

SAN FRANCISCO LOCAL HOMELESS COORDINATING BOARD

FEBRUARY 26, 2018

PROPOSED CHANGES TO NEW AND RENEWAL SCORING TOOL

Impact of proposed changes to the renewal scoring tool's maximum score:

Factor	Current Maximum Score	Proposed 2018 Maximum Score
Program Performance and Client Outcomes	47	57
Budget	5	5
Administrative Efficiency	44	44
Community Priority for Housing Types	5	5
Maximum Points Available	101	111

THRESHOLD REQUIREMENTS

The proposed language expands the requirement to include other protected classifications and anti-discriminatory civil rights and fair housing laws. Language is in alignment with Equal Access and Non-Discrimination policies published in the SF Coordinated Entry standards.

- **2017 Language:** “Equal Access: The project ensures equal access for program participants regardless of sexual orientation or gender identity, in compliance with federal law and the 2017 CoC Program NOFA.”
- **2018 Proposed Change to New and Renewal Scoring Tool:** “Equal Access and Non-Discrimination: The project ensures equal access for program participants regardless of their race, color, national origin, religion, sex, sexual orientation, gender identity, age, familial status or disability. The project complies with all federal and state civil rights and fair housing laws including the Fair Housing Act, Title VI of the Civil Rights Act and the Equal Access Rule.”

1C1. MEASURING INCREASED INCOME FOR PSH PARTICIPANTS

1C1. SCORES AWARDED FOR PERCENTAGE INCREASED IN INCOME FOR PSH PARTICIPANTS

Some recipients who manage PSH projects find it difficult to increase income for participants who are disabled and are out of the workforce permanently. They felt that they lost points during the competition for an outcome that was out of their control or reflected the high acuity of the individuals served by their program. In addition, panelists found it confusing to measure projects' performance in this area. We suggest two options, of which one or both may be adopted:

- A) Amend the language to clarify for panelists and members of community that “income” means both unearned (e.g. TANF, General Assistance) *and* earned income. Two options have been presented for review.

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B) Reduce the point value for this measure. In other communities, the CoC only awards 5 pts (out of 100) for this measure.

- **2017 Language:** “If Permanent Supportive Housing Project: The percentage of participants that increase income from entry to follow up/exit is at least 20%.”

- **2018 Proposed Change to Renewal Scoring Tool, Option #1:** Clarify the language to read:

A) “If Permanent Supportive Housing Project: The percentage of participants that increase earned or unearned income from entry to follow up/exit is at least 20%.”

or

B) “If Permanent Supportive Housing Project: The percentage of participants that increase income from any source from entry to follow up/exit is at least 20%.”

- **2018 Proposed Change to Renewal Scoring Tool, Option #2:** In acknowledging the difficulty of increasing income for PSH participants, one option is to reduce the value of this measure by reducing the point value awarded.

2017 Score:

Points	Percentage	Projects Awarded (based on 2017 NOFA data)
10 pts.	80-100%	3
9 pts.	60-79.9%	15
8 pts.	45-59.9%	12
7 pts.	25-44.9%	7
6 pts.	20-24.9%	4
5 pts.	15-19.9%	3
4 pts.	11-14.9%	0
3 pts.	8-10.9%	0
2 pts.	5-7.9%	2
1 pts.	1-4.9%	0
0 pts.	0%	3

Proposed 2018 Score:

Points	Percent	Projects Awarded (based on 2017 NOFA data)
5 pts.	60-100%	18
4 pts.	45-59.9%	12
3 pts.	20-44.9%	11
2 pts.	11-19.9%	3
1 pts.	1-10.9%	2
0 pts.	0%	3

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NEW!

11. MEASURING AVERAGE UNIT OCCUPANCY FOR PSH, TH FOR YOUTH AND RRH PROJECTS

NEW!

1F1. SCORES AWARDED FOR AVERAGE UNIT OCCUPANCY FOR PSH, TH FOR YOUTH AND RRH PROJECTS

To maximize HUD funding, it's important to keep units filled. Most communities score projects on their average percentage of units utilized and the information is gathered from the project's APR.

2018 Proposed Addition to Renewal Scoring Tool: "If Permanent Supportive Housing, Transitional Housing for Youth or Rapid Rehousing project: The project maintained an average unit occupancy rate of at least 90%."

To illustrate the effect of this measure on existing projects, the chart below contains scores based on 2016 APRs.

Proposed 2018 Score:

Points	Percent	Projects Awarded (based on 2016 APR data)
10 pts.	90-100%	39
8 pts.	85-89.9%	0
6 pts.	80-84.9%	3
4 pts.	75-79.9%	1
3 pts.	70-74.9%	2
2 pts.	65-69.9%	0
1 pts.	60-64.9%	0
0 pts.	0-59.9%	2

3C. GRANT UTILIZATION

This measure currently measures both grant utilization, by evaluating invoicing and drawdowns, as well as unit occupancy. In order to reflect HUD's increased emphasis on grant management and cost effectiveness, we recommend unit occupancy be pulled out into a new measure (see 1f1 above). In addition, this measure currently scores projects using data that is based on whether they were classified as a SHP or S+C program. Since the HEARTH Act passed in 2009, SHP and S+C programs are no longer identified by HUD as two distinct programs and have been consolidated, both governed by the CoC Interim Rule. As a result, the scoring should be changed to align how they are evaluated.

2017 Language: (3 points) "The project drew down or invoiced at least quarterly"; (3 points) "The project: Used at least 90% of grant funds (legacy SHP only); or, maintained unit occupancy rate of at least 90% (legacy S+C only)."

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2018 Proposed Change to Renewal Scoring Tool: (3 points) “The project drew down or invoiced at least quarterly”; (3 points) “The project used at least 90% of grant funds.”

CONSOLIDATING SMALL PROJECTS’ APRS

San Francisco recognizes that small projects may be at a disadvantage during the competition because their project outcomes may vary due to one or two client exits or outcomes, and has attempted to compensate for this in the past by combining several years of APR data. Due to the new APR reporting format, it is no longer feasible to continue consolidating small projects’ APRs. The process outlined below will continue to ensure small projects are not unfairly penalized for negative outcomes from a small number of clients.

- **2017 Language from Footnote in Renewal Scoring Tool:** “[P]rojects are evaluated based on a minimum household count of 20 households. If the project did not serve 20 households in a one-year period, data from prior APRs will be added to recent APR data until the 20-household minimum is met (up to a maximum of three APRs).”
- **2018 Proposed Change to Footnote in Renewal Scoring Tool:** “The scores of smaller projects serving 20 clients or fewer will be compared to scores from the two prior NOFA competitions. If any scoring factors differ from previous years by two or more points, the average score from the three years will be calculated and reviewed by panelists.”

PROPOSED CHANGES TO LOCAL NEW & RENEWAL PROJECTS REVIEW PROCESS

IMPROVING THE THRESHOLD REQUIREMENT FOR QUICKER NEW PROJECT UPSTART

In previous years, numerous projects have demonstrated delays in starting up and as a result the community has failed to use all of the funding it receives in the NOFA competition. By requiring projects to provide an explanation in their second renewal application and allowing panelists more discretion during scoring, projects can potentially be penalized for failing to use the funds allocated to them and the community.

- **2017 Policy:** To be considered for funding, projects must have, or will secure proof of site control, match, environmental review, and documentation of financial feasibility within 12 months of award. Projects that do not have a full year of data are held harmless during the NOFA competition and are ranked at the top of Tier 1.
- **2018 Proposed Policy Change and Language for Review Process:** “Second-time renewal projects that do not have performance data for a full year of operation will be required to submit an explanation as to why they have not started spending out project funds and provide a plan for doing so within the HUD-mandated period. In extreme cases where community funding is at risk, panelists may exercise discretion, including recommending reallocation or placement into Tier 2.”

OUTLINING PROJECT NARRATIVE RESPONSES & SCORING

During last year's NOFA competition, priority panelists requested that the community clarify in the NOFA guidelines the expectations and subsequent requirements pertaining to how projects should respond to scores received. These guidelines are communicated to projects during the NOFA process, but they are not outlined in the NOFA policies. Adding the requirements to the policies will ensure projects know about the importance of the Project Narrative, and that only scores that are called out in that document will be reviewed by panelists.

Further, panelists requested that policies clarify their ability to change other scores that are not called out in Project Narratives – for example when necessary to ensure consistency across scoring and that the community's objectives are prioritized. In general, this will retain the focus of panelists' review while also allowing some flexibility to ensure consistency across projects.

- **2017 Language:** "Projects receive preliminary scores with their project evaluations and are invited to provide a narrative response to be considered by the Priority Panel."
- **2018 Proposed Policy Change and Language for Review Process/Renewal Project Narrative:** "Projects receive preliminary scores with their project evaluations and the opportunity to provide a narrative response to be considered by the Priority Panel. The Priority Panel will review only those scoring factors identified by the projects and other factors may remain at the pre-scaled score. Panelists have the discretion – but are not required – to review other scores to maintain consistency across all projects."

ELIMINATING THE REQUIREMENT TO SUBMIT PHYSICAL COPIES OF APPLICATIONS

Previously, HSH requested physical copies of applications for their records. However, this is no longer the case. Eliminating the paper copy requirement will save applicants time as well as decrease the environmental burden of the NOFA process.

- **2017 Policy and Language:** "All projects will submit applications to HSH, including a HUD Project Application, required local application materials, and match documentation. All documents should be submitted in-person to Charles Minor at 1650 Mission St. and electronically via the instructions on the Proposal Submission Checklist."
- **2018 Policy and Language Change to Review Process:** Remove the requirement to submit paper copies of applications, so that the policy reads, "All documents should be submitted electronically in separate PDF files via the instructions on the Proposal Submission Checklist."

PROPOSED CHANGES TO APPEALS PROCESS

REVIEW OF A WRITTEN APPEAL

During Rank and Review, panelists review only the information provided by projects in the Project Narrative regarding identified scoring factors. Appeals Committee panelists raised questions about the appropriate scope of review for appealing projects that did not submit a Project Narrative or submitted information not initially provided.

- **2017 Current Policy and Language:** “The notice of appeal must include a written statement specifying in detail each and every one of the grounds asserted for the appeal. The appeal must be signed by an individual authorized to represent the sponsor agency (i.e. Executive Director) and must include (highlight and/or cite) the specific sections of the application on which the appeal is based. The notice of appeal must have attached the specific areas of the application being appealed and must also clearly explain why the information provided is adequate to gain additional points.”
- **2018 Policy and Language Change to the Appeals Process:** Add to the current language, “The Appeals Panel may take notice of the fact that issues are being raised that could and should have been raised in final submissions and may use their discretion in reviewing those and other factors during the Appeals Process.”

ADDITIONAL PROPOSED CHANGES TO NOFA PROCESS

NARRATIVE RESPONSES

In previous years, very few projects have utilized the Program Voice or have provided duplicative information in the Program Voice and Project Narrative. In addition, projects have expressed confusion about how these two documents differ. Both steps in the process provide projects with the same opportunity: to give panelists additional context when reviewing the scores. At the same time, panelists will not generally review and revise scores that are not identified in the Project Narrative; even if a project identifies an issue in the Program Voice, it may not be considered unless it is also discussed in the Project Narrative. To reduce the submission of duplicative information and decrease applicant and panelist confusion, we recommend removing the Program Voice from the process.

- **2017 Current Process:** Projects receive a preliminary report showing their APR and supplemental data in a report format and are given an opportunity to correct data and provide “Program Voice” to provide context, background, and/or additional information about the project, or comments in response to the preliminary report to be included as an attachment to the report. After any corrections are made and NOFA is released, projects are provided with a final report, where they are given an additional opportunity to provide context about scores and argue for increases in the “Project Narrative.”
- **2018 Proposed Change:** Eliminate the Program Voice component of the process.

PROPOSED SCHEDULE FOR REVIEW & RANK PROCESS DEVELOPMENT

(contingent on NOFA release)

Date	Process
February 2018	Funding Committee <ul style="list-style-type: none"> • Debrief scores and awards • Review proposed changes to the Project Evaluation process • Review scoring tool(s) • Review appeals process
March 2018	Funding Committee <ul style="list-style-type: none"> • Review any changes to scoring tool(s) and Review and Rank process • Make recommendations on the scoring tool and Review and Rank process to the LHCB