

**SAN LUIS OBISPO COUNTY
PLANNING AND BUILDING DEPARTMENT**



FY2016 CONTINUUM OF CARE

Ranking and Reallocation Procedures

July 22, 2016



2016 CONTINUUM OF CARE PROGRAM: REALLOCATION POLICY AND PROCEDURE

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

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Promoting the Wise Use of Land ♦ Helping to Build Great Communities

INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) conducts an annual CoC Program national competition. San Luis Obispo County Planning Department is the lead agency responsible for completing and submitting the application on behalf of the San Luis Obispo County CoC (CA-614).

HUD encourages CoCs to prioritize projects that address the goals of Ending Chronic Homelessness, Youth Homelessness, Veteran Homelessness, and utilize a Housing First approach. Recent guidance in the CoC Competition is steering CoCs to reallocate funds from existing CoC projects that are underutilized, cost-ineffective, under-performing, or obsolete in order to create new Permanent Supportive Housing projects or Rapid Re-Housing projects.

For the FY 2016 Continuum of Care Program Competition, HUD's Policy Priorities as articulated in HUD's Strategic Plan and *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors)* include the priority of Strategic Resource Allocation. HUD strongly encourages CoCs to reallocate renewal funds wherever reallocation would reduce homelessness. San Luis Obispo County CoC's Policy and Procedure for Reallocation will be based on 1) *Performance Measures* as specified in the annual HUD NOFA and 2) *Project Application*. Where the CoC Scoring Committee finds that the renewal project is not performing to full efficacy, a reallocation of funds will be considered. As part of the strategy for funding valuable projects, San Luis Obispo County CoC will select projects that best align with CoC funding priorities.

Reallocation for New Projects

Applications for new projects will be considered only from entities that have submitted a Local Application by the deadline and are proposing, in alignment with HUD priorities:

- A) Permanent Supportive Housing (PSH) dedicated to serving chronically homeless individuals, including unaccompanied youth, and/or families; or
- B) Rapid Rehousing (RRH) dedicated to serving homeless individuals, including unaccompanied youth, and/or families coming directly from the streets or emergency shelter, or individuals and/or families who meet the criteria of paragraph (4) of HUD's definition of homeless.
- C) Supportive Services as a Coordinated Entry Point dedicated to serving chronically homeless individuals, including unaccompanied youth, and/or families.

Policy: Strategically Allocate Resources

Using cost, performance, and outcome data, CoCs should improve how resources are utilized to end homelessness

Procedure 1: Comprehensively review project quality, performance, and cost effectiveness.

To provide both project-specific outcome information and CoC-wide contributions, each CoC-funded renewal program will be evaluated based on data entered into HMIS, and formally through the HUD Annual Performance Report (APR) outcomes documented in the APR submitted to HUD. The following performance measures have been identified as reasonable standards for the local jurisdiction:

Permanent Housing

- a. At least 50 percent of adults leaving the program have the same or more income at exit.
- b. At least 25 percent of adults leaving the program have employment income at program exit.
- c. The percentage of formerly homeless individuals who remain housed in HUD permanent housing projects for at least 6 months will be at least 77 percent.

Transitional Housing

- a. At least 50 percent of adults leaving the program have the same or more income at exit.
- b. At least 25 percent of adults leaving the program have employment income at program exit.
- c. The percentage of homeless persons who have moved from HUD transitional housing into permanent housing will be at least 65 percent.

Supportive Services Only

- a. At least 25 percent of participants leaving the program exit to permanent housing destinations.

Reduce the number of exited adult participants coming from homelessness from returning to homelessness. The reduction will be based on the percentage of exited adults that returned to homelessness, as measured by homeless clients returning to the program for assistance.

Procedure 2: Review Transitional Housing Projects for Reallocation

Recent research shows that transitional housing is generally more expensive and achieves similar or worse outcomes than other housing models serving similar populations. HUD recognizes that transitional housing may be an effective tool for addressing certain needs. If

the Transitional Housing project does not meet following needs as ascertained by the NOFA, the project should be strongly considered for reallocation to rapid re-housing or another model:

1. Housing for underage homeless youth experiencing homeless
2. Safety for persons fleeing domestic violence
3. Assisting with recovery from addiction

Procedure 3: Reallocate Supportive Services Only (SSO) Projects, excluding SSO for Coordinated Entry/Assessment

While SSO projects not for Coordinated Entry/Assessment are still allowed in the Continuum of Care competition and are competitive so as long as they demonstrate low-barrier, Housing First principles, HUD guidance in the FY2016 is steering toward creating SSO Projects for Coordinated Entry/Assessment. In order to support Strategic Reallocation of Resources policy for the Continuum of Care, SSO projects not for Coordinated Entry/Assessment must be reviewed thoroughly to meet threshold criteria.