



Policy: FY 2016 Continuum of Care Program Reallocation Policy

Submitted by: Josh Decell

Continuum of Care Policies

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General:

As the Continuum of Care (CoC) lead agency, Los Angeles Homeless Services Authority 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 existing 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 2016 Continuum of Care Program Competition:

- 1) Recapture CoC Grant funds from former Supportive Housing Program grants, including Transitional Housing (TH) Programs and Permanent Supportive Housing (PSH) Programs from grants that demonstrate at least 3 years of underspending of at least 5% of the total annual grant amount, based on lowest amount of underspent funds incurred over the 3-year period and make such amounts available under reallocation for new PSH projects in the 2016 CoC Program Application.
- 2) Recapture CoC Grant funds from former Shelter Plus Care Program and CoC Rental Assistance Grants based on Public Housing Authorities identifying funds for reallocation and make such amounts available for new PSH projects in the 2016 CoC Program Application.
- 3) Establish Cost Effectiveness Thresholds for CoC Program TH by population:
 - a. Single Adults: \$20,000/permanent housing outcome
 - b. Families: \$30,000/permanent housing outcome
 - c. Domestic Violence: \$50,000/permanent housing outcomes (including safety transfers)
 - d. Transition Age Youth: \$50,000/permanent housing outcome

For FY 2016, reallocate CoC Grant funds from TH Projects where the 3-year aggregate cost effectiveness exceeds the threshold.
- 4) Establish Performance Thresholds for CoC Program Renewal projects based upon approved 2016 Renewal Evaluation Methodology:
 - a. 50% of points possible for PSH and TH for Transition Age Youth (TAY)
 - b. 70% of points possible for TH projects for persons fleeing domestic violence
 - c. 80% of points possible for TH projects serving other populations (single adults and/or families)

For FY 2016, reallocate CoC Grant funds from TH Projects where the 2016 renewal evaluation score falls below the proposed thresholds with the exception of projects that exclusively serve households fleeing domestic violence with the understanding that LAHSA will provide technical assistance to improve project performance over the next twelve (12) months.
- 5) Commitment to Policy Priorities: Housing First and Low Barrier Programming
 - a. Projects are ranked using approved CoC ranking structure
 - b. Projects ranked into Tier 2 of the CoC Priority Listing will be evaluated on Housing First and Low Barrier Programming models
 - c. Projects not meeting the minimum standard for these models will be reallocated
- 6) Apply up to \$500,000 in reallocated funding to a new LA CoC HMIS project application based upon a projected increase in on-going cost.