



## Ranking and Reallocation Policies for the Rhode Island Continuum of Care (RiCoC) FY2026 Project Competition

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### Performance Scoring Policy

Applications for New and Renewal Projects will undergo a threshold review to ensure compliance with Continuum of Care (CoC) regulations at 24 CFR 578, the CoC Program Notice of Funding Opportunity (NOFO), and RiCoC Policies and Procedures. **Any new or renewal project that does not meet the threshold requirements will not be further reviewed and will not be considered for inclusion in the Collaborative Application to HUD.** Threshold factors can be found in HUD's FY2026 Continuum of Care Competition and Youth Homelessness Demonstration Program Grants NOFO, starting on page 59. HUD has indicated that grants with poor performance, monitoring findings, results from investigations by HUD's Office of Inspector General, significant under expenditure, infrequent funding drawdowns, or consistently late Annual Performance Report (APR) submissions may not pass threshold review. Any renewal grantees with concerns about potentially not meeting threshold requirements should contact the RiCoC. New project applications will undergo a more rigorous threshold review, focusing on relevant experience, the ability to achieve intended outcomes, the use of other resources to supplement CoC funds, reasonable costs, and compliance with new HUD requirements.

Scoring of renewal projects is largely based on data obtained from the most recent, completed Annual Performance Report (APR) and HMIS data, and aligns with the HUD-approved System Performance Measures and local priorities.

The Recipient Approval and Evaluation Committee (RAEC), a standing committee of the RiCoC, will review, rate, and rank applications and make recommendation(s) to inform the RiCoC Board of Directors' vote. No person who has an interest in submitting an application may participate in this process. Having an interest means being employed by or otherwise receiving financial benefits for themselves or immediate family members as a result of an application being funded. Renewal projects will be reviewed based on the renewal evaluation standards and scoring criteria. New Projects will be reviewed based on the new project scoring criteria and local considerations.

The committee has the discretion to select one or more applications for the amount available for new projects. The committee may also instruct CoC Planning Staff to negotiate with conditionally selected applicants.

The RiCoC will rank applications after scoring all New and Renewal Projects within the CoC based on the Renewal Evaluation standards and scoring criteria, and the New Project Scoring Criteria.



## **Renewal Evaluation Standards and Scoring Criteria**

Renewal projects will be scored using the FY2026 performance evaluation standards and scoring criteria.

### **Ranking Policy**

HUD requires that CoCs rank projects in two Tiers. Tier 1 projects are essentially assured of funding, provided there are no threshold review findings. Tier 2 projects will be funded competitively on a national basis. Factors for awarding the Tier 2 projects include: the score that HUD gives to the overall Continuum of Care Application, whether the project requires that participants engage in services, and a HUD-determined ranking score based on the funds requested for a project and where on the project priority list the project is ranked.

In the 2026 NOFO competition, HUD has made two changes that substantially impact the application RICOc will submit.

- The first change is that CoCs may only place 60% of their ARD into Tier 1. In the FY24 funding cycle, RICOc placed 90% of its funding in Tier 1.
- The second change is that HUD is prioritizing new Transitional Housing (TH) and Supportive Services Only (SSO) projects that are ranked in Tier 2. HUD will prioritize spending \$1.3 billion of the \$4.04 billion available for new TH and SSO projects in Tier 2. This includes existing projects that are transitioning to transitional housing or supportive services only projects. This represents approximately 32% of all the funding available in the nationwide CoC competition.

### **Tier 1:**

Accordingly, projects in Tier 1 will be ranked according to the following priorities:

- a. Renewal Permanent Supportive Housing (PSH) projects with rental assistance, leasing, and/or operating budget line items ranked in order of their performance evaluation score
- b. Renewal grants essential to the operation of the CoC – HMIS and system coordinated entry.
- c. SSO grants funded under YHDP that cannot be transitioned to a different program component will be ranked in order of their performance evaluation score.
- d. To the extent that there are funds remaining in Tier 1, new PSH projects for the remaining balance will be ranked according to new project scoring criteria.

## **Tier 2:**

Tier 2 grants will be ranked according to the following priorities:

- a. Existing CoC grants that are transitioning to transitional housing or supportive services only will be ranked at the top of Tier 2 according to their renewal evaluation score of the current project.
- b. New Transitional Housing or Supportive Services Only will be ranked next according to their new project scores.
- c. Remaining renewal applications ranked according to renewal project evaluation scores.
- d. If funds remain in Tier 2, new permanent housing projects and expansion applications will be ranked according to new project rating criteria.
- e. Domestic Violence (DV) bonus projects.

Project components will be ranked to maximize the Tier 2 project score as effectively as possible.

Youth Homelessness Demonstration Project (YHDP) and Domestic Violence (DV) Bonus renewals will be ranked along with other CoC projects. The CoC Planning project, which supports the functions of the Collaborative Applicant, is not ranked in accordance with the NOFO policy.

Each CoC-funded renewal project will be scored and ranked according to the Renewal Evaluation standards and scoring criteria. When ranking renewal projects, RICoC will consider performance scores, geographic area served, population served, past performance, and current utilization and capacity. New projects will be scored based on the New Project Scoring Criteria and may be adjusted in ranking based on local considerations.

## **Reallocation Policy**

Any funds re-allocated as part of recapturing unspent funds will be made available for reallocation to create new projects during the local solicitation process. Existing permanent housing (Permanent Supportive Housing and Rapid Rehousing projects) seeking to transition to transitional housing or supportive services only will be prioritized for funding.

## **Unspent Funds**

Projects that are not spending their full grant awards are subject to the reallocation process. Projects that have underspent more than 10% of their award may be reduced, and those funds would go to reallocation for New Project(s). A one-year grace period may be extended to providers who appeal a proposed reallocation, provided they submit a plan that demonstrates how the grant's expenditure will be improved in the current program year.

### **Voluntary Reallocation**

As part of the local solicitation for inclusion in the HUD CoC collaborative application, providers are asked whether they wish to voluntarily re-allocate some or all their funding. Such re-allocated funds are pooled for reallocation to New Projects. Given that many renewal projects will not be able to renew (due to HUD's policy of setting aside one third of the funding for new TH and SSO projects) any current grantee of a PH project that voluntarily agrees to reallocate funding to one of the new eligible project types in this competition may retain the CoC funding shown on the Grant Inventory Worksheet (GIW) for their project and through this competition, transition the grant to one of the new eligible project types and be prioritized in Tier 2.

### **Involuntary Reallocation (Unconditional v Conditional Renewal)**

To be included in the Collaborative Application, renewal applications must either meet the threshold renewal score or submit a Performance Improvement Plan. To meet the renewal threshold, renewal projects must score at least 65% of the score of the highest scoring renewal project. For example, if the top score is 90, the minimum threshold will be set at 58.50.

Projects scoring below the threshold may be asked to develop a plan to address performance issues. Performance plans will be due to be submitted within 30 days of the request and will be reviewed at the next regularly scheduled meeting of the Recipient Approval and Evaluation Committee (RAEC). The Plan must be accepted by the RAEC. If the RAEC does not approve the Plan, the funds may be subject to future reallocation. If a plan is not submitted the project may be subject to future reallocation. Any recommendations by the RAEC that are formalized through a RICOC Board of Director's vote are subject to appeal through the CoC Grievance process and, if unresolved, to HUD.