

Policy Title: Continuum of Care Program Reallocation Policy

Approving Group: All Neighbors Coalition Board

Approved: 08-22-2024

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 projects 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. Projects that score at or above the performance threshold (60%+) on the Scorecard will be renewed without conditions. Renewal projects that score below the performance threshold on the Scorecard are given the opportunity for 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 Lead Agency to support improvement prior to the next funding cycle. Projects that continue to score below the performance threshold are subject to reallocation in annual 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 HUD CoC NOFO requirements.

Procedure:

Renewal programs will be assessed using the Renewal Scorecard, which is derived from metrics that are directly linked to 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 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.