

Policy Title: Continuum of Care Program Reallocation Policy

Approving Group: All Neighbors Coalition Board

Approved: 08/03/2023

Background:

The TX-600 Continuum of Care (CoC) lead administrator is required to submit the annual CoC Consolidated Application to the U.S. Department of Housing and Urban Development (HUD) on behalf of the local CoC. HUD encourages CoCs to determine if existing programs are performing in a way that meets local priorities, are highly utilized, cost-effective, and high performing. Existing programs that do not meet local thresholds in any of those areas can be reallocated in whole or in part to new and expansion projects. TX-600 recognizes that preserving existing projects allows for continuity and strengthens the system infrastructure when the quality of those programs are managed effectively. The following Reallocation Policy is in alignment with HUD and the HEARTH Act policy and prioritizes program performance.

Policy:

Involuntary Reallocation

All Continuum of Care renewal programs that have been in operation for a minimum of one full year will be subject to a performance review utilizing the Renewal Scorecard, which is updated annually. Programs who score over threshold on the scorecard in each section will be renewed without conditions. Renewal programs that do not meet the community thresholds may be given the opportunity for Conditional Renewal, with the condition that they enter a year-long performance improvement plan that will be supported through training and technical assistance by the CoC's Lead Agency to ensure improvement prior to the next funding cycle. Programs that fail to meet threshold on the scorecard may be subject to reallocation and/or placement into Tier 2 of the ranking dependent on availability of funding through the competition.

Voluntary Reallocation

Continuum of Care programs may choose to reallocate full or partial funding for a variety of reasons including, but not limited to:

- Limited or no capacity to continue operating the project
- Inability to implement Housing First approaches in their service delivery
- Inability to expend the funding
- The project no longer meets the need of the local CoC
- The project is not performing well

Funds from programs that are voluntarily reallocated will be used to fund new and/or expansion high-performing programs.

Reallocation Exemptions

Renewal programs that have been in operation for less than one year are exempt from reallocation pursuant to instructions of the HUD CoC NOFO.

Procedure:

Renewal programs will be assessed using the Renewal Scorecard, which is derived from metrics that directly link to improvement on our CoC/HUD System Performance Measures. Programs are reviewed based on performance outcomes such as occupancy rates, length of time it takes to house an individual or family, participant income growth, and successful exits to permanent housing. The performance thresholds will be updated each year considering the performance targets set by the CoC Workgroups for RRH and PSH and baseline performance of the full portfolio of CoC program renewal programs. Beyond performance, the scorecard will include metrics related to Coordinated Access System, Racial Equity and Consumer Feedback, Finance and Spending, and HMIS Data Quality.