

MAY 3, 2021

## PROPOSED CHANGES TO LOCAL COMPETITION SCORING TOOLS

This memorandum outlines proposed changes to the new and renewal CoC project scoring tools and project review process. The proposals below were reviewed and discussed at two LHCB Funding Committee meetings held on February 18, and March 18, 2021. In addition, written feedback was sought from members of the CoC in order to refine and clarify proposed changes around grant utilization. The proposed changes are intended to improve alignment with HUD guidance and priorities, increase transparency, and eliminate redundancy.

### Proposed changes to the New Project and Renewal Project Scoring Tools:

- Ensure scoring across project component types includes all those who remained or exited the project during the grant year, to eliminate inconsistencies.
- Where youth were given credit for education (in lieu of increased income) in past years, now expanded to all participants, regardless of age.
- Reinstate scoring on grant utilization and invoicing timeliness, along with a new method to regain points lost through voluntary reallocation or reorganization with HSH; removed bonus points for self-reallocation (Section 4).
- Reduce overall points available for low-barrier compliance, in recognition of consistent community-wide high performance; while maintaining significant point loss for credit checks and criminal background checks, as the remaining two barriers are still having an adverse effect in the CoC.
- Aligned New Project Scoring Tool with Renewal Tool by diverting points from the priority populations factor to scoring factors related to Client Input and Disability Access.

**The *Local CoC Competition Review, Rank & Appeals Process* document was reviewed for consistency with Scoring Tool updates. No substantive changes were made, with exception for relevant dates.**

## IMPACT OF PROPOSED CHANGES ON MAXIMUM SCORES

The following illustrates how the proposed changes will impact scores in the renewal and new scoring tools. The renewal tool proposals emphasize Program Performance and Client Outcomes, specifically Grant Utilization, given the direct impact on CoC scoring in the national competition.

### Renewal Scoring Tool

| Factor                                   | Current Maximum Score | Proposed 2021 Maximum Score |
|------------------------------------------|-----------------------|-----------------------------|
| Program Performance and Client Outcomes  | 55                    | 55                          |
| Finances, Administration, and Compliance | 44                    | 45                          |
| Community Priority for Populations       | 1                     | 0                           |
| Bonus Points for Self-Reallocation       | 5                     | 0                           |
| <b>Maximum Points Available</b>          | <b>105</b>            | <b>100</b>                  |

## SAN FRANCISCO LOCAL HOMELESS COORDINATING BOARD

### New Scoring Tool

| Factor                          | Current Maximum Score | Proposed 2021 Maximum Score |
|---------------------------------|-----------------------|-----------------------------|
| Program Description             | 33                    | 26                          |
| Mainstream Resources            | 5                     | 5                           |
| Agency Background/Capacity      | 27                    | 27                          |
| Budget and Cost-Effectiveness   | 22                    | 22                          |
| Cultural Competency             | 8                     | 12                          |
| Disability Access               | 5                     | 8                           |
| <b>Maximum Points Available</b> | <b>100</b>            | <b>100</b>                  |

## SCORING TOOL PROPOSALS IN DETAIL

### UNIFYING MEASURED POPULATIONS FOR SELECT FACTORS

#### 1A – COLLAPSE INTO A SINGLE FACTOR, MAINTAIN EXISTING SCALES

Factor 1a created an arbitrary disadvantage for Rapid Re-Housing and Transitional Housing component types, as they gained no benefit from stably-housed participants who remained within the program. The factor is now expanded, to measure all participants in all programs, but maintains existing scales to preserve emphasis needed toward moving on from RRH and TH programs.

#### 1C – COLLAPSE INTO A SINGLE FACTOR

Factor 1C similarly created an arbitrary disadvantage for RRH and TH component types. These programs were found to experience decreases in benefits outcomes, as an inverse function of increased earned income. Put differently, programs were successfully increasing participants' income, which in turn disqualified those participants from certain benefits.

To offset this disadvantage, the scoring factor is collapsed to increase the total participants evaluated (including those who are early in their program enrollment, and therefore more likely to still have benefits enrollments).

### EXPANDING EDUCATION PRIORITY

#### EXPAND 1C FACTORS TO INCLUDE ALL PARTICIPANTS

By community demand, scoring factors in 1C were expanded in 2019 to give exception for TAY enrolled in education programs, assuming their unavailability for increased employment income. This factor has been expanded to include all participants, regardless of age, for 2021.

## SAN FRANCISCO LOCAL HOMELESS COORDINATING BOARD

### GRANT UTILIZATION PRIORITY

#### REINSTATE 2018'S GRANT UTILIZATION, DRAWDOWN/INVOICING MEASURE

In 2018, Grant Utilization was assigned a  $\geq 90\%$  cliff, with no points available below that mark. Due to administrative hurdles in tracking, this factor was never used to full effect, and was thus removed in 2019. Recent improvements in fiscal management have now made it possible to more reliably measure a project's grant utilization and invoicing/drawdown timeliness. It was proposed to the community that this scoring factor therefore be resurrected given HUD's increasing priority on grant utilization. The community preferred scales. The scales proposed are below:

| % of funding spent | Points |
|--------------------|--------|
| $\geq 90\%$        | 7      |
| $\geq 80\%$        | 5      |
| $\geq 70\%$        | 3      |
| $\geq 60\%$        | 1      |

Note: A project can recover points by reorganization or reallocation of unspent funding amounts, to be added to the percentage drawn down or invoiced.

| Grant Utilization: Scoring |                                                                         |
|----------------------------|-------------------------------------------------------------------------|
| 3 points                   | On time submissions for all of the final three months of the grant year |
| 2 points                   | On time submissions for two of the final three months of the grant year |
| 1 point                    | On time submission for the last month of the grant year                 |

#### REMOVED BONUS POINTS FOR SELF-REALLOCATION

Factor 4 awarded 5 bonus points to projects that voluntarily self-reallocated funding back to the community's CoC Bonus amount in a given CoC NOFA. This concept has been folded into the Grant Utilization factor described above.

### SHIFTING COMMUNITY PRIORITIES

#### REDUCING POINT COUNTS, WITH EXCEPTIONS, IN FACTOR 2F (LOW-BARRIER)

Factor 2f has lost its teeth in recent years, awarding full or nearly full points to every project in the CoC. Out of recognition for near-perfect compliance, and with a need for points to divert into Grant Utilization, it was proposed that the sub-factors within 2f be reduced to 1 point each, with limited exception.

Credit checks and criminal history checks remain a persistent enough problem in the community that their emphasis was maintained, at 2 points each.

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**REMOVED COMMUNITY PRIORITY FOR SUBPOPULATIONS, RENEWAL TOOL**

Factor 3 awarded 1 point to projects serving specific subpopulations. In recent years, additional subpopulations have been repeatedly added to the point now that the only projects not receiving this point are the few Rapid Re-Housing projects.

Recognizing its failure to meaningfully distinguish projects' performance, and with a need for points to divert into 2c, Grant Utilization, this scoring factor was removed by consensus.

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**REMOVED COMMUNITY PRIORITY FOR SUBPOPULATIONS, NEW TOOL**

Factor 1d awarded 6 points to projects serving specific subpopulations. To achieve parity with changes to the renewal tool, and out of recognition for community priorities existing elsewhere in the New Project Scoring Tool, this factor was removed.

Points were diverted into Cultural Competency and Disability Access sections.