General:
As the Continuum of Care (CoC) lead agency, LAHSA annually submits the CoC Program application to the US Department of Housing and Urban Development (HUD) on the behalf of the Los Angeles Continuum of Care. In recent years, HUD has created an opportunity for CoCs to apply for new project funding by partially or fully reallocating funds that were previously allocated to renew exist grants within the CoC. Reallocation presents an opportunity for CoCs to move funding from projects that are underutilized, not cost effective, underperforming, or obsolete to create new permanent housing projects.

Procedure:
The Continuum of Care has established the following reallocation policies in the 2015 Continuum of Care Program Competition:

1) Recapture CoC Grant funds from former Supportive Housing Program grants, including Supportive Service Only, Transitional Housing Programs and Permanent Supportive Housing Programs from grants that demonstrate at least three years of underspending of at least 5% of the total annual grant amount, based on lowest amount of underspent funds incurred over the three year period and make such amounts available under reallocation for new permanent supportive housing projects in the 2015 CoC Program Application.

2) Recapture CoC Grant funds from former Shelter Plus Care Program Grants based on Public Housing Authorities identifying funds for reallocation and make such amounts available for new permanent supportive housing projects in the 2015 CoC Program Application.

3) Establish Cost Effectiveness Thresholds for CoC Program Transitional Housing:
   a. Single Adults: $20,000/permanent housing outcome*
   b. Families: $30,000/permanent housing outcome*
   For FY 2015, reallocate CoC Grant funds from Transitional Housing Projects where the 3-year aggregate cost effectiveness exceeds the threshold by more than 33% ($26,700 and $40,000, respectively) and make such amounts available for new projects.

4) Establish Performance Thresholds for CoC Program Renewal projects based upon approved 2015 Renewal Evaluation Methodology:
   a. 40% of points possible for Permanent Housing and Transitional Housing for Transition Age Youth (TAY)
   b. 70% of points possible for Transitional Housing projects for persons fleeing domestic violence
   c. 100% of points possible for Transitional Housing projects serving other populations (single adults and/or families)
   For FY 2015, reallocate CoC Grant funds from Transitional Housing Projects where the 2015 renewal evaluation score falls below the proposed thresholds.

5) Reallocate all Supportive Services Only (SSO) projects, excluding SSO for Coordinated Assessment (LA CoC Coordinated Assessment project)