

## FY 2019 Continuum of Care (CoC) Program Competition NOFA

### What’s New, Changes, and Highlights

The FY 2019 CoC Program Competition NOFA has new information and a few changes that are important for CoCs to consider as they implement their local competition process. We are providing a list of the new information and a few of the changes that include references to the FY 2019 CoC Program Competition NOFA in a single, easy to use document. The references listed may not include all the instances where a topic is mentioned; but rather, directs you to the main section(s) of the NOFA that provides the complete information you need to determine the course of action you as the CoC, Collaborative Applicant, or project applicant wants to take in this year’s CoC Program Competition.

New, Existing, or Updated	Topic	FY 2019 CoC Program Competition NOFA Section(s)	
New	Expansion Projects	III.C.2.j V.B.2.e.(2) V.B.3.a.(5)	<p>The process by which a renewal project applicant submits a new project application to expand its current operations by adding units, beds, persons served, services provided to existing program participants, or in the case of HMIS, increase the current HMIS activities within the CoC's geographic area.</p> <p>New project expansion applications that are submitted to expand an eligible renewal CoC Program-funded project may only request a 1-year grant term, regardless of the project type.</p> <p>Project applicants that intend to submit a new project application for the purposes of expanding an eligible CoC Program renewal project must:</p> <ul style="list-style-type: none"> <li>• enter the grant number of the project that is eligible for renewal that the project applicant requests to expand on the new project application;</li> <li>• indicate how the new project application will expand units, beds, services, persons served, or services provided to existing program participants, or in the case of HMIS or SSO-Coordinated Entry projects,</li> </ul>

			<p>how the current activities will be expanded for the CoC's geographic area; and</p> <ul style="list-style-type: none"> <li>• ensure the funding request for the expansion grant is within the funding parameters allowed under the reallocation or bonus funding amounts available.</li> </ul> <p>To apply for an expansion grant, project applicants must submit separate renewal and new project applications and submit a single renewal application that includes the combined information from the renewal and new project applications. While the renewal and new projects will be ranked by the CoC, the combined expansion project will not be ranked and if selected for conditional award will take the ranked position of the stand-alone renewal project and the separate new project will be removed from the ranking resulting in project applications below to slide up one ranked position. However, if the combined renewal expansion project is also part of a fully consolidated project application, the project application will follow the ranking process for consolidated projects outlined in Section II.B.5 and if the combined expansion and fully consolidated project is selected for conditional award, the ranked position of the stand-alone renewal project and the new project will be removed from the ranking resulting in project applications below to slide up one ranked position. If HUD determines the combined expansion project is ineligible, HUD will review the renewal and new project applications separately as these projects will retain their ranked position on the CoC Project listings.</p>
<b>New</b>	<b>Youth Homeless Demonstration Program (YHDP) Renewals</b>	<b>II.B.6 II.B.10.f.(1)(c) V.B.2.c.(1)</b>	<p>YHDP projects that were initially awarded in FY 2016 may be eligible for renewal in the FY 2019 CoC Program Competition provided they meet the requirements of the CoC Program and will have an operating end date in Calendar Year (CY) 2020 (between January 1, 2020 and December 31, 2020). The following are applicable to YHDP projects renewing in the FY 2019 CoC Program Competition:</p> <ul style="list-style-type: none"> <li>• may only request 1 year of renewal funding; and</li> <li>• if the project applicant has more than one YHDP project that is eligible for renewal in FY 2019, the project applicant can consolidate the</li> </ul>

			<p>renewing YHDP projects through the renewal application provided it follows the process outlined in Section II.B.5 of this NOFA.</p> <p>A YHDP project that requested and received a waiver and wishes to continue those activities permitted by the waiver must attach a new waiver request to the FY 2019 renewal application that will be reviewed by HUD.</p> <p>YHDP projects cannot use the reallocation process, consolidate with a non-YHDP project, nor use the expansion processes outlined in Section II.C.2.j of this NOFA.</p> <p>YHDP projects renewing for the first time in the FY 2019 CoC Program Competition must serve youth experiencing homelessness, including unaccompanied and pregnant youth, where no member of the household is older than 24.</p> <p>All YHDP renewal project applications are limited to a 1-year grant term and one year of funding</p>
<b>Updated</b>	<b>Domestic Violence (DV) Bonus – New Applications</b>	<b>II.B.3</b> <b>II.B.10.e</b> <b>III.C.2.h</b> <b>V.B.2.d.(10)</b> <b>V.B.3.a.(4)</b> <b>V.B.3.a.(5)</b> <b>VIII.A.2.d</b>	<p>Up to \$50 million is available for the DV Bonus which will provide housing and services to survivors of domestic violence, dating violence, and stalking. A CoC may apply for up to 10 percent of its Preliminary Pro Rata Need (PPRN), or a minimum of \$50,000, whichever is greater, or a maximum of \$5 million. The types of project allowable under the DV Bonus are:</p> <ul style="list-style-type: none"> <li>• Rapid Re-housing (PH-RRH) projects.</li> <li>• Joint TH and PH-RRH component projects as defined in Section II.C.3.m of this NOFA</li> <li>• SSO Projects for Coordinated Entry (SSO-CE) to implement policies, procedures, and practices that equip the CoC’s coordinated entry to better meet the needs of survivors of domestic violence, dating violence, or stalking (e.g., to implement policies and procedures that are trauma-informed, client-centered or to better coordinate referrals between the</li> </ul>

			<p>CoC’s coordinated entry and the victim service providers coordinated entry system where they are different).</p> <p>A CoC can only submit one project application for an SSO-CE project. A CoC may apply for any number of PH-RRH and Joint TH and PH-RRH component provided each project is at least \$25,000.</p> <p>CoC may apply to expand an existing renewal project in accordance with Section III.C.2.h of the NOFA, that is not dedicated to serving survivors of domestic violence, dating violence, or stalking that meet the definition of homeless in paragraph (4) of 24 CFR 578.3 to dedicate additional units, beds, persons served, or services provided to existing program participants to this population.</p> <p>DV Bonus projects will be reviewed for eligibility and threshold requirements and will be selected based on the CoC Application score plus other criterion specified in Section III.B.10.e of the NOFA. CoCs are required to rank all DV Bonus projects on the New Project Listing of the CoC Priority Listing with a unique rank number. If a DV Bonus project is selected for conditional award with DV Bonus funds, the project will be removed from the CoC’s New Project Listing and all projects ranked below the DV Bonus project will slide up one position.</p> <p>If a DV Bonus project is not selected with DV Bonus funds (i.e., the CoC did not meet the requirements for DV Bonus funds or HUD exhausted DV Bonus funds on higher scoring CoC Applications, the DV Bonus project will be reclassified as a new project and will be considered for selection based on its ranked position.</p>
<b>Updated</b>	<b>CoC Bonus and Reallocation</b>	<b>CoC Bonus: III.B.2.c</b>  <b>Reallocation: III.B.2.t</b>	<p>CoCs may submit new project applications under the CoC Bonus and reallocation process. In the FY 2019 CoC Program Competition, HUD will allow projects and CoCs to combine CoC Bonus and reallocation available funding in a single project as both new CoC Bonus and new projects created through the reallocation process have the same eligible new components:</p>

		<p><b>Both:</b>  <b>V.B.2.d.(1)</b>  <b>V.B.3.a.(3)</b>  <b>V.B.3.a.(5)</b></p>	<ul style="list-style-type: none"> <li>• PH-PSH;</li> <li>• PH-RRH;</li> <li>• Joint TH and PH-RRH</li> <li>• HMIS (dedicated); and</li> <li>• SSO-CE.</li> </ul> <p><b>CoC Bonus:</b> A CoC is eligible to apply for up to 5 percent of its Final Pro Rata Need (FPRN), or 25 percent of the CoC's Preliminary Pro Rata Need (PPRN) minus its ARD, whichever is greater and may apply for more than one bonus project provided it has demonstrated the ability to actively review performance of existing CoC Program-funded projects and has a standard process for reallocating funding from lower performing projects to create new higher projects as outlined in Section VII.B.1.c of the NOFA.</p> <p><b>Reallocation:</b> CoCs can shift funds in whole or part from existing eligible renewal projects to create one or more new projects without decreasing the CoC's ARD. New projects created through reallocation must meet the requirements set forth in Section II.B.1 of the NOFA and the project eligibility and project quality thresholds established by HUD in Sections V.C.3.b and V.C.3.c of the NOFA. CoCs may only reallocate eligible renewal projects that have previously been renewed under the CoC Program</p> <p>Because new project applications may be created through the CoC Bonus or reallocation, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as CoC Bonus or reallocation, HUD may reclassify the project(s) as either CoC Bonus or reallocation if the CoC exceeded either its CoC Bonus or reallocation amount.</p>
<p><b>Updated</b></p>	<p><b>Tier 1 and Tier 2</b></p>	<p><b>II.B.10</b></p>	<p>Tier 1 is equal to 100 percent of the combined Annual Renewal Amount (ARA) for all projects eligible for renewal for the first time plus 94 percent of the combined ARAs for all other projects eligible for renewal.</p> <p>Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for CoC Bonus projects (not including amounts available for DV</p>

			<p>Bonus projects) and before adjustments are made to permanent housing leasing, operating, and rental assistance budget line items based on changes to Fair Market Rent (FMR) as described in Section III.K of the NOFA.</p> <p>All project applications except CoC planning and UFA Costs project must be ranked. Project applications that must be ranked include: all new reallocation, CoC Bonus, DV Bonus, and renewal project applications including Youth Homeless Demonstration Program (YHDP) renewal project applications.</p> <p>DV Bonus projects will be reviewed for eligibility and threshold requirements and will be selected based on the CoC Application score plus other criterion specified in Section III.B.10.e of the NOFA. If the DV Bonus project application is selected for conditional award with DV Bonus funds, HUD will remove the DV Bonus project from the CoC's ranking and projects under the DV Bonus will move up one rank position. If the DV Bonus project is not selected with DV Bonus funds, HUD will retain the DV Bonus project in its ranked position and consider the project for conditional award under the regular bonus amount available to the CoC.</p>
<b>Updated</b>	<b>Ranking</b>	<b>I.E.2 II.B.9 II.B.10.b.(2)</b>	<p>HUD will continue to require Collaborative Applicants to rank all projects, except CoC planning and Unified Funding Agency (UFA) Costs projects, in two tiers as described Sections II.B.10. a and b of the NOFA.</p> <p>All project applications approved by the CoC must be listed on the CoC Priority Listing in rank order, except project applications for CoC planning and UFA Costs which will not be ranked, to establish the project applications located within Tier 1 and the project applications located within Tier 2.</p> <p>CoCs are required to rank all DV Bonus projects on the New Project Listing of the CoC Priority Listing with a unique rank number. If a project application designated as DV Bonus is conditionally selected by HUD with DV Bonus funds, HUD will remove the ranked DV Bonus project from the New Project Listing and all other project applications ranked below the DV Bonus project will slide up one rank position. If the DV Bonus project is not selected with</p>

			DV Bonus funds, HUD will retain the DV Bonus project in its ranked position and consider the project for conditional award under the regular bonus amount available to the CoC.
<b>Existing</b>	<b>Transition Grants</b>	<b>III.C.3.v</b>	<p>Project applicants can transition an existing renewable component (e.g., TH) to another component (e.g., PH-RRH). To take advantage of the transition grant, the project applicant must use the reallocation process to eliminate at least one an existing eligible renewal component to a project for one of the eligible new project components: PH-PSH, PH-RRH, Joint TH and PH-RRH, dedicated HMIS, or SSO-CE. The term of the new grant must be for 1 year. A project applicant can transition more than one existing component to create a new component provided the following requirements are met:</p> <ul style="list-style-type: none"> <li>• the project applicant for the new grant is the same as the recipient for the eligible renewal grant(s) being eliminated; <b>and</b></li> <li>• the project applicant provides the grant number(s) of the project(s) being eliminated to create the new project; <b>and</b></li> <li>• a copy of the most recently awarded project application(s) of the projects being eliminated through reallocation to create the new project (in most cases this will be a copy of the FY 2018 project application) is attached in the new project application.</li> </ul> <p>To create a Transition Grant, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant.</p> <p>The FY 2019 CoC Program Competition NOFA also requires:</p> <ul style="list-style-type: none"> <li>• No more than 50 percent of each transition grant may be used for costs of eligible activities of the project(s) eliminated to create the new project;</li> <li>• transition grants in this Competition are eligible for renewal in subsequent fiscal years for eligible activities of the new program component; and</li> </ul>

			<ul style="list-style-type: none"> <li>to be eligible to receive a transition grant, the renewal project applicant must have the consent of its Continuum of Care and meet the standards outlined in Section III.C.3.t of the NOFA. To meet the criteria, by approving and ranking a transition grant project application on the New Project Listing, the CoC gives its consent for the transition.</li> </ul> <p>Transition grants cannot use the consolidation process in the FY 2019 CoC Program Competition.</p> <p>Transition grants must meet all FY 2019 CoC Program Competition eligibility and threshold requirements (Sections V.C.3.b and V.C.3.c of the NOFA) and if conditionally selected:</p> <ul style="list-style-type: none"> <li>the operating year start date of the new grant will be the date after the end of the pervious grant term for the expiring component;</li> <li>if more than one eligible renewal project was reallocated to create a single transition grant, HUD will use the day after the end of the earliest expiring grant term; and</li> <li>the project will have 1 year to fully transition from the original component to the new component that must take place during the normal operating year.</li> </ul> <p>For a new project to be considered a transition grant:</p> <ul style="list-style-type: none"> <li>the applicant for the new project must be the same recipient for the eligible renewal grant(s) being eliminated;</li> <li>the applicant must provide the grant number(s) of the projects being eliminated to create the new project; and</li> <li>must attach a copy of the most recently awarded project application.</li> </ul>
<b>Existing</b>	<b>Consolidations</b>	<b>II.B.5</b> <b>III.C.3.e</b> <b>V.B.2.b.(4)</b> <b>V.B.3.a.(6)</b>	Eligible renewal project applicants will have the ability to consolidate two or more eligible renewal projects (but no more than four projects) into one project application during the application process. The projects being combined during a grant consolidation will continue uninterrupted. To be eligible for



			<p>consolidation, projects must have the same recipient and be for the same component; and they will be funded in this competition only with FY 2018 funds (meaning no funds recaptured from prior years will be awarded to the project). HUD will not permit projects that have the following characteristics to consolidate:</p> <ul style="list-style-type: none"> <li>• outstanding audit or monitoring findings;</li> <li>• outstanding obligation to HUD that is in arrears,</li> <li>• unresolved construction delays,</li> <li>• history of poor financial management/drawdown issues,</li> <li>• history of low occupancy levels, or lack experience in administering the project type, or</li> <li>• other capacity issues.</li> </ul> <p>HUD will not permit a transitional housing and a permanent housing project to consolidate to form a Joint TH and PH-RRH component project and will not permit a transition grant to be consolidated with any other project. Additionally, transition grants cannot use the consolidation process in the FY 2019 CoC Program Competition.</p>
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