CRHC CoC Grant Application

(One project per application)

FUNDING 2019 HUD NOFA
CoC Program interim rule at 24 CFR 578

GRANT PERIOD 20-21

Application due to matt.stevenson@lansingmi.gov by noon Thursday, August 22, 2019

Application organization must have tax-exempt status under 501(c) of the IRS, DUNS Number and an active registration in SAMS

Date of Application: 8/21/2019

PART I: Program Information

Renewal (●) **Reallocation Project** ( ) **Non-DV Bonus Project** ( ) **DV Bonus Project** ( )

Consolidation ( ) **Transition** ( ) **Expansion** ( )

Organization: Holy Cross Services

Contact Person: Sharon Dade Title: Director

Telephone: (517) 202-3504 Email: sdade@hccsnet.org

Project Grant Name: HCS Ingham County PSH 1+2 Minimum # Units (see table): 24

Renewal only: Previous Year Award Amount: $ 274,663 Amount Requesting: $ 244,629 (agency)

Circle the Program Component for Which You Are Requesting Funds:

(*Permanent Supportive Housing) * Transitional Housing * Rapid Rehousing * Joint TH-RRH * DV-RRH * DV-Joint TH-RRH * DV-Coordinated Entry * HMIS * Coordinated Entry

A. Are other funds leveraged with the requested funds?

Yes: X No: ___ If yes, please identify the amounts and sources for all leveraged funds.

Amount $ 222,724 Source: HCS Ingham PSH Bonus

Amount$ Source:

B. This grant requires a 25% cash or in-kind match. Please describe in detail:

a) type (cash or in-kind); b) Source of match; c) Amount, and how it will be documented.

Match will be achieved by cash match to uncovered admin fees (See Part III chart). Match will be documented monthly on the FSR.

C. Does/Will the agency follow the Orders of Priority as defined in CPD-16-11 (See Exhibit A of this application)? Yes: X No: ___

D. How many households will be housed during the funding year? 24

Part II: Narrative

Please be concise. Use bullets where possible.

1. Describe the **target population** for the Project. Specifically identify who the project will serve. i.e. individuals; families; chronic; Special populations. What is the **average acuity** level?

   If the Project has admission preferences for different sub-populations, please explain.

   These Permanent Supportive Housing (PSH) programs serve chronically homeless adults from Ingham County. The majority of participants come from the community's area emergency shelters or, through community outreach efforts, including homeless encampments. In accordance with Continuum of Care (CoC) protocols, participants have been assessed with the Vulnerability Index Service Prioritization Decision Assistance tool (VI-SDPAT) and have a scored above an 8. This assessment tool calculates vulnerability acuity and uses a scale from 0 to 20 with 20 being the most vulnerable with greatest intervention needed. Existing Holy Cross Services (HCS) PSH participants have a VI-SPDAT scoring range from 8-16, with an average participant's score of 11.7

   HCS serves as the Coordinated Entry Agency (CEA) for Ingham County and primarily all referrals to PSH come through the CEA. The CEA screens all persons experiencing a housing crisis, completes an intake, and refers to housing resources based on specific eligibility. HCS collaborates with the Tri-County Outreach committee, attending regular meetings on outreach efforts across the tri-county area. HCS staff confers and refers with staff from the Program to Assist in the Transition from Homelessness (PATH) who perform daily outreach activities. The PATH program also regularly makes referrals to HCS's hotel and shelter programs as well as to the CEA Team.

   For outreach, HCS uses the following strategy:

   - Identify and reach homeless individuals and families where they congregate.
   - Refer outreach staff to engage individuals and provide a Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT) assessment.
   - Using the VI-SPDAT assessment, applicants are prioritized for Rapid Rehousing (RRH) or a PSH referral. All participants with scores indicating PSH eligibility receive an additional Full-SPDAT assessment and are referred to PSH programs in the community.
   - Keep and maintain a comprehensive by-name list in coordination with the CEA which is administered by the HCS Behavioral Health Coordination (BHC) coordinator.
   - Receive all referrals from the CEA, ensuring eligibility for programming.
   - Collaborate in an interdisciplinary approach to care coordination, with a partnership with community agencies performing housing, supportive services and outreach efforts, including the PATH program.

2. Provide examples of how the **Project outcomes** will contribute to improving the CoC's system-wide performance, as measured by HUD's system performance measures below:

A. Reducing the length of time people are homeless
B. Increasing discharges to permanent housing
C. Preventing returns to homelessness (reducing recidivism)
D. Increasing client income

Outcomes:

In alignment with Program Objective A: HCS PSH programs are working directly with the HCS BHC program that tracks the most vulnerable in the community based on high VI-SPDAT scores using a by-name-list. These VI-SPDAT assessments are performed through the CEA or, other trained agencies then directly referred to the BHC program. HCS PSH uses this vulnerability by-name-list to house those who have the longest length of homelessness with a disability and with the highest acuity, prioritizing those documented as chronically homeless. This active listing allows our programs to quickly house those who are eligible for PSH when PSH housing resources become available. HCS PSH has also been coordinating with other community PSH projects. HCS PSH program has often worked to transition those at risk of recycling back into homelessness, from other PSH projects, into the HCS PSH program.

In alignment with Program Objective B: All HCS PSH participants are regularly assessed with the minimum of every six-months as recommended by the Move Up Voucher Triage Committee (MUVTC). These assessments include the Full-SPDAT (SPDAT), Self-Sufficiency Matrix (SSM), and Substance Use Disorder (SUD) assessment tools when necessary, along with continuously working on client centered goals. This Capital Regional Housing Collaborative (CRHC) guided case management is in place to assist clients in stabilizing all areas of their life with the futuristic goal to be eligible for a Move Up Voucher (MUV) program. The MUV program eligibility is determined by community PSH programs presenting cases to the MUVTC relaying the strengths and deficit areas of the possible MUV participant. Once the MUVTC believes that the PSH participant is stable and will successfully live independently of the PSH program, they process through receiving a MSHDA Housing Choice Voucher (HCV).

In alignment with Program Objective C: HCS Support Specialists have been trained to utilize client-centered case management tools following GLHRN guidelines and Org Code (the creators of the SPDAT). With this in mind, PSH participants' often struggle with life areas, that can result in recidivism back into homelessness, which are addressed with step by step planning. Using this thoughtful methodology, along with the careful consideration of the participant's current acuity level, has shown to increase personal insight, open communication lines, and to improve landlord-client relationships resulting ultimately in increased housing stability.

In alignment with Program Objective D: The HCS Ability Benefits Clinic (ABC) is co-located in the HCS campus. With close connection available, the HCS PSH managers have increased their understanding of the SSI/SSDI processes. Seeking treatment for the area(s) that is identified as a chronic disability remains important in the SSI/SSDI process. PSH participants are strongly encouraged to seek an income source as, we see this as a stability factor. Due to the increased knowledge regarding SSI/SSDI applications, we assist in connecting participants to resources that help them address their identified disability along with referring them to either the Social security office and/or, HCS ABC whenever possible. The Financial Empowerment Center (FEC) also works with PSH participants on managing their finances, handling their credit, and resolving any past issues with creditors. Some clients can work part-time with accommodations which is strongly encouraged. When working is a possibility, HCS finds that it can increase overall life satisfaction in a participant's life.

3. Using Exhibit B-Describe the Project's implementation of the **Housing First** approach. Include 1) eligibility criteria; 2) process for accepting new clients; 3) process and criteria for exiting clients as it pertains to substance use, income, criminal records (with exceptions for restrictions imposed by federal, state, or local law or ordinance), marital status, familial status, actual or perceived sexual orientation, gender identity. Include descriptions of program policies and procedures to address situations that may lead to termination. How will the project assist clients in finding decent housing?

   a) To be eligible for PSH, a participant must meet the definition of chronicity as defined by HUD which includes one-year of consecutive homelessness in the past three years or four episodes of homelessness, totaling 12 months or more, in the last three years and have a documented disability. The VI-SPDAT scoring above an 8 is also part of the eligibility factors used by the CEA to refer clients to community PSH programs. Beyond these identified criteria, no other factors are considered including income, history of or current SUD, mental health status, criminal background, perceived sexual orientation or gender, or any demographic characteristics.
   b) Participants are prioritized first on length of time homeless and then vulnerability as measured by the SPDAT. Persons who are homeless are tracked on a BHC by-name-list and sorted by priority. The CEA team draws names from the list, assists in gathering necessary documentation, including tracking forms for chronic status and disability paperwork, and making referrals to the providers with available units. The person with the longest homelessness and highest acuity is selected from the list as priority for PSH housing resources.
   c) While in program, participants are encouraged to work on issues that impact their housing stability and quality of life. HCS case managers use a variety of strength-based and client-centered approaches that maximize on a client's motivation for change. Each participant has an individual case plan, guided by strengths, abilities, needs, and preferences. No participant will be exited from the program for non-safety reasons or for any of the reasons listed in subsection 2 (above) unless it could cause serious injury or death. Participants are allowed to be absent from the program for up to 90 days due to rehabilitation, incarceration or other approved circumstances. HCS seeks every alternative prior to exiting a participant from PSH including intensifying services, enrollment in treatment, housing supports, in-home health supports, and others as identified.

      When a PSH participant has had continued and monitored intensified support measures and continues to exhibit behaviors evidencing they are no longer able to maintain safe housing, we take steps to exit them from the program. These overt steps start with a verbal warning about behaviors occurring and a follow up plan to address the issues. The next step is to create a behavioral contract that sets a tone and understanding that if the behaviors continue to occur, they are at risk for exiting the program with a signed statement and plan to remedy the issued area. Participants can receive more than one behavioral contract and can remain in the program. We do not set an ultimate limit on these contracts as, the context and severity are all differing for each individual. There are multiple incidents where a participant has been asked to leave by the landlord due to

behavior issues and the PSH specialist will relocate the participant to another permanent housing location to sustain permanent housing.

In rare cases, the final step in the exit process is to have team meeting where the participant, their support specialist, and the program manager work together to help them remain in housing. This can mean partnering with CEA and local shelters to assist in alternative safe housing options. A final goal plan is created together and if not adhered to, the participant receives an exit letter either by mail or in person, if the client does not regularly check their mail. In the circumstance that a PSH member has been unreachable in their home or via other electronic communications for 90 or more days, the participant is sent an exit letter to their mailing address. All these procedures are documented in MHMIS to allow transparency about these PSH exits. HCS is in the process of creating an exit assessment to gather more information about the exit to help us reduce recidivism into homelessness whenever possible.

4. Explain how the **needs assessment** process ensures that participants are directed to appropriate services. How are participants connected to **mainstream resources**? Are there **MOUs or letters of commitment**? (These must be dated between May 1, 2019 and September 30, 2019.) Include collaborations with other programs or agencies. For renewals, how successful have these collaborations been? (See Mainstream Resources definition in glossary)

   HCS provides assessments, through the CEA Team, to individuals in all Ingham County community shelters, including a SPDAT, to ensure persons are directed to appropriate supports and housing options based on acuity and service need as well as preference. The PSH program receives all referrals from the CEA and makes interagency and intra-agency referrals designed to address the underlying causes of homelessness as well as threats to sustainability. HCS facilitates an interdisciplinary (IDT) meeting each week, hosting partnering agencies in the engagement and service of homeless individuals and families to aid in service connection and resource application. Partnering agencies have all signed QSOBBA documentation are instrumental in housing persons experiencing homelessness through the wrap-around services and coordination. Partner agencies include Community Mental Health (CMH), The Veterans Administration (VA), Ingham County Health Department, Justice in Mental Health Organization (JIMHO), Department of Health and Human Services (DHHS), Mid-Michigan Recovery Services (MMRS), Advent House Ministries (AHM), City Rescue Mission (CRM), Financial Empowerment Center (FEC), City of Lansing (COL), and Spartan Street Medicine outreach.

   HCS provides integrated care and co-located services to include medical/dental via Ingham County Health Department, Social Security income filing assistance, access to food and basic needs, and a variety of third-party providers offering on-site office hours, including DHHS and CEI-CMH. HCS partners closely with DHHS to provide benefits to consumers. DHHS is on-site weekly at HCS to help families with their benefits, process SERs, and answer case questions. CMH is also on-site weekly for questions related to insurance or to enroll in ACCESS mental health help and on-call through the Mobile Crisis Unit or Urgent Care programs.

5. How will clients be assisted in maximizing their ability to live independently? What **criteria** are used to evaluate participants' readiness to "graduate" or **transition** from the project to other permanent housing?

   The Move Up Voucher Triage Committee (MUVTC) has worked together in deciding which life factors to review that seemingly facilitate overall stability. Move Up Voucher (MUV) criteria factors were based on an 8-Domain of wellness model that has shown that when these areas are sufficiently stabilized, a person is able to function at a higher level leading to greater independence. These stabilization factors include emotional, environment, financial, intellectual, occupational, physical, social, and spiritual domains. Another criteria piece was having lived in a PSH program for a two-year period to allow the MUVTC to assess stabilizing factors over time using the SPDAT and the SSM assessment tools. Interested MUVTC candidates must be presented by an agency support specialist's or PSH management to the MUVTC. The information is collectively reviewed with feedback from the committee about areas they felt needed to be more stabilized before offering a MUV to the participant. The support specialist or manager would then have the opportunity to create a plan with the PSH participant to work on this area(s) and to re-present after this factor showed improvement with documentation. The committee also voted to allow those who had transitioned into independence 6-months of continued support through contact, group meetings, and assistance with any renewal paperwork or connection to vital services.

6. CoC policies require that participants be **referred from the Coordinated Entry Agency** (CEA). What is your estimate of the % of referrals you accept from the CEA? Please explain how you track/verify this information.

   HCS PSH utilizes the BHC by-name list for enrolling participants. Clients on this list are directly referred from the CEA. It is estimated that 98% of participants who are in the HCS PSH 1 and PSH 2 program were referrals from the CEA. The other 2% percentage represents referrals for transitioning from another community based PSH program.

   We continue to track this information through MHMIS and utilizing the BHC by-name listing. Within the MHMIS system, and through coordinated referrals, we are able to attest to the eligibility criteria for HCS PSH programs with documented disability letters and VI-SPDAT/SPDAT scoring stored in this management system.

7. How will the project **engage those with the most severe needs or vulnerabilities, disabilities or limited English proficiency** per the CRHC CoC/HUD prioritization policy? Describe any Outreach efforts. Reaching participants throughout the County that may not otherwise have known of the Project?

   HCS receives referrals for PSH through the Ingham County CEA. Participants come from the community's area emergency shelters or, through community outreach efforts, including homeless encampments. In accordance with Continuum of Care (CoC) protocols,

participants have been assessed with the Vulnerability Index Service Prioritization Decision Assistance tool (VI-SDPAT) and have a scored above an 8.

For outreach, HCS uses the following strategy:

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- Keep and maintain a comprehensive by-name list in coordination with the CEA which is administered by the HCS Behavioral Health Coordination (BHC) coordinator.
- Receive all referrals from the CEA, ensuring eligibility for programming.
- Collaborate in an interdisciplinary approach to care coordination, with a partnership with community agencies performing housing and outreach efforts, including both the Collaborative Agreement to Benefit Homeless Individuals (CABHI) team and the PATH program.

8. Are there any **outstanding Civil Rights matters,** delinquent Federal debts, debarment or suspensions from doing business with the federal government? Yes _____ No__X___
   Approved Code of Conduct is on file with HUD? Yes _____ No__X___
   Please explain your response. (50 words or less)

   Holy Cross Services has supplied all required documents that have been requested by the fiduciary, the City of Lansing, including a Conflict of Interest Certification required by the MSHDA grant process.

   Additionally, pursuant to the HUD link below, it is the grantee that must have an approved Code of Conduct on file with HUD. As sub-recipients of HUD funds, it would seem sufficient to have a conflict of interest between the grantee (City) and the sub-recipient (in this case Holy Cross Services).

   https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants

9. Who is the agency contact person knowledgeable about **Fair Housing** and HUD priorities?
   Name: Sharon Dade Contact # (517) 489-5278

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ONLY Renewal Projects, complete questions 10-12

10. Are the agency **reports turned in on time** (%)? Is the agency **HMIS data error free** (%)? Are the agency monthly Financial Status Reports correct (%)?

HCS agency reports are turned in on time as directed. Most recent monthly data quality reports showed PSH Bonus with 100% accuracy overall with 100% of UDE data.

11. **Project cost-effectiveness** – what was the average cost per person or family served in your project? (Take the cost to run the project including match divided by the actual number of households served per project year).

    The cost of the program, with match, is $262,200. With a minimum of 24 participants, the average cost person served is $10,925.

12. Attach the agency's response letter to **any findings or concerns** identified by the City during the **last monitoring/site visit** of the agency. Please provide any CAP (Corrective Action Plan) requested by the City or CoC if applicable.

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ONLY Reallocation, New Bonus and DV Bonus Projects, complete questions 13-17

13. Attach (one page or less) the general Objectives/Mission of the Organization and the Organization's **experience in providing the services** for which funding is being requested, including populations served.

14. Describe the plan to assist clients with **barriers to housing** (poor rental history, criminal history, bad credit, etc.) to rapidly secure and maintain permanent housing that is safe, affordable, accessible, and acceptable to their needs.

15. Describe how the **project design** will fit the needs of project participants: 1) to help maintain housing; 2) to meet other client needs that contribute to instability and homelessness; 3) to **establish performance measures** for housing and income that are objective, measurable, trackable, and meet or exceed any established HUD, HEARTH or CoC benchmarks.

16. Describe a plan for **rapid implementation of the project** documenting how and when the project will be ready to house the first project participant. Provide a detailed schedule of proposed activities for 30 days, 60 days, 120 days, and 180 days, if applicable, after grant award.

17. My agency is **willing to be trained** in processes and programs used by the CoC to manage and administer the HUD grant including but not limited to Homeless Management Information System (HMIS), the Coordinated Entry Agency (CEA) and the assessment tool (SPDAT). Agree: _____ Disagree: _____

DV-Bonus applicants only (18 – 20):

18. Do you have a **client-level database** that is capable of meeting HUD's Annual Performance Reporting requirements? (see document on GLHRN website for clarification)
    Yes_____ No _____

19. What are the **issues facing DV survivors in accessing local CoC** permanent housing assistance programs? Support your response with local data.

20. How do you **address/improve safety for the DV populations** you serve?

For further information, please see the HUD Notice of Funding Availability at:
https://www.hudexchange.info/resource/5842/fy-2019-coc-program-nofa

Part III: Budget
Budget may also be submitted in an Excel Spreadsheet – contact HRCS for document.

	HUD CoC Expenses					
	PH: PSH	PH:RRH	TH	SSO	HMIS	
Rental Assistance						
Leasing	205,720					
Supportive Services*	26,750					
Operating Costs						
HMIS						
Total Admin	17,780					
Sub Total	250,250					
Cash Match (all line items except Leasing)	6,950					
Program Income if used as Match (if applicable)	5,000					
In-Kind Match (all line items except for Leasing)						
Grand Total	262,200					

Shaded areas not eligible for funding in designated categories. Match must total 25%, excluding Leasing costs.

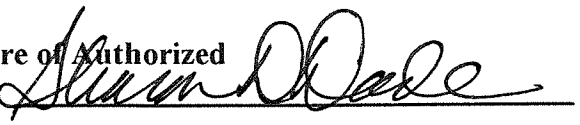
	*Supportive Service breakdown
Salaries	26,750
Fringe Benefits	
Contractual services	
Travel	
Supplies/materials	
Utilities	
Repairs/Maintenance	
Financial assistance to clients	
Total	26,750

Program Income*	
Source	Amount
Program Fees (Rents)	5,000
Total	5,000

*Program Income is funds generated by project activities such as participant contributions toward their rent.

Authorized Representative: (Please print or type)
Name: Sharon Dade
Title: Director, New Hope Community Center
Telephone Number: 517-202-3504
Email: sdade@hccsnet.org
Fax Number: 517-574-7970

By signing this application, I certify the statements contained in the APPLICATION herein are true, complete, and accurate to the best of my knowledge.

Signature of Authorized Official  **Date** 8/21/19

HUD Priorities
Strategic Resource Allocation – maximize use of mainstream resources and develop partnerships.
Ending homelessness for all persons.
Creating a systemic response to homelessness.
Providing Flexibility for Housing First with Service Participation Requirements.
Using an Evidenced-Based Approach.
Increasing employment.

CRHC Priorities
Prioritize Permanent Housing including PSH and Rapid Rehousing
Prevention of Homeless through intervention
Supportive Services with targeted case management and wrap around services to lead to self-stability
Shelter services
Essential Services for vulnerable sub populations
Prioritize the chronically homeless

CoL FY 2019-2020 HUD CoC GRANTS OMB 24 CFR 578 CFDA 14.267

AGENCY NAME	Account Description	(2018 NOFA Awards)	Start Date	End Date	TOTAL Gr AMT	Budget AMT	BUDGET DETAILS	Units	MATCH
Advent House/	Supportive Services	MI0581L5F081801	9/1/2019	8/31/2020	$62,136	$12,733	Supp Svs	5	
Fresh Start RRH	Rental Asst				Agency 60,127	$45,384	Rental Assistance		
	Admin					$2,010	Agency Admin		
	Admin City					$2,009	Admin		$15,534
Advent House/	Supportive Services	MI0199L5F081811	6/1/2019	5/31/2020	$72,615	$21,605	Supp Svs	4	
PSH for Families	Operating				Agency 71,098	$47,976	Rental Assistance		
	Admin					$1,517	Agency Admin		
	Admin City					$1,517	Admin		$18,154
Advent House/ Hope	Supportive Services	MI0483L5F081803	7/1/2019	6/30/2020	$253,258	$68,279	Supp Svs	19	
Housing	Rental Asst				Agency 245,135	$168,732	Rental Assistance		
	Admin					$8,124	Agency Admin		
	Admin City					$8,123	Admin		$63,315
OCOF/Ending Family Homelessness	Supportive Services	MI0417L5F081805	9/1/2019	8/31/2020	$260,933	$52,189	Supp Svs	18	
Through Rapid Rehousing	Rental Asst				Agency 252,453	$191,784	Rental Assistance		
	Admin					$8,480	Agency Admin		
	Admin City					$8,480	Admin		$65,233
CFC Gateway/Rapid	Supportive Services	MI0582L5F081801	9/1/2019	8/31/2020	$172,885	$79,730	Supp Svs	6 TH	
Rehousing for Youth	Rental Asst				Agency 167,552	$82,488	Rental Assistance	9 RRH	
	Admin					$5,334	Agency Admin		
	Admin City					$5,333	Admin		$43,221
MMRS/Transitions + RRH	Supportive Services	MI0619L5F081800	7/1/2019	6/30/2020	$146,060	$100,371	Supp Svs	6 TH	
	Leasing				Agency 141,277	$7,200	Leasing	6 RRH	
	Rental Assistance					$24,840	Rental Assistance		
	Operating					$4,083	Operating		
	Admin					$4,783	Agency Admin		
	Admin City					$4,783	Admin		$36,515
LHC/PSH 2	Supportive Services	MI0196L5F081811	1/1/2020	12/31/2020	$722,639	$106,417	Supp Svs	70	
	Rental Asst				Agency 706,320	$583,584	Rental Assistance		
	Admin					$16,319	Agency Admin		
	Admin City					$16,319	Admin		$180,660
LHC/S+C Program	Rental Asst	MI0195L5F081811	5/1/2019	4/30/2020	$316,164	$298,080	Rental Assistance	36	
	Admin				Agency 307,122	$9,042	Agency Admin		
	Admin City					$9,042	Admin		$79,041
Holy Cross/PSH Bonus	Supportive Services	MI0376L5F081807	7/1/2019	6/30/2020	$178,179	$27,743	Supp Svs	17	
	Rental Asst				Agency 173,341	$140,760	Rental Assistance		
	Admin					$4,838	Agency Admin		
	Admin City					$4,838	Admin		$44,545
Holy Cross/ICPSH 1+2	Supportive Services	MI0409L5F081805	9/1/2019	8/30/2020	$253,519	$26,750	Supp Svs	24	
	Leasing				Agency 244,629	$205,720	Leasing		
	Operating					$3,269	Operating		
	Admin					$8,890	Agency Admin		
	Admin City					$8,890	Admin		$11,950

Glossary:

Acuity: A term used to describe the level/severity of need /risk of a person experiencing homelessness and to assign the most appropriate housing or service intervention based on that need. The higher the need the higher the acuity.

Case Management: Assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Conducting the initial evaluation including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability.

Centralized or coordinated assessment system is defined to mean a centralized or coordinated process designed to coordinate program participant intake, assessment, and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool. This definition establishes basic minimum requirements for the Continuum's centralized or coordinated assessment system.

DV: Domestic Violence

Emergency Health Services: Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living.

Emergency Mental Health Services: Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living. ESG funds may be used only for these services to the extent that other appropriate health services are inaccessible or unavailable within the area.

Engagement: The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs. Eligible costs include the cell phone costs of outreach workers during the performance of these activities.

HARA: Housing Assessment and Resource Agency, it is the coordinated assessment point in the CoC and is currently administered by HCS

Leasing : Component of CoC grants -the lease is between the recipient of funds(agency) and the landlord.

Leveraged funds: Leverage is the non-match cash or non-match in-kind resources committed to making a CoC Program project fully operational. This includes all resources in excess of the required 25 percent match for CoC Program funds as well as other resources that are used on costs that are ineligible in the CoC Program.
Leverage funds may be used for any program related costs, even if the costs are not budgeted or not eligible in the CoC Program. Leverage may be used to support any activity within the project provided by the recipient or Subrecipient.

Low Barrier programs: An approach to quickly and successfully connect individuals and families experiencing homelessness to programs without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements. Supportive services are offered to maximize stability as opposed to addressing predetermined treatment goals prior to program entry. Housing First is an illustration.

Mainstream Resources: Community resources that are available to any eligible person and are not financed by HUD dollars. Examples include SSDI/SSI, cash assistance, disability services, Michigan Works, Unemployment Agency, Mental Health, substance use, Legal Services, health benefits such as Medicaid, Elder services, home help services, community colleges, local schools, food assistance, informal networks, churches, other non-housing related non-profits.

Rental Assistance: Under this interim rule, rental assistance is an eligible cost for permanent and transitional housing, and this rule clarifies that the rental assistance may be short- term, up to 3 months of rent; medium-term, for 3 to 24 months of rent; and long-term, for longer than 24 months of rent. This section provides that rental assistance may include tenant-based, project-based, or sponsor-based rental assistance. This section also provides that project-based rental assistance may include rental assistance to preserve existing permanent supportive housing for homeless individuals and families. Given that the availability of affordable rental housing
has been shown to be a key factor in reducing homelessness, the availability of funding for short-term, medium-term, and long-term rental assistance under both the Emergency Solutions Grants program and the Continuum of Care program is not inefficient use of program funds, but rather effective use of funding for an activity that lowers the number of homeless persons.

Supportive Services: Eligible costs of services to support the special needs of program participants. Eligible costs consist of assistance with moving costs, case management, child care, education services, employment assistance and job training, housing search and counseling services, legal services, life skills training, mental health services, outpatient health services, outreach services, substance abuse treatment services, and transportation.

Transportation: Eligible costs of travel by outreach workers, social workers, medical professionals, or other service providers' takes place during the provision of eligible services under this section. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible.

EXHIBIT A

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

1

Special Attention of:
All Secretary's Representatives

Issued:
All Regional Directors for CPD

Expires:
All CPD Division Directors
Continuums of Care (CoC)
Recipients of the Continuum of Care (CoC) Program

Notice: CPD-16-11
Issued: July 25, 2016
Expires: This Notice is effective until it is amended, superseded, or rescinded

Cross Reference: 24 CFR Parts 578 and 42 U.S.C. 11381, *et seq.*

Subject: Notice on Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless Persons in Permanent Supportive Housing

Table of Contents

I. Purpose

This Notice supersedes Notice CPD-14-012 and provides guidance to Continuums of Care (CoC) and recipients of Continuum of Care (CoC) Program (24 CFR part 578) funding for permanent supportive housing (PSH) regarding the order in which eligible households should be served in **all** CoC Program-funded PSH. This Notice reflects the new definition of chronically homeless as defined in CoC Program interim rule as amended by the Final Rule on Defining "Chronically Homeless" (herein referred to as the Definition of Chronically Homeless final rule) and updates the orders of priority that were established under the prior Notice. CoCs that previously adopted the orders of priority established in Notice CPD-14-012, which this Notice supersedes, and who received points for having done so in the FY2015 CoC Program Competition are encouraged to update their written standards to reflect the updates to the orders of priority as established in this Notice. CoCs that have not previously adopted the orders of priority established in Notice CPD-14-012 are also encouraged to incorporate the orders of priority included in this Notice into their written standards

A. Background

In June 2010, the Obama Administration released *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (*Opening Doors*), in which HUD and its federal partners set goals to end Veteran and chronic homelessness by 2015, and end family and youth homelessness by 2020. Although progress has been made there is still a long way to go. In 2015, the United States Interagency Council on Homelessness extended the goal timeline for achieving the goal of ending chronic homelessness nationally from 2015 to 2017. In 2015, there were still 83,170 individuals and 13,105 persons in families with children that were identified as chronically homeless in the United States. To end chronic homelessness, it is critical that CoCs ensure that limited resources awarded through the CoC Program Competition are being used in the most effective manner and that households that are most in need of assistance are being prioritized.

Since 2005, HUD has encouraged CoCs to create new PSH dedicated for use by persons experiencing chronic homelessness (herein referred to as dedicated PSH). As a result, the number of dedicated PSH beds funded through the CoC Program for persons experiencing chronic homelessness has increased from 24,760 in 2007 to 59,329 in 2015. This increase has contributed to a 30.6 percent decrease in the number of chronically homeless persons reported in the Point-in-Time Count between 2007 and 2015. Despite the overall increase in the number of dedicated PSH beds, this only represents 31.6 percent of all CoC Program-funded PSH beds.

To ensure that all PSH beds funded through the CoC Program are used as strategically and effectively as possible, PSH needs to be targeted to serve persons with the highest needs and greatest barriers towards obtaining and maintaining housing on their own–persons experiencing chronic homelessness. HUD's experience has shown that many communities and recipients of CoC Program-funded PSH continue to serve persons on a "first-come, first-serve" basis or based on tenant selection processes that screen-in those who are most likely to succeed while screening out those with the highest level of need. These approaches to tenant

selection have not been effective in reducing chronic homelessness, despite the increase in the number of PSH beds nationally.

B. Goals of this Notice

The overarching goal of this Notice is to ensure that those individuals and families who have spent the longest time in places not meant for human habitation, in emergency shelters, or in safe havens and who have the most severe service needs within a community are prioritized for PSH. By ensuring that persons with the longest histories of homelessness and most severe service needs are prioritized for PSH, progress towards the Obama Administration's goal of ending chronic homelessness will increase. In order to guide CoCs in ensuring that all CoC Program-funded PSH beds are used most effectively, this Notice revises the orders of priority related to how persons should be selected for PSH as previously established in Notice CPD-14-012 to reflect the changes to the definition of chronically homeless as defined in the Definition of Chronically Homeless final rule. CoCs are strongly encouraged to adopt and incorporate them into the CoC's written standards and coordinated entry process.

HUD seeks to achieve two goals through this Notice:

1. Establish a recommended order of priority for dedicated and prioritized PSH which CoCs are encouraged to adopt in order to ensure that those persons with the longest histories residing in places not meant for human habitation, in emergency shelters, and in safe havens and with the most severe service needs are given first priority.

2. Establish a recommended order of priority for PSH that is not dedicated or prioritized for chronic homelessness in order to ensure that those persons who do not yet meet the definition of chronic homelessness but have the longest histories of homelessness and the most severe service needs, and are therefore the most at risk of becoming chronically homeless, are prioritized.

C. Applicability

The guidance in this Notice is provided to all CoCs and all recipients and subrecipients of CoC Program funds–the latter two groups referred to collectively as recipients of CoC Program-funded PSH. CoCs are strongly encouraged to incorporate the order of priority described in this Notice into their written standards, which CoCs are required to develop per 24 CFR 578.7(a)(9), for their CoC Program-funded PSH. Recipients of CoC Program funds are required to follow the written standards for prioritizing assistance established by the CoC (see 24 CFR 578.23(c)(10)); therefore, if the CoC adopts these recommended orders of priority for their PSH, all recipients of CoC Program-funded PSH will be required to follow them as required by their grant agreement. CoCs that adopted the orders of priority established in Notice CPD-14-012, which this Notice supersedes, and who received points for having done so in the most recent CoC Program Competition are strongly encouraged to update their written standards to reflect the updates to the orders of priority as established in this Notice. Lastly, where a CoC has chosen to not adopt HUD's recommended orders of priority into their written standards, recipients of CoC Program-funded PSH are encouraged to follow these standards for selecting participants into their programs as long as it is not inconsistent with the CoC's written standards.

D. Key Terms

1. **Housing First.** A model of housing assistance that prioritizes rapid placement and stabilization in permanent housing that does not have service participation requirements or preconditions for entry (such as sobriety or a minimum income threshold). HUD encourages all recipients of CoC Program-funded PSH to follow a Housing First approach to the maximum extent practicable.

2. **Chronically Homeless.** The definition of "chronically homeless", as stated in Definition of Chronically Homeless final rule is:

   (a) A "homeless individual with a disability," as defined in section 401(9) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(9)), who:

      i. lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and

      ii. Has been homeless and living as described in paragraph (a)(i) continuously for at least 12 months or on at least four separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described in paragraph (a)(i). Stays in institutional care facilities for fewer than 90 days will not constitute as a break in homelessness, but rather such stays are included in the 12-month total, as long as the individual was living or residing in a place not meant for human habitation, a safe haven, or an emergency shelter immediately before entering an institutional care facility;

   (b) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (a) of this definition, before entering the facility;

   (c) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (a) or (b) of this definition (as described in Section I.D.2.(a) of this Notice), including a family whose composition has fluctuated while the head of household has been homeless.

3. **Severity of Service Needs.** This Notice refers to persons who have been identified as having the most severe service needs.

   (a) For the purposes of this Notice, this means an individual for whom at least one of the following is true:

      i. History of high utilization of crisis services, which include but are not limited to, emergency rooms, jails, and psychiatric facilities; and/or

ii. Significant health or behavioral health challenges, substance use disorders, or functional impairments which require a significant level of support in order to maintain permanent housing.

iii. For youth and victims of domestic violence, high risk of continued trauma or high risk of harm or exposure to very dangerous living situations.

iv. When applicable CoCs and recipients of CoC Program-funded PSH may use an alternate criteria used by Medicaid departments to identify high-need, high cost beneficiaries.

(b) Severe service needs as defined in paragraphs i.-iv. above should be identified and verified through data-driven methods such as an administrative data match or through the use of a standardized assessment tool and process and should be documented in a program participant's case file. The determination must not be based on a specific diagnosis or disability type, but only on the severity of needs of the individual. The determination cannot be made based on any factors that would result in a violation of any nondiscrimination and equal opportunity requirements, see 24 C.F.R. § 5.105(a).

II. Dedication and Prioritization of Permanent Supportive Housing Strategies to Increase Number of PSH Beds Available for Chronically Homeless Persons

A. Increase the number of CoC Program-funded PSH beds that are dedicated to persons experiencing chronic homelessness.

Dedicated PSH beds are those which are required through the project's grant agreement to only be used to house persons experiencing chronic homelessness unless there are no persons within the CoC that meet that criteria. If there are no persons within the CoC's geographic area that meet the definition of chronically homeless at a point in which a dedicated PSH bed is vacant, the recipient may then follow the order of priority for non-dedicated PSH established in this Notice, if it has been adopted into the CoC's written standards. The bed will continue to be a dedicated bed, however, so when that bed becomes vacant again it must be used to house a chronically homeless person unless there are still no persons who meet that criterion within the CoC's geographic area at that time. These PSH beds are also reported as "CH Beds" on a CoC's Housing Inventory Count (HIC).

B. Prioritize non-dedicated PSH beds for use by persons experiencing chronic homelessness.

Prioritization means implementing an admissions preference for chronically homeless persons for CoC Program-funded PSH beds. During the CoC Program competition project applicants for CoC Program-funded PSH indicate the number of non-dedicated beds that will be prioritized for use by persons experiencing chronic homelessness during the operating year of that grant, when awarded. These projects are then required to prioritize chronically homeless persons in their non-dedicated CoC Program-funded PSH beds for the applicable operating year as the project application is incorporated into the

grant agreement. All recipients of non-dedicated CoC Program-funded PSH are encouraged to change the designation of their PSH to dedicated, however, at a minimum are encouraged to prioritize the chronically homeless as beds become vacant to the maximum extent practicable, until there are no persons within the CoC's geographic area who meet that criteria. Projects located in CoCs where a sub-CoC approach to housing and service delivery has been implemented, which may also be reflected in a sub-CoC coordinated entry process, need only to prioritize assistance within their specified area. For example, if a Balance of State CoC has chosen to divide the CoC into six distinct regions for purposes of planning and housing and service delivery, each region would only be expected to prioritize assistance within its specified geographic area.[1]

The number of non-dedicated beds designated as being prioritized for the chronically homeless may be increased at any time during the operating year and may occur without an amendment to the grant agreement.

III. Order of Priority in CoC Program-funded Permanent Supportive Housing

The definition of chronically homeless included in the final rule on "Defining Chronically Homeless", which was published on December 4, 2015 and went into effect on January 15, 2016, requires an individual or head of household to have a disability and to have been living in a place not meant for human habitation, in an emergency shelter, or in a safe haven for at least 12 months either continuously or cumulatively over a period of at least 4 occasions in the last 3 years. HUD encourages all CoCs adopt into their written standards the following orders of priority for all CoC Program-funded PSH. CoCs that adopted the orders of priority established in Notice CPD-14-012, which this Notice supersedes, and who received points for having done so in the most recent CoC Program Competition are strongly encouraged to update their written standards to reflect the updates to the orders of priority as established in this Notice. Where a CoC has chosen to not incorporate HUD's recommended orders of priority into their written standards, recipients of CoC Program-funded PSH are encouraged to follow these standards for selecting participants into their programs as long as it is not inconsistent with the CoC's written standards.

As a reminder, recipients of CoC Program-funded PSH are required to prioritize otherwise eligible households in a nondiscriminatory manner. Program implementation, including any prioritization policies, must be implemented consistent with the nondiscrimination provisions of the Federal civil rights laws, including, but not limited to the Fair Housing Act, Section 504 of the Rehabilitation Act, Title VI of the Civil Rights Act, and Title II or III of the Americans with Disabilities Act, as applicable. For example, while it is acceptable to prioritize based on level of need for the type of assistance being offered, prioritizing based on specific disabilities would not be consistent with fair housing requirements or program regulations.

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[1] For the State of Louisiana grant originally awarded pursuant to "Department of Housing and Urban Development—Permanent Supportive Housing" in chapter 6 of title III of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 122 Stat. 2351), projects located within the geographic area of a CoC that is not the CoC through which the State is awarded the grant may prioritize assistance within that geographic area instead of within the geographic area of the CoC through which the State is awarded the grant.

A. Prioritizing Chronically Homeless Persons in CoC Program-funded Permanent Supportive Housing Beds Dedicated or Prioritized for Occupancy by Persons Experiencing Chronic Homelessness

1. CoCs are strongly encouraged to revise their written standards to include an order of priority, determined by the CoC, for CoC Program-funded PSH that is dedicated or prioritized for persons experiencing chronic homelessness that is based on the length of time in which an individual or family has resided in a place not meant for human habitation, a safe haven, or an emergency shelter and the severity of the individual's or family's service needs. Recipients of CoC Program-funded PSH that is dedicated or prioritized for persons experiencing chronic homelessness would be required to follow that order of priority when selecting participants for housing, in a manner consistent with their current grant agreement.

2. Where there are no chronically homeless individuals and families within the CoC's geographic area, CoCs and recipients of CoC Program-funded PSH are encouraged to follow the order of priority in Section III.B. of this Notice. For projects located in CoC's where a sub-CoC approach to housing and service delivery has been implemented, which may also be reflected in a sub-CoC coordinated entry process, need only to prioritize assistance within their specified sub-CoC area. [2]

3. Recipients of CoC Program-funded PSH should follow the order of priority above while also considering the goals and any identified target populations served by the project. For example, a CoC Program-funded PSH project that is permitted to target homeless persons with a serious mental illness should follow the order of priority under Section III.A.1. of this Notice to the extent in which persons with serious mental illness meet the criteria. In this example, if there were no persons with a serious mental illness that also met the criteria of chronically homeless within the CoC's geographic area, the recipient should follow the order of priority under Section III.B for persons with a serious mental illness.

4. Recipients must exercise due diligence when conducting outreach and assessment to ensure that chronically homeless individuals and families are prioritized for assistance based on their total length of time homeless and/or the severity of their needs. HUD recognizes that some persons–particularly those living on the streets or in places not meant for human habitation–might require significant engagement and contacts prior to their entering housing and recipients of CoC Program-funded PSH are not required to allow units to remain vacant indefinitely while waiting for an identified chronically homeless person to accept an offer of PSH. CoC Program-funded PSH providers are encouraged to follow a Housing First approach to the maximum extent practicable. Therefore, a person experiencing chronic homelessness should not be forced to refuse an offer of PSH if they do not want to participate in the project's services, nor should a PSH

[2] For the State of Louisiana grant originally awarded pursuant to "Department of Housing and Urban Development—Permanent Supportive Housing" in chapter 6 of title III of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 122 Stat. 2351), projects located within the geographic area of a CoC that is not the CoC through which the State is awarded the grant may prioritize assistance within that geographic area instead of within the geographic area of the CoC through which the State is awarded the grant.

project have eligibility criteria or preconditions to entry that systematically exclude those with severe service needs. Street outreach providers should continue to make attempts to engage those persons that have been resistant to accepting an offer of PSH and where the CoC has adopted these orders of priority into their written standards, these chronically homeless persons must continue to be prioritized for PSH until they are housed.

B. Prioritizing Chronically Homeless Persons in CoC Program-funded Permanent Supportive Housing Beds Not Dedicated or Not Prioritized for Occupancy by Persons Experiencing Chronic Homelessness

1. CoCs are strongly encouraged to revise their written standards to include the following order of priority for non-dedicated and non-prioritized PSH beds. If adopted into the CoCs written standards, recipients of CoC Program-funded PSH that is not dedicated or prioritized for the chronically homeless would be required to follow this order of priority when selecting participants for housing, in a manner consistent with their current grant agreement.

   (a) First Priority–Homeless Individuals and Families with a Disability with Long Periods of Episodic Homelessness and Severe Service Needs

   An individual or family that is eligible for CoC Program-funded PSH who has experienced fewer than four occasions where they have been living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter but where the cumulative time homeless is at least 12 months **and** has been identified as having severe service needs.

   (b) Second Priority–Homeless Individuals and Families with a Disability with Severe Service Needs.

   An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation, a safe haven, or in an emergency shelter and has been identified as having severe service needs. The length of time in which households have been homeless should also be considered when prioritizing households that meet this order of priority, but there is not a minimum length of time required.

   (c) Third Priority—Homeless Individuals and Families with a Disability Coming from Places Not Meant for Human Habitation, Safe Haven, or Emergency Shelter Without Severe Service Needs.

   An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation, a safe haven, or an emergency shelter where the individual or family has not been identified as having severe service needs. The length of time in which households have been homeless should be considered when prioritizing households that meet this order of priority, but there is not a minimum length of time required.

   (d) Fourth Priority–Homeless Individuals and Families with a Disability Coming from Transitional Housing.

An individual or family that is eligible for CoC Program-funded PSH who is currently residing in a transitional housing project, where prior to residing in the transitional housing had lived in a place not meant for human habitation, in an emergency shelter, or safe haven. This priority also includes individuals and families residing in transitional housing who were fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking and prior to residing in that transitional housing project even if they did not live in a place not meant for human habitation, an emergency shelter, or a safe haven prior to entry in the transitional housing.

2. Recipients of CoC Program-funded PSH should follow the order of priority above, as adopted by the CoC, while also considering the goals and any identified target populations served by the project. For example, non-dedicated or non-prioritized CoC Program-funded PSH that is permitted to target youth experiencing homelessness should follow the order of priority under Section III.B.1. of this Notice, as adopted by the CoC, to the extent in which youth meet the stated criteria.

3. Recipients must exercise due diligence when conducting outreach and assessment to ensure that persons are prioritized for assistance based on their length of time homeless and the severity of their needs following the order of priority described in this Notice, and as adopted by the CoC. HUD recognizes that some persons–particularly those living on the streets or in places not meant for human habitation–might require significant engagement and contacts prior to their entering housing and recipients are not required to keep units vacant indefinitely while waiting for an identified eligible individual or family to accept an offer of PSH (see FAQ 1895). Recipients of CoC Program-funded PSH are encouraged to follow a Housing First approach to the maximum extent practicable. Street outreach providers should continue to make attempts to engage those persons that have been resistant to accepting an offer of PSH and where the CoC has adopted these orders of priority into their written standards, these individuals and families must continue to be prioritized until they are housed.

IV. Using Coordinated Entry and a Standardized Assessment Process to Determine Eligibility and Establish a Prioritized Waiting List

A. Coordinated Entry Requirement

Provisions at 24 CFR 578.7(a)(8) requires that each CoC, in consultation with recipients of Emergency Solutions Grants (ESG) program funds within the CoC's geographic area, establish and operate either a centralized or coordinated assessment system (referred to in this Notice as coordinated entry or coordinated entry process) that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services. CoCs that adopt the order of priority in Section III of this Notice into the CoC's written standards are strongly encouraged to use a coordinated entry process to ensure that there is a single prioritized list for all CoC Program-funded PSH within the CoC. The Coordinated Entry Policy Brief, provides recommended criteria for a quality coordinated entry process and standardized assessment tool and process. Under no circumstances shall the order of priority be based upon diagnosis or disability type,

but instead on the length of time an individual or family has been experiencing homelessness and the severity of needs of an individual or family.

B. Written Standards for Creation of a Single Prioritized List for PSH

CoCs are also encouraged to include in their policies and procedures governing their coordinated entry system a requirement that all CoC Program-funded PSH accept referrals only through a single prioritized list that is created through the CoCs coordinated entry process, which should also be informed by the CoCs street outreach. Adopting this into the CoC's policies and procedures for coordinated entry would further ensure that CoC Program-funded PSH is being used most effectively, which is one of the goals in this Notice. The single prioritized list should be updated frequently to reflect the most up-to-date and real-time data as possible.

C. Standardized Assessment Tool Requirement

CoCs must utilize a standardized assessment tool, in accordance with 24 CFR 578.3, or process. The Coordinated Entry Policy Brief, provides recommended criteria for a quality coordinated entry process and standardized assessment tool.

D. Nondiscrimination Requirements

CoCs and recipients of CoC Program-funded PSH must continue to comply with the nondiscrimination provisions of Federal civil rights laws, including, but not limited to, the Fair Housing Act, Section 504 of the Rehabilitation Act, Title VI of the Civil Rights Act, and Titles II or III of the Americans with Disabilities Act, as applicable. See 24 C.F.R. § 5.105(a).

V. Recordkeeping Recommendations for CoCs that have Adopted the Orders of Priority in this Notice

24 CFR 578.103(a)(4) outlines documentation requirements for all recipients of dedicated and non-dedicated CoC Program-funded PSH associated with determining whether or not an individual or family is chronically homeless for the purposes of eligibility. In addition to those requirements, HUD expects that where CoCs have adopted the orders of priority in Section III. of this Notice into their written standards. The CoC, as well as recipients of CoC Program-funded PSH, will maintain evidence of implementing these priorities. Evidence of following these orders of priority may be demonstrated by:

A. Evidence of Severe Service Needs. Evidence of severe service needs is that by which the recipient is able to determine the severity of needs as defined in Section I.D.3. of this Notice using data-driven methods such as an administrative data match or through the use of a standardized assessment. The documentation should include any information pertinent to how the determination was made, such as notes associated with case-conferencing decisions.

B. Evidence that the Recipient is Following the CoC's Written Standards for Prioritizing Assistance. Recipients must follow the CoC's written standards for prioritizing assistance, as adopted by the CoC. In accordance with the CoC's adoption of

written standards for prioritizing assistance, recipients must in turn document that the CoC's revised written standards have been incorporated into the recipient's intake procedures and that the recipient is following its intake procedures when accepting new program participants into the project.

C. **Evidence that there are no Households Meeting Higher Order of Priority within CoC's Geographic Area.**

(a) When dedicated and prioritized PSH is used to serve non-chronically homeless households, the recipient of CoC Program-funded PSH should document how it was determined that there were no chronically homeless households identified for assistance within the CoC's geographic area – or for those CoCs that implement a sub-CoC [3]planning and housing and service delivery approach, the smaller defined geographic area within the CoC's geographic area – at the point in which a vacancy became available. This documentation should include evidence of the outreach efforts that had been undertaken to locate eligible chronically homeless households within the defined geographic area and, where chronically homeless households have been identified but have not yet accepted assistance, the documentation should specify the number of persons that are chronically homeless that meet this condition and the attempts that have been made to engage the individual or family. Where a CoC is using a single prioritized list, the recipient of PSH may refer to that list as evidence.

(b) When non-dedicated and non-prioritized PSH is used to serve an eligible individual or family that meets a lower order of priority, the recipient of CoC Program-funded PSH should document how the determination was made that there were no eligible individuals or families within the CoC's geographic area - or for those CoCs that implement a sub-CoC planning and housing and service delivery approach, the smaller defined geographic area within the CoC's geographic area - that met a higher priority. Where a CoC is using a single prioritized list, the recipient of PSH may refer to that list as evidence that there were no households identified within the CoC's geographic area that meet a higher order of priority.

VI. Questions Regarding this Notice

Questions regarding this notice should be submitted to HUD Exchange Ask A Question (AAQ) Portal at: https://www.hudexchange.info/get-assistance/my-question/.

[3] For the State of Louisiana grant originally awarded pursuant to "Department of Housing and Urban Development—Permanent Supportive Housing" in chapter 6 of title III of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 122 Stat. 2351), projects located within the geographic area of a CoC that is not the CoC through which the State is awarded the grant may prioritize assistance within that geographic area instead of within the geographic area of the CoC through which the State is awarded the grant.

EXHIBIT B

Housing First Checklist: Assessing Projects and Systems for a Housing First Orientation

Housing First is a proven approach, applicable across all elements of systems for ending homelessness, in which people experiencing homelessness are connected to permanent housing swiftly and with few to no treatment preconditions, behavioral contingencies, or other barriers. It is based on overwhelming evidence that people experiencing homelessness can achieve stability in permanent housing if provided with the appropriate level of services. Study after study has shown that Housing First yields higher housing retention rates, drives significant reductions in the use of costly crisis services and institutions, and helps people achieve better health and social outcomes.[i]

This checklist was designed to help you make a quick assessment of whether and to what degree housing programs — and entire systems — are employing a Housing First approach. Robust tools and instruments are available elsewhere to quantitatively measure program quality and fidelity to Housing First. This tool is not meant to take the place of those more rigorous assessments, but is intended to help Continuums of Care, individual housing and services providers, funders, and other stakeholders to communicate about, and quickly assess, alignment with key Housing First approaches.

Core Elements of Housing First at the Program/Project Level

For your homelessness service system to work the most efficiently and effectively, individual programs must embrace a Housing First approach. This portion of the checklist can help you assess the extent to which your local programs are implementing Housing First. You can use this tool for trainings or planning sessions, during a site visit or program audit, as a guide when reviewing funding applications, or for many other uses.

- ☐ Access to programs is not contingent on sobriety, minimum income requirements, lack of a criminal record, completion of treatment, participation in services, or other unnecessary conditions.
- ☐ Programs or projects do everything possible not to reject an individual or family on the basis of poor credit or financial history, poor or lack of rental history, minor criminal convictions, or behaviors that are interpreted as indicating a lack of "housing readiness."
- ☐ People with disabilities are offered clear opportunities to request reasonable accommodations within applications and screening processes and during tenancy, and building and apartment units

Quick Screen: Does Your Project Use Housing First Principles?

1) Are applicants allowed to enter the program without income?
2) Are applicants allowed to enter the program even if they aren't "clean and sober" or "treatment compliant"?
3) Are applicants allowed to enter the program even if they have criminal justice system involvement?
4) Are service and treatment plans voluntary, such that tenants cannot be evicted for not following through?

include special physical features that accommodate disabilities.

- ☐ Programs or projects that cannot serve someone work through the coordinated entry process to ensure that those individuals or families have access to housing and services elsewhere.
- ☐ Housing and service goals and plans are highly tenant-driven.
- ☐ Supportive services emphasize engagement and problem-solving over therapeutic goals.
- ☐ Participation in services or compliance with service plans are not conditions of tenancy, but are reviewed with tenants and regularly offered as a resource to tenants.
- ☐ Services are informed by a harm-reduction philosophy that recognizes that drug and alcohol use and addiction are a part of some tenants' lives. Tenants are engaged in non-judgmental communication regarding drug and alcohol use and are offered education regarding how to avoid risky behaviors and engage in safer practices.
- ☐ Substance use in and of itself, without other lease violations, is not considered a reason for eviction.
- ☐ Tenants in supportive housing are given reasonable flexibility in paying their share of rent on time and offered special payment arrangements for rent arrears and/or assistance with financial management, including representative payee arrangements.
- ☐ Every effort is made to provide a tenant the opportunity to transfer from one housing situation, program, or project to another if a tenancy is in jeopardy. Whenever possible, eviction back into homelessness is avoided.

Core Elements of Housing First at the Community Level

Housing First should be adopted across your community's entire homelessness response system, including outreach and emergency shelter, short-term interventions like rapid re-housing, and longer-term interventions like supportive housing. You can use this part of the checklist to assess the extent to which your community has adopted a system-wide Housing First orientation, as well as guide further dialogue and progress.

- ☐ Your community has a coordinated system that offers a unified, streamlined, and user-friendly community-wide coordinated entry process to quickly assess and match people experiencing homelessness to the most appropriate housing and services, including rapid re-housing, supportive housing, and/or other housing interventions.
- ☐ Emergency shelter, street outreach, and other parts of your crisis response system implement and promote low barriers to entry or service and quickly identify people experiencing homelessness, provide access to safety, make service connections, and partner directly with housing providers to rapidly connect individuals and families to permanent housing.
- ☐ Outreach and other crisis response teams are coordinated, trained, and have the ability to engage and quickly connect people experiencing homelessness to the local coordinated entry process in order to apply for and obtain permanent housing.
- ☐ Your community has a data-driven approach to prioritizing housing assistance, whether through analysis of the shared community assessment and vulnerability indices, system performance measures from the Homeless Management Information System, data on utilization of crisis services, and/or data from other

systems that work with people experiencing homelessness or housing instability, such as hospitals and the criminal justice system.

- ☐ Housing providers and owners accept referrals directly from the coordinated entry processes and work to house people as quickly as possible, using standardized application and screening processes and removing restrictive criteria as much as possible.
- ☐ Policymakers, funders, and providers conduct joint planning to develop and align resources to increase the availability of affordable and supportive housing and to ensure that a range of options and mainstream services are available to maximize housing choice among people experiencing homelessness.
- ☐ Mainstream systems, including social, health, and behavioral health services, benefit and entitlement programs, and other essential services have policies in place that do not inhibit implementation of a Housing First approach. For instance, eligibility and screening policies for benefit and entitlement programs or housing do not require treatment completion or sobriety.
- ☐ Staff in positions across the entire housing and services system are trained in and actively employ evidence-based practices for client/tenant engagement, such as motivational interviewing, client-centered counseling, critical time interventions, and trauma-informed care.

Additional Resources

- Implementing Housing First in Supportive Housing (USICH, 2014) – discusses supportive housing and Housing First as tools for ending chronic homelessness and helping people with disabilities live independently in the community.
- Webinar: Core Principles of Housing First and Rapid Re-Housing (USICH, 2014) – describes the core components of the Housing First approach and the rapid re-housing model and how both work together to help end homelessness.
- Four Clarifications about Housing First (USICH, 2014) – clarifies some common misperceptions about Housing First.
- It's Time We Talked the Walk on Housing First (USICH, 2015) – advances our thinking on Housing First.
- Housing First in Permanent Supportive Housing (HUD, 2014) – provides an overview of the principles and core components of the Housing First model.
- Permanent Supportive Housing Evidence-Based Practices KIT (SAMHSA, 2010) – outlines the essential components of supportive housing, along with fidelity scales and scoresheets.

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[i] Lipton, F.R. et. al. (2000). "Tenure in supportive housing for homeless persons with severe mental illness," Psychiatric Services 51(4): 479-486. M. Larimer, D. Malone, M. Garner, et al. "Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons with Severe Alcohol Problems." *Journal of the American Medical Association*, April 1, 2009, pp. 1349-1357. Massachusetts Housing and Shelter Alliance. (2007). "Home and Healthy for Good: A Statewide Pilot Housing First Program." Boston.

HolyCrossServices

August 21, 2019

Dr. Joan Jackson Johnson
Human Relations and Community Services Department
City of Lansing
124 W. Michigan Avenue
Lansing, MI 48933

RE: Match Letter for HCS Ingham County PSH 1+2

Dear Dr. Johnson,

This letter is written to confirm the intention of Holy Cross Services to provide administrative support as match for the Ingham County PSH 1+2 programs. The cost of these services will not be fully covered by the grant and a portion of this value will be applied toward the match requirement. In addition, program fees in the form of rental payments will also be partially applied toward the match requirement.

Our administrative rate is 10%, which totals $26,220 for this program. A total of $6, 950 of administrative support will be applied to the grant to satisfy a portion of the match requirement. We estimate $5,000 in program fees will additionally be applied to the match requirement.

The total match requirement for Ingham County PSH 1+2 is $11,950 and the services outlined above will adequately meet our match obligation.

Sincerely,

Sharon Dade
Director
New Hope Community Center
Holy Cross Services

CRHC Corrective Action Plan

Please submit this CAP for Board approval

Agency Name: Holy Cross Services	Grant Name: Permanent Supportive Housing 1
Grant Months in Operation: September - August	Percentage Spent to Date: 62% (as of April 30, 2019)
Grant End Date: September 30, 2019	Project Percentage Based on Operated Months: 66%

What led to the over/under spending? (Please discuss program changes/issues that caused the deviation in spending.
For each of the PSH grants the main spending concern is leasing. As of April 30th, PSH 1 had 12 units filled and had spent 53% ($51,955) of the leasing budget. We should have spent 66% ($65,320). The transition to Holy Cross from VOA absorbed a lot of administrative staff time and now being short staffed is contributing to the challenges. However, we made progress in May and June, increase to 14 participants. As of mid-June, the program had spent 73% of budget ($71,424) in leasing and should have spent 83.3% ($81,651). The other line items are in alignment with the budget.
What is your Corrective Action Plan (CAP) to resolve the issues listed above? (Please provide action, timelines, and person responsible. Will there be any remaining funds? If so, in what budget lines(s)?)
We intend to spend $13,600 in June and 12,957 in August to spend out the grant. This will require that we enroll an additional 2-3 new people in program.

Will the Fiduciary/Grantee need to approve, or apply for, any budget line transfers/revisions or grant extensions/ amendments? If so, please provide specific types and budget amounts and provide rationale.)	(None are needed at this time.)
Will the CoC need to provide any letters of support? By when? (Please list suggested narrative and explanations/reasoning for the necessary changes/revisions.)	(None are needed at this time.)

CRHC Corrective Action Plan

Please submit this CAP for Board approval

Agency Name: Holy Cross Services	Grant Name: Permanent Supportive Housing 2
Grant Months in Operation: September - August	Percentage Spent to Date: 62% (as of April 30, 2019)
Grant End Date: September 30, 2019	Project Percentage Based on Operated Months: 66%

What led to the over/under spending? (Please discuss program changes/issues that caused the deviation in spending.
For each of the PSH grants the main spending concern is leasing. As of April 30th, PSH 2 had 9 units filled and had spent 55% ($54,021) of the leasing budget. We should have spent 66% ($65,295). The transition to Holy Cross from VOA absorbed a lot of administrative staff time and now being short staffed is contributing to the challenges. As of mid-June, the program had spent 71% of budget ($69,255) in leasing and should have spent 83% ($81,619). The other line items are in alignment with the budget.
What is your Corrective Action Plan (CAP) to resolve the issues listed above? (Please provide action, timelines, and person responsible. Will there be any remaining funds? If so, in what budget lines(s)?)
We intend to spend $14,344 in June and $14,344 in August to spend out the grant. This will require that we enroll an additional 6-7 new people in program.

Will the Fiduciary/Grantee need to approve, or apply for, any budget line transfers/revisions or grant extensions/ amendments? If so, please provide specific types and budget amounts and provide rationale.)	(None are needed at this time.)
Will the CoC need to provide any letters of support? By when? (Please list suggested narrative and explanations/reasoning for the necessary changes/revisions.)	(None are needed at this time.)