NC Balance of State CoC Funding and Performance Subcommittee
Meeting Minutes
4.27.2023

Members Present: Bonnie Harper, Lynne James, Sarah Lancaster, Melissa McKeown, Amy Modlin, Talaika Williams, Gretta Worley, Melanie York, Melissa Hewitt

NCCEH Staff Present: Brian Alexander, Andrea Carey, Jenny Simmons, Laurel McNamee

Minutes:

Welcome
Brian welcomed members and reviewed the meeting agenda to finalize FY23 CoC Program Funding Priorities, introduce CY24 ESG Funding Priorities for consideration, and identify the next steps for each.

FY23 CoC Program Funding Priorities:

CoC Program Funding Priorities set overall and regional funding priorities each year.

The Project Review and Steering Committees use these priorities to select and rank projects in the CoC Program Competition.

Current CoC-wide Priorities:

- Ensure essential infrastructure elements are in place, including HMIS and coordinated entry.
- Ensure adequate coverage of permanent supportive housing across the CoC.
- Increase the availability of rapid rehousing.
- Ensure CoC funding is being used well, including potentially reallocating some funding from projects that have patterns of low spending or poor performance.

The CoC Program Funding Priorities also set regional programmatic priorities to help determine which new projects to prioritize for funding in the annual competition.

Regional Programmatic Priorities:

- Typically, use the prior year's PIT/HIC and most recent funding awards, assigning a level of priority for Rapid Rehousing & Permanent Supportive Housing for each region based on the data available to determine need.
  - *Priority 1*: The region has more unmet needs than existing PSH beds, implying that it needs to significantly increase PSH stock to meet the need. (This is the only federal funding source for PSH. So only PSH projects can be Priority 1.)
  - *Priority 2*: The region has no current CoC-funded RRH.
  - *Priority 3*: The region already has CoC-funded RRH and/or some need for PSH, but less than their current stock of PSH beds, implying a relatively small increase in PSH in the region could meet the need.
  - *No Priority*: The region has enough PSH stock to meet their needs. (There is enough turnover of PSH beds to meet the region's needs.)

Discussion about these priorities was held and decisions were made:

Members of the subcommittee agreed by consent that the structure still makes sense as well as the overall CoC priorities.

Members held a discussion about using the term, "No Priority," to describe areas where PSH is not needed. The group discussed that while the data doesn't show PSH is needed, providers in those areas know and are serving people experiencing chronic homelessness that do need PSH. Using Priorities helps the NC BoS CoC make critical and difficult decisions with the limited amount of funding and is why the collection of data in the Point-In-Time Count and Housing Inventory Count is so critical. Members discussed scoring, weighting of projects based on priority category, and ranking of projects.

A strategy was suggested of using Rapid Rehousing (Priority 2) to increase bed capacity in regions. RRH can be used as an initial supportive housing program for folks and those who need longer-term support can move into PSH.

The group discussed monitoring and site visits of CoC Funded programs. While site visits have not resumed since the start of the pandemic, performance improvement work has been done by the CoC with about half of the CoC Program-funded agencies. The new Pre-Competition Scoring and Standards Review for renewal projects will help us identify performance issues and issues with policies and procedures that will help the CoC provide technical assistance to agencies that need it.

To address the concern that using the term "No Priority" could keep agencies from applying for PSH, the group decided to change the term "No Priority" to "Priority 4" in the FY2023 CoC Program Funding Priorities document. A brief description of Priority 4 was added to page 6.

Other potential considerations were reviewed, and subcommittee members agreed to keep the prohibitions around these activities the same as last year:

- *Acquisition, Rehab, and New Construction*
    - The CoC has not allowed this in past competitions due to limited bonus funding and the availability of other federal/state funding for affordable housing development.
        - Note: HUD Headquarters mentioned in a recent meeting that a Special NOFO for these activities will be released later in 2023.
- *TH-RRH*
    - The CoC has not allowed this project type for general homeless services in past competitions due to continued high barrier shelter prevalence, relatively low numbers of unsheltered individuals, and low shelter utilization rates.

- *DV Bonus (not guaranteed in this year's competition but likely)* – NCCADV has FY2021 Safe at Home award and was awarded an Expansion grant in the FY2022 competition for Safe at Home.
    - The CoC has allowed potential TH-RRH and/or SSO-CE projects dedicated for DV survivors.

The group reviewed the chart on page 7 of the FY2023 CoC Funding Priorities draft. Column F is the total CoC Program funding in that region. Column E shows what regions have RRH and which do not. The difference between Column F and Column E is PSH.

Next Steps:

Staff will incorporate feedback from today's meeting to update the draft presented today. Staff asked if the FPS wanted to see these changes before staff finalize and post for the Steering Committee to review.

FPS decided they would like to see the changes after they are made and before sending the document to the Steering Committee. Staff will send the revisions via email to committee members by 12 PM tomorrow, April 28, 2023, and will conduct a vote by email to conclude by the end of the day next Tuesday, May 2, 2023.

Staff will post the recommended draft document for the Steering Committee review to consider for approval at their May 9, 2023 meeting.

CY24 ESG Funding Priorities

The committee did not have time to review the CY24 ESG Funding Priorities today. Laurel McNamee, NC BoS CoC staff, has already done some work drafting the CY24 ESG Funding Priorities. Staff will send out a draft of the suggested changes and the committee will take time to review those at next month's meeting on May 25, 2023.

Staff shared that the ESG office is moving up the timeframe for the CY24 ESG Competition and plan to release the request for applications to early June; therefore, we need the CY24 ESG Funding Priorities approved at the June Steering Committee meeting.

Next meeting: Thursday, May 25, 2023 11 AM – 12 PM