**2017 NOFA HIGHLIGHTS for NEW PROJECTS**

D. New Projects. (Page 28)

1. CoCs may submit new projects created through reallocation, permanent housing bonus, CoC planning, and UFA Costs (if applicable).

2. To expend funds within statutorily required deadlines, applicants funded for sponsor-based and project-based rental assistance must execute the grant agreement and begin providing rental assistance within 2 years. However, HUD strongly encourages all rental assistance to begin within 12 months of award. Applicants that are unable to begin rental assistance within the 12-month period should consult with the local HUD CPD Field Office.

3. HUD will review project subrecipient eligibility as part of the threshold review process. Project applicants are required to submit documentation of subrecipients’ eligibility with the application.

B. CoC Program Implementation. (Page 9)

2. In addition to grants for CoC planning and UFA Costs, CoCs may create new projects by making funds available through reallocation or by using amounts available through the permanent housing bonus.

a. The following types of projects may be created using funds that the CoC has made available through reallocation:

(1) CoCs may create new permanent supportive housing projects that meet the requirements of DedicatedPLUS as defined in Section III.A.3.d. of this NOFA or new permanent supportive housing projects where 100 percent of the beds are dedicated to chronic homelessness.

(2) CoCs may create new rapid rehousing projects that will serve homeless individuals and families, including unaccompanied youth, persons meeting the criteria of paragraph (4) of the definition of homelessness\*.

(3) CoCs may create new Joint TH and PH-RRH component projects as defined in Section III.A.3.h. of this NOFA to better serve homeless individuals and families, including individuals or families fleeing or attempting to flee domestic violence.

(4) CoCs may create a new dedicated Homeless Management Information System (HMIS) project for the costs at 24 CFR 578.37(a)(2) that can only be carried out 11 of 65 by the HMIS Lead, which is the recipient or subrecipient of an HMIS grant, and that is listed on the HMIS Lead form in the CoC Applicant Profile in e-snaps.

(5) CoCs may create a new supportive services only project to develop or operate a new centralized or coordinated assessment system.

CoCs may only reallocate eligible renewal projects that have previously been renewed under the CoC Program or projects funded under the Supportive Housing Program (SHP) or Shelter Plus Care (S+C) Program that are eligible for first-time renewal in the FY 2017 CoC Program Competition.

b. CoCs may create new projects through the permanent housing bonus up to 6 percent of the CoC’s Final Pro Rata Need (FPRN) for the following types of new projects:

(1) CoCs may create new permanent supportive housing projects that meet the requirements of DedicatedPLUS as defined in Section III.A.3.d. of this NOFA or new permanent supportive housing projects where 100 percent of the beds are dedicated to chronic homelessness.

(2) CoCs may create new rapid rehousing projects that will serve homeless individuals and families, including unaccompanied youth, persons meeting the criteria of paragraph (4) of the definition of homelessness\*.

(3) CoCs may create new Joint TH and PH-RRH component projects as defined in Section III.A.3.h. of this NOFA to better serve homeless individuals and families, including individuals or families fleeing or attempting to flee domestic violence.

3. Because new Joint TH and PH-RRH projects and permanent housing projects (permanent supportive housing and rapid rehousing) may be created through either reallocation or the permanent housing bonus, HUD may reclassify these projects that a project applicant or a CoC has classified as reallocation or permanent housing bonus if the project would be ineligible for funding because the CoC exceeded either its reallocation or permanent housing bonus amount. New Joint TH and PH-RRH component projects and permanent housing projects will be evaluated using the same criteria regardless of whether 12 of 65 the CoC has identified them as bonus or reallocation projects.

 4. New in the FY 2017 CoC Program Competition, HUD will allow project applicants to apply for a new expansion project under the reallocation process or permanent housing bonus in order to expand existing eligible renewal projects that will increase the number of units in the project, or allow the recipient to serve additional persons. Project applicants that intend to submit a new reallocation or permanent housing bonus project for the purposes of expanding an eligible renewal project must:

a. provide the eligible renewal grant number that the project applicant requests to expand on the new project application;

b. indicate how the new project application will expand units, beds, services, persons served, or in the case of HMIS projects, how the current HMIS grant activities will be expanded for the CoC’s geographic area; and

c. ensure the funding request for the new expansion project is within the funding parameters allowed under the reallocation process or permanent housing bonus.

The new expansion project application will be reviewed using the procedures and selection criteria established in Section V.G.2.c. of this NOFA. If the new expansion project exceeds the amount of funding available under the reallocation process or permanent housing bonus amount, HUD will reduce the funding request to the available amount, which could affect the activities of the new expansion project. If both the new expansion project and the renewal it expands are conditionally selected for funding, one grant agreement incorporating both project applications will be executed. If the renewal project application is not conditionally selected for funding, the expansion project application will not be selected.

\*Category 4 homeless includes:

(a) residing in a place not meant for human habitation;

(b) residing in an emergency shelter;

(c) persons meeting the criteria of paragraph (4) of the definition of homeless, including persons fleeing or attempting to flee domestic violence situations;

(d) residing in a transitional housing project that was eliminated in the FY 2017 CoC Program Competition;

(e) residing in transitional housing funded by a Joint TH and PH-RRH component project (see Section III.A.3.h. of this NOFA); or

(f) receiving services from a VA-funded homeless assistance program and met one of the above criteria at initial intake to the VA's homeless assistance system.