



FY 2021 Continuum of Care Program Competition Notice of Funding Opportunity (NOFO) Highlights

The Fiscal Year (FY) 2021 Continuum of Care (CoC) Program Competition NOFO was released on August 18, 2021. **The application is due by 7 PM (CST) on November 16, 2021.** There is approximately \$2.6 billion available in the FY 2021 CoC Program Competition NOFO and up to \$50 million available for Domestic Violence (DV) Bonus projects. Chicago's maximum estimated amount is \$88,441,870. Project Applications are due no later than 30 days prior to the NOFO deadline and the CoC must notify project applicants if their application will be included in the CoC Consolidated Application submission at least 15 days prior to the deadline.

On June 23, 2021, the CoC opened its new project selection process for Permanent Supportive Housing projects through the Homeless Housing Expansion Initiative. On July 27, 2021, the CoC opened the new project selection process for other allowable program models. Applicants who successfully completed the pre-application process have been invited to submit a new project application. A New Projects Review Board will review applications and make recommendations for funding.

HUD is continuing its two-tier funding process, similar to previous years. Tier 1 will be 100% of the CoC's Annual Renewal Demand (ARD). Tier 2 is the difference between Tier 1 and the maximum amount of renewal, reallocation, and CoC Bonus funds that the CoC can apply for.

The focus of HUD's homeless policy and program priorities for this NOFO are:

- 1) Ending homelessness for all persons
- 2) Use a Housing First approach
- 3) Reducing Unsheltered Homelessness
- 4) Improving System Performance
- 5) Partnering with Housing, Health, and Service Agencies
- 6) Racial Equity
- 7) Persons with Lived Experience

CoC program implementation considerations highlighted in the NOFO include:

- 1) CoCs may submit requests for new projects through the process of reallocation, new bonus, and a Domestic Violence (DV) Bonus.
- 2) The Consolidated Appropriations Act, 2021 establishes certain requirements for the Competition and these will continue for the FY 2021 CoC Program Competition. These include the following:
 - a) CoCs cannot receive grants for new projects, other than through reallocation, unless the CoC evaluates and competitively ranks projects based on how they improve system performance
 - b) HUD must prioritize funding for CoCs that have demonstrated the ability to reallocate resources to higher performing projects.
- 3) The Consolidated Appropriations Act, 2021 established the ability for renewal projects to transition from one CoC Program component to another during the CoC Program Competition.
- 4) The Consolidated Appropriations Act, 2021 provides the opportunity for CoCs to apply for a Domestic Violence (DV) Bonus up from \$50,000 to \$5 million to create DV Bonus Projects. Eligible project types are Rapid Rehousing projects, Joint Transitional Housing, and Permanent Housing-Rapid Rehousing projects. A CoC can only submit one project application for an SSO-coordinated entry project. Each application must be for at least \$50,000. A project may also apply to expand an existing renewal under the models listed above to serve DV specific population.
- 5) Eligible renewal project applicants are able to consolidate two or more eligible renewal projects (but no more

than ten projects) into one project application. Projects must have the same recipient and have the same project component.

- 6) Using cost performance and outcome data, CoCs should improve how all available resources are utilized to end homelessness. This includes working closely with healthcare organization, Public Housing Authorities, workforce development and tribal organizations.
- 7) Revised evaluation of racial disparity to focus on whether people of different races or ethnicities are less likely to receive homeless assistance or positive outcomes. Additionally, the NOFO will determine if CoCs are promoting racial equity related to the local competition related to rating factors, review, selection and rank process.
- 8) New project applications may be created through the reallocation process or as bonus projects. CoCs may create new project through the bonus funding up to 5% of the CoC Final Pro Rata Need (FPRN) which is \$3,913,899. The following types of projects may be created:
 - a) Permanent Supportive Housing projects which must serve program participants who meet the qualifications for DedicatedPLUS or persons experiencing chronic homelessness
 - b) Rapid Re-housing projects may serve persons who qualify as homeless for category 1, 2 and 4
 - c) Joint TH and PH-RRH projects may serve persons who qualify as homeless for category 1, 2 and 4
 - d) Dedicated Homeless Management Information System (HMIS) project for the HMIS Lead; and,
 - e) Supportive Services Only projects specifically for a centralized or coordinated assessment system.
- 9) HUD will allow project applicants to apply for a new expansion project under reallocation or a new bonus to expand existing eligible renewal projects that will increase the number of units in the project or all additional recipients to be served. DV Bonus funds can only be used to expand an existing renewal project if the expansion project is dedicated to survivors of domestic violence
- 10) CoCs will be required to rank all projects (renewal and new projects) in e-snaps, except CoC planning and UFA Costs. HUD will not review any project that is rejected by the CoC. HUD will continue to use the Tier 1 and Tier 2 funding process:
 - a) Tier 1 is equal to 100% of the CoC's ARD amount. Projects in this tier are conditionally selected from the highest scoring CoC to the lowest scoring CoC, provided the project applications pass both eligibility and threshold review.
 - b) Tier 2 is the difference between Tier 1 and the maximum amount of renewal, reallocation, and CoC Bonus funds that the CoC can apply for (not including amounts available for DV Bonus projects).

The following are CoC program requirements:

- 1) All PSH projects in the Chicago CoC must be DedicatedPlus
- 2) Human Trafficking: HUD is clarifying that persons who are fleeing or attempting to flee human trafficking may qualify as homeless under paragraph 4 of the homeless definition.
- 3) Joint TH and PH-RRH is a program model type.
 - a) Program participants may choose to receive only the TH unit or the PH-RRH component, but the recipient must make both types of assistance available.
- 4) Compliance with the Violence Against Women Act (VAWA): Grants awarded under this NOFO will be required to comply with the VAWA rule. To enable full compliance, each CoC must establish an emergency transfer plan and make related updates to the written standards for administering CoC program assistance.

Threshold requirements

HUD will review the project applications for threshold requirements on a pass/fail standard. Those thresholds include:

- 1) Ineligible Applicants
- 2) Project Eligibility Threshold
- 3) Project Quality Threshold
- 4) Project Renewal Threshold

5) Certification of Consistency with the Consolidated Plan

6) Environmental Requirements

For information on the breakdown of potential points for the various sections of the NOFO, please see the page numbers listed below:

- 1) CoC Application – total of 163 points. Please refer to pages 59-78.
- 2) Renewal and New Applications – a total of 100 points. Please refer to pages 14.
- 3) Domestic Violence Applications – a total of 100 points. Please refer to pages 15-16.