects for the FY2017 competition (accepted & rejected) will be listed on the CoC's website and shared at the next scheduled Full Body CoC meeting.

**APPENDIX A**

| Grantee Name                                       | Project Name   | Program Type |
|--|--|--------------|
| City of Milwaukee                                  | CoC Planning   | Planning     |
| Center for Veterans Issues, Ltd.                   | Permanent Supportive Housing/Milwaukee                                       | PH           |
| Center for Veterans Issues, Ltd.                   | Veterans Garden  | PH           |
| Community Advocates, Inc.                          | Autumn West Permanent Housing  | PH           |
| Community Advocates, Inc.                          | Autumn West Safe Haven   | SH           |
| Friends of Housing Corporation                     | PH Renewal 2015  | PH           |
| Guest House of Milwaukee, Inc.                     | Homelinc III   | PH           |
| Guest House of Milwaukee, Inc.                     | Homelinc 5   | PH           |
| Heartland Housing, Inc.                            | Capuchin Apartments Renewal Application 2015                                 | PH           |
| Hope House of Milwaukee, Inc.                      | Transitional Housing-Rapid Re-Housing for Families (Reallocated Project)     | TH-RRH       |
| IMPACT Alcohol and Other Drug Abuse Services, Inc. | Milwaukee CoC Coordinated Entry Project                                      | SSO          |
| Institute for Community Alliances                  | Milwaukee CoC HMIS Coordination Project                                      | HMIS         |
| Institute for Community Alliances                  | Milwaukee CoC HMIS Expansion   | HMIS         |
| Mercy Housing Lakefront                            | Johnston Center  | PH           |
| Mercy Housing Lakefront                            | St. Catherine's  | PH           |
| Milwaukee County                                   | Milwaukee County CoC PSH Bonus Project (New CoC Bonus Project)               | PH           |
| Milwaukee County                                   | Milwaukee County Shelter + Care/TRA (My Home Housing Program)                | PH           |
| Milwaukee County                                   | Milwaukee County/Heartland Housing S+C                                       | PH           |
| Milwaukee County                                   | Milwaukee County/Mercy Housing SPC - Milwaukee South                         | PH           |
| Milwaukee County                                   | Milwaukee County Project Restore PH 2016 (Former Friends of Housing project) | PH           |
| Milwaukee County                                   | Youth Rapid Re-Housing Program   | Bonus        |
| Outreach Community Health Centers, Inc.            | Rapid Rehousing for Families   | PH           |
| The Salvation Army                                 | ROOTS  | PH           |
| Walker's Point Youth and Family Center             | Youth Rapid Re-Housing Program   | RRH          |



**APPENDIX B**

**2017-2018 Board of Director Project Scoring Tool**

Each COC-funded project will be ranked using the Milwaukee CoC Project Scoring Tool. The scoring criteria is based on performance – as reported through an HMIS APR (because e-snaps APR is not available at this time), and timely completion of COC goals. The maximum possible number of points a project can earn is 100.

Attached to this scoring sheet is a report prepared by the Institute for Community Alliances, with explanation of data points used in 2017-2018 scoring.

|                            |                      |
|----------------------------|----------------------|
| <b>CoC Agency Name:</b>    |                      |
| <b>Project Type:</b>       | <b>Project Name:</b> |
| <b>Grant Award Amount:</b> |                      |

|               | <b>Where do the points come from?</b>  | <b>Total Points</b> | <b>Points Awarded</b> |  |              |
|---------------|--|---------------------|-----------------------|--|--------------|
| <b>Part 1</b> | Timely Submission: APR and Project Application,  | 0 pts.              |                       | COC Compliance   | Penalty Only |
| <b>Part 2</b> | Unit Utilization   | 17 pts.             |                       | From Housing Inventory Chart average utilization report  | 17% of total |
| <b>Part 3</b> | HUD Performance Measures: Housing Stability, Increased Earned Income, and Increased Total Income     | 45 pts.             |                       | From HMIS APR and HMIS Entry/Exit Report   | 45% of total |
| <b>Part 4</b> | Risk Adjustment: High Risk Pool Score  | 21 pts.             |                       | HMIS Generated Report (10/1/2015 – 9/30/2016)  | 21% of total |
| <b>Part 5</b> | Reoccurrence   | 5 pts.              |                       | HMIS Generated Report (10/1/2015 – 9/30/2016)  | 5% of total  |
| <b>Part 6</b> | Program Administration: Data Completeness, Effective Use of Federal Funds, LOCCS Draw, Housing First | 12 pts.             |                       | From HMIS APR and HMIS Entry/Exit Report<br><br>From report requested from HUD regarding quarterly drawdown and expenditures | 12% of total |

**Point Breakdown:**

*\*\*Part 1: Timely Submission - No points awarded. Penalty Points assessed.*

| <b>Criteria</b>  | <b>0 points</b> | <b>-2 points</b> |
|--|-----------------|------------------|
| HMIS APR submitted on time   | On time         |                  |
| Turned in Project Application for review on time   | On time         |                  |
| Participated in Point in Time Count event or Planning Meetings   | Participated    |                  |
| Attended 80% or more CoC Full Body and Provider Advisory Committee Meetings from July 1 <sup>st</sup> 2016 to June 30 <sup>th</sup> , 2017 | Attended        |                  |

*\*\*Part 2: Unit Utilization (17 points possible)*

**Exceptions:**

(1) Agencies voluntarily reallocating project(s) shall be exempt from scoring in the category of “Unit Utilization.”

(2) New and first year renewals shall be exempt from scoring in the category of “Unit Utilization.”

| <b>Criteria</b>  | <b>17 points</b> | <b>12 points</b> | <b>7 points</b> | <b>0 points</b> | <b>Points Awarded:</b> |
|------------------|------------------|------------------|-----------------|-----------------|------------------------|
| Unit Utilization | 93-100%          | 85-92%           | 77-84%          | 76% or less     |                        |

*\*\*Part 3: HUD Performance Measures (45 points possible)*

| <b>Criteria</b>   | <b>15 points</b> | <b>10 points</b> | <b>5 points</b> | <b>0 points</b> | <b>Points Awarded:</b> |
|---|------------------|------------------|-----------------|-----------------|------------------------|
| HUD Goal: Housing Stability (PSH, RRH, S+C)             | 97% or higher    | 93-96%           | 80-92%          | Under 80%       |                        |
| HUD Goal: Increased Earned Income (Stayers and Leavers) | 9% or higher     | 4-8%             | 1-3%            | Under 1%        |                        |
| HUD Goal: Increased Total Income (Stayers and Leavers)  | 50% or higher    | 28-49%           | 15-27%          | Under 15%       |                        |

**\*\*Part 4: Risk Adjustment (21 points possible)**

Three risk factors were selected for the model based on scholarship, supported by Wisconsin outcomes, and sufficiently documented in HMIS (primarily through Annual Performance Reports [APRs]). These include:

- Coming from the streets (or a place not meant for human habitation), or Safe Haven
- No Income at program entry
- Multiple (3 or more) Disabilities

| <b>Criteria</b>   | <b>7 points</b> | <b>5 points</b> | <b>3 points</b> | <b>0 points</b> | <b>Points Awarded:</b> |
|---|-----------------|-----------------|-----------------|-----------------|------------------------|
| Coming from the streets (or a place not meant for human habitation, or Safe Haven | 30% or higher   | 22-29%          | 15-21%          | Under 15%       |                        |
| No income at program entry  | 30% or higher   | 22-29%          | 15-21%          | Under 15%       |                        |
| Multiple (3 or more) disabilities   | 30% or higher   | 22-29%          | 15-21%          | Under 15%       |                        |

**\*\*Part 5: Reoccurrence (5 points possible)**

**Note:** Reoccurrence is calculated based on the number of people that exit a COC funded housing program and return to an Emergency Shelter that uses HMIS within one year. Reoccurrence calculation is based off of 555 report in HMIS.

| <b>Criteria</b>   | <b>5 points</b> | <b>3 points</b> | <b>2 points</b> | <b>0 points</b> | <b>Points Awarded:</b> |
|-------------------|-----------------|-----------------|-----------------|-----------------|------------------------|
| Reoccurrence Rate | 0 – 10%         | 11-16%          | 17-25%          | 25% +           |                        |

**\*\*Part 6: Program Administration (12 points possible)**

**Exceptions:**

- (1) Agencies voluntarily reallocating project(s) shall be exempt from scoring in the category of “Effective Use of Federal Funds”.
- (2) New and first year renewals shall be exempt from scoring in the category of “Effective Use of Federal Funds”.

If an agency cannot access LOCCS due to contractual issues with HUD, the agency is responsible to provide evidence of this situation to the Milwaukee Continuum of Care. If sufficient proof is provided, the agency will be exempt from the category of “LOCCS Drawdown Rates”.

| <b>Criteria</b>                                 | <b>3 points</b>        | <b>2 points</b>       | <b>1 point</b> | <b>0 points</b> | <b>Points Awarded:</b> |
|---|------------------------|-----------------------|----------------|-----------------|------------------------|
| Effective Use of Federal Funds                  | Spent 90-100% of grant | Spent 80-89% of grant | Spent 75-79%   | N/A             |                        |
| Data Completeness: Don't Know, Missing, Refused | 0% - 1.0%              | 1.1% - 2%             | 2.1% - 3%      | Greater than 3% |                        |
| LOCCS Drawdown Rates                            | Once per quarter       | N/A                   | N/A            | N/A             |                        |
| Housing First and Low Barrier                   | Yes                    | N/A                   | N/A            | N/A             |                        |

**\*Overall Exceptions:**

There are a few projects that have different maximum points possible, and therefore are exceptions to this general rule.

- (1) HMIS grant and IMPACT, Inc SSO grants will be placed at the bottom of the ranking of Tier 1 projects.
- (2) The following new projects awarded in 2017 will be placed in Tier 1. They are:
  - Outreach Community Health Centers RRH
  - Walker’s Point Youth and Family Services RRH
  - Milwaukee County Project Restore CH
  - Milwaukee County Bonus Project - NEW
  - Milwaukee County Reallocated Project – PSH (formerly SH)

**Tiebreaker:**

Once the total number of points are calculated, the number of points earned will be divided by the total possible points for that project type. The resulting percentage will be placed in descending order, highest at top and lowest at bottom. If there is a tie between projects, a tiebreaker score will be used. The tiebreaker score will be based on cost effectiveness. The total HUD grant award amount will be divided by the number of successful outcomes (leaving to permanent housing).

Example: A program gets \$100,000 grant. 25 households successfully went to permanent housing. The cost per successful outcome is: \$4,000.