

NY-602 Orange County Housing Consortium

Reallocation Policy and Plan

Purpose: The purpose of the Reallocation Policy and Plan is to ensure that funding resources are targeted on an annual basis to meet the needs of those homeless in our community who are most vulnerable measured against HUD's prioritization guidance.

The Orange County Housing Consortium utilizes objective and performance based criteria and outcome data to ensure that we are strategically allocating all federal, state and local resources within our jurisdiction to the most effective projects and interventions that are proving to reduce homelessness.

Annually, the OCHC is required to rank all projects submitted by applicants (both renewal and new) to be prioritized and included for funding under the COC Program Competition. HUD encourages COC's to reallocate funds from renewal projects to make available funding for new projects which create increased capacity for permanent housing.

Besides objective performance-based criteria used to evaluate presently funded projects, the OCHC fulfills its responsibility to strategically focus resources by assessing projects and interventions for potential reallocation within the context of and alignment with: The Federal Strategic Plan: Opening Doors; HUD's Homeless Policy and Program Priorities as contained in the NOFA; the HEARTH Act COC Performance Measures and; the OCHC priorities.

Policy: It is the policy of the Orange County Housing Consortium to annually fulfill its responsibility to inventory all local, state and federal resources to evaluate all projects and interventions dedicated to preventing and ending Homelessness which use such resources, and to identify underutilized resources or resources not meeting priorities which can be either voluntarily or involuntarily reallocated for new projects which meet the prescribed priorities.

Procedures: The OCHC has reached consensus that actual reallocation from HUD funded projects will not be an annual mandate as the present projects are very effectively serving many of our most fragile homeless households with high-risk vulnerability and severity of need.

The concern is that great care must be taken through the reallocation process so that valuable projects are not defunded which could result in destabilizing those homeless who are served by these projects. This does not mean that the OCHC does not value reallocation when necessary. It does mean that before a project is defunded, the OCHC must responsibly ensure that a relocation plan for the participants in a project being considered for defunding is in place to protect the stability of the present participants and/or that funders with priorities better suited to sustain these projects have been identified and engaged.

Voluntary Reallocation

A funded COC project can voluntarily reallocate all or part of their present award amount if they meet the following thresholds:

- >That they have indicated in writing to the Board that they are no longer receptive to receiving HUD funding and have worked out a plan to serve the participants in their project in an alternative and effective manner;
- >That they have indicated in writing to the OCHC Board a decision to reallocate all or part of their present funding to a new project;
- >That they are proposing a new project(s) aligned with PSH for Chronically Homeless or RR for individuals and families coming from shelter or the street;
- >That in all matters they have demonstrated their capacity to operate a project and that their present project is reasonably compliant with operating and performance measures and expectations;
- >That an adequate plan has been developed by the project to ensure the continued housing stability of project participants who will no longer be served under HUD funding;
- >That the new proposed project with reallocated funds is submitted to the Scoring/Ranking Committee as prescribed;
- >The final reallocation decisions are made by the Board after considering the recommendation of the Scoring/Ranking Committee.

Involuntary Reallocation

The Orange County Housing Consortium will consider involuntary reallocation in the following cases:

- >A funded agency which has overestimated its ability to meet the respective outcomes as agreed even after guidance with a Corrective Action Plan;
- >A funded agency which has overestimated project costs and is at risk of returning a portion of unspent approved project funding to HUD;
- >A funded Agency which receives a score of 70 or less as a result of the NOFA project renewal scoring cycle and fails over the next contract year to demonstrate a score of 80 or better on the next cycle, will automatically forfeit the right to funding.

Special Note: At the conclusion of each NOFA Renewal Project Scoring cycle the OCHC board will meet with the administration of the poor performing project and outline a Corrective Action Plan which will be required of the agency to follow. Technical assistance will be provided as needed and Plan reviews will be conducted every 3 months during the 12 months after the NOFA scoring cycle.

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Scoring Instrument for New COC Project Applications (Reallocated and Bonus Funding)

Name of Project & Sponsor: _____ Date: _____

Reviewer's Name (please print): _____

SECTION I. Threshold Review:

Purpose: to determine whether applicant meets basic eligibility requirements for funding. Projects that do not meet all of the threshold criteria outlined below will not be further reviewed

Threshold Review Criteria:

- Eligible projects/populations
 - All projects must be for new Permanent Supportive Housing serving exclusively chronically homeless singles and/or families OR new rapid re-housing serving exclusively homeless households with children living on the streets or in emergency shelter.
 - Projects must be for 1 year terms and can request funds for operating, leasing, rental assistance and/or supportive services.
 - No more than 7% of the program expense budget can be for administrative costs
 - All projects must be able to meet the following threshold requirements as:
 - Project applicants and sub-recipients must meet eligibility requirements as described in the CoC program interim rule (i.e., only nonprofit organizations, States, local governments, and instrumentalities of State or local governments are eligible to apply) and be able to provide evidence of eligibility (e.g., nonprofit documentation)

- Project applicants and sub-recipients must demonstrate the financial and management capacity and experience to carry out the project and administer federal funds (e.g., by demonstrating experience with similar projects and with successful administration of other federal funds.)
 - The population served must meet program eligibility requirements, including:
 - For PSH projects, all households must have a qualifying HUD disability and be chronically homeless (see Section VI: Definitions)
 - For RRH projects, all participants must be families with children living on the streets or in emergency shelter
 - Projects must be cost effective (i.e., not deviating substantially from the norm in that locale for the type of structure or kind of activity).
 - Project applicants must agree to participate in HMIS or be excluded from participation under domestic violence provisions.
 - Projects must administer their programs in the most integrated setting appropriate to the needs of qualified homeless people with disabilities (i.e., enabling participants to interact with others without disabilities to the fullest extent possible).
- Eligible localities: Projects must be located within the CoCs geographic area.
 - Match and Leveraging: Applications must meet HUD's cash match requirements as defined in the CoC Program Interim Rule (i.e., the recipient or sub-recipient must match all grant funds, except for leasing funds, with no less than 25% of funds or in-kind contributions from other sources). In addition, applications must have at least 150% of the amount of the HUD funding request in leveraging.

PIT Count: Projects must agree to participate in the annual PIT count.