

**THE** \_\_\_\_\_  
**NORTHERN NEVADA**  
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**CONTINUUM OF CARE**



# CoC Program Competition Reallocation Policy

*Approved July 2023*

# Northern Nevada Continuum of Care: CoC Projects Reallocation Policy

## Purpose

To establish a project reallocation policy for projects funded by the Continuum of Care (CoC) with U.S. Department of Housing and Urban Development (HUD) dollars that allows the Northern Nevada CoC to make strategic improvements to its Homelessness Response System (HRS). Through reallocation, the CoC can create new, evidence-based projects by eliminating projects that are underperforming or are more appropriately funded from other sources. Reallocation is particularly important when new resources are not available.

Reallocation provides CoCs with the opportunity to:

1. Reallocate excess funding, and
2. Move funding from low performing projects to new projects with the intent that new projects will be higher performing.

Reallocation can be done through either voluntary or involuntary reallocation based on the CoC's published reallocation process. HUD examines and considers a CoC's ratio of reallocation when scoring a CoC's application, as it demonstrates to HUD that CoCs are consistently evaluating the effectiveness of the funding awarded to a CoC's projects and working to ensure that all HUD CoC funded projects are being used to ensure homelessness is rare, brief, and non-recurring. CoC planning grants, Coordinated Entry grants, and HMIS grants are not subject to reallocation.

The CoC will make all funding decisions based on alignment with HUD guidelines, performance measures, and unspent project funds. Reallocated projects will be encouraged to seek funders that will continue to support the contributions these projects make to the CoC.

## Reallocation Policy

### *a. Voluntary Reallocation*

A recipient, as defined in 24 CFR §578.3, may voluntarily reallocate its existing project by reducing its project's annual renewal amount in whole or in part, as defined in 24 CFR §578. A recipient that voluntarily reallocates an existing project and wishes to create a new, eligible project, may submit a new project application to the Northern Nevada CoC. Solicitation for voluntary reallocation will be made during the annual application process prior to the opening of the CoC competition which typically occurs during the summer or early fall. Solicitation for voluntary reallocation will occur once the Grant Inventory Worksheet (GIW) is released by HUD. If necessary, individual meetings will be scheduled with each participant to discuss project performance, HUD CoC priorities, and other factors that may affect future funding for each project.

### *b. Involuntary Reallocation*

The CoC will make reasonable efforts to ensure that projects are meeting performance standards and fulfilling the requirements of CoC guidelines prior to enforcing involuntary

reallocation. If, after reasonable corrective efforts have been made, there continues to be deficiencies in project performance, then the Northern Nevada CoC Leadership Council (NN-CLC) may recommend the project for involuntary reallocation at the time of the rating and ranking.

A determination for involuntary reallocation will be made on the following criteria:

1. **Project Performance** takes into consideration the type of project, its performance relative to that type, timely submission of Annual Performance Reports (APRs) to HUD, and timely expenditure of funds. Reallocation will automatically be considered for any project submitting an APR or any other required reporting six months or more past its due date.
2. **Utilization and Effectiveness** factors bed/unit operating capacity and cost effectiveness relative to project type and population served. Reallocation will automatically be considered for any project utilizing less than 80% of its bed/unit capacity for either the most recently completed project term/grant year, or the current year's Housing Inventory Count (HIC).
3. **Extent of participation in HMIS (or comparable database)** including but not limited to: bed coverage, data quality, participation in Coordinated Entry, and contribution to System Performance Measures.
  - All CoC-funded programs, including Victim Service Providers (VSPs), are expected to accept housing referrals solely from the Northern Nevada Community Queue. VSPs may operate a comparable HMIS database but are still required to accept referrals directly from the Community Queue via HMIS for CoC-funded programs;
  - Must participate in Coordinated Entry case conferencing; and
  - Must contribute to meeting local System Performance Measurement goals, including data quality goals
4. **CoC Funding Priorities** as determined by the most recent CoC Notice of Funding Opportunity (NOFO) and/ or other HUD published priority listings, and NN-CLC determined local funding priorities.

The CoC Rating and Ranking Committee (referred to herein as "the Committee,"), a sub-committee of the NN-CLC will evaluate all projects requesting funding in consultation with Collaborative Applicant staff, the most recent CoC Program Competition NOFO, HUD System Performance Measures, the CoC Strategic Plan, and other funder priorities to determine if any projects eligible for renewal should be reduced or eliminated to develop new projects. The Committee makes decisions about involuntary reallocation(s) during the CoC Rating and Ranking Committee meeting and the final Rating and Ranking recommendation is presented to NN-CLC for approval.

Recipients who administer a project that has been selected for involuntary reallocation will receive notification, including the reasons for the reallocation, from the Collaborative Applicant agency in writing, outside of e-snaps.

### *c. Reallocation Conditions*

For voluntary and/ or involuntary allocations, an entire grant can be reallocated, or a percentage of the grant can be voluntarily or involuntarily reallocated. For voluntary reallocation, the grantee must indicate total percentage or dollar amount of their current award to be reallocated to other projects.

#### *d. Reallocation Appeal Process*

Recipients selected for involuntary reallocation may appeal the decision in writing to the Committee within seven (7) business days after notification of selection for involuntary reallocation. The written notification should provide justification for the continued need for the project(s) in question to maintain funding at its current renewal demand.

The Committee will review all appeals and provide a final recommendation to the NN-CLC within fourteen (14) business days of receipt of the appeal.

#### *e. Reallocated Funds*

CoC program funds made available through involuntary reallocation may be used to develop one or more new projects. Should no viable new projects be identified, CoC program funds made available through involuntary reallocation may be available for the expansion of other eligible renewal projects, subject to current CoC funding priorities and HUD NOFO requirements.

#### *f. Eligible Projects*

The CoC may use reallocated funds to create the following projects:

1. New Permanent Supportive Housing (PSH) projects where all beds will be dedicated for use by chronically homeless individuals and families as defined in 24 CFR §578.3,
2. New Rapid Rehousing (RRH) projects for homeless individuals and families who enter directly from the streets or emergency shelters, youth up to age 24, and persons who meet the criteria of paragraph (4) of the definition of homelessness in 24 CFR §578.3,
3. New Joint Component projects which include Transitional Housing (TH) and Rapid Rehousing (RRH) in a single project to serve individuals and families experiencing homelessness, as defined in 24 CFR §578.3,
4. New dedicated Homelessness Management Information System (HMIS) projects as allowed per at 24 CFR §578.3 or
5. Other eligible project types stated in the current year's HUD CoC NOFO.

#### *g. Wind-Down Responsibilities for Reallocated Projects*

It is the responsibility of the agency whose original project is being reallocated to successfully place those currently receiving housing into another comparable or better housing and/ or services situation. New projects will accept clients from a project being wound-down if the projects serve the same demographic population(s). The NN-CLC will assemble a committee to support any projects being wound-down that request assistance from the Board in placing their existing clients into a new housing situation. However, the current grantee bears ultimate responsibility for successful placement of clients impacted by the dissolution of the project being wound-down.