

WCICCC's CoC Program Application Committee Policies and Procedures Manual¹

I. Overview of HUD NOFA Process

A. Introduction

This section provides basic information for applicants about the HUD Continuum of Care Notice of Funding Available (CoC NOFA) and requirements. For further information about the CoC NOFA, the CoC Interim Rule, and HUD's CoC online application system (called e-snaps) please go to www.OneCPD.info.

B. Potential Funding Available and Tiered Funding Approach (FY15)

Annual Renewal Demand (ARD): \$631,767 is amount needed for one-year renewal of all expiring CoC grants (based upon the final HUD-approved Grant Inventory Worksheet).

\$18,953 for CoC planning activities (for CoC and HEARTH planning activities).

\$94,765 Permanent Housing Bonus. The CoC is allowed to have one project as a permanent housing bonus project. There are two types of housing to choose from for the type of project: 1) create new permanent supportive housing projects that will serve 100 percent chronically homeless families and individuals, or 2) create new rapid re-housing projects that will serve homeless individuals and families coming directly from the streets or emergency shelters and includes persons fleeing domestic violence situations and other persons meeting the criteria of paragraph (4) of the definition of homeless (has no other residence; and lacks the resources or support networks to obtain other permanent housing pertaining to domestic violence

Tiering: HUD is requiring all CoCs to rank all projects, except planning grants, into two tiers. Please see the current NOFA for tiering specifics. The purpose of this tiering is to allow CoCs to clearly indicate to HUD which projects are of highest priority for CoC funding. Projects ranked in Tier 1 have a better chance of receiving HUD CoC awards, while projects ranked in Tier 2

¹ The Santa Cruz County Homeless Action Partnership Policies and Procedures Manual, 2013 HUD Continuum of Care Application Process was used as a starting point in creating this document for West Central Illinois Continuum of Care Consortium, available at <http://www.sccoplanning.com/Portals/2/HAP%202013%20CoC%20Competition%20Policies%20and%20Procedures.pdf>.

depend on the availability funds in the CoC competition. Also, CoC's that score higher will have a better chance of their Tier 2 projects being funded.

C. **General Purpose**

The CoC Program is designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, states, and local governments to quickly re-house homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; to promote access to and effective utilization of mainstream programs by homeless individuals and families; and to optimize self-sufficiency among individuals and families experiencing homelessness.

D. **Who Can Be Served**

Persons served by CoC funded projects must be **"homeless"** under the HUD's final rule on the definition of homelessness under the HEARTH Act. The new definition includes four broad categories of homelessness:

1. **People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution** where they temporarily resided if they were in shelter or a place not meant for human habitation before entering the institution. The only significant change from existing practice is that people will be considered homeless if they are exiting an institution where they resided for up to 90 days (it was previously 30 days), and were homeless immediately prior to entering that institution.
2. **People who are losing their primary nighttime residence, which may include a motel or hotel or a doubled up situation, within 14 days** and lack resources or support networks to remain in housing. HUD had previously allowed people who were being displaced within 7 days to be considered homeless. The regulation also describes specific documentation requirements for this category.
3. **Families with children or unaccompanied youth who are unstably housed and likely to continue in that state.** This is a new category of homelessness, and it applies to families with children or unaccompanied youth (up to age 24) who have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment.
4. **People who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening situations** related to violence; have no other residence; and lack the resources or support networks to obtain other permanent housing.

For information on HUD requirements for documenting “homeless” status, please see HUD’s homeless status guidance available at: www.OneCPD.info.

Definition of “Chronically Homeless”:

HUD defines “**chronically homeless**” as:

1. An individual who: (i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and (ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;
2. 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 (1) of this definition, before entering that facility; or
3. 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 (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

Additional Limitations for Specific Project Types:

1. PSH Projects: In addition to being “homeless,” persons served in PSH projects must have a disabling condition (for families this would be the head of household) as described above, and have come from the streets; emergency shelters; safe havens; transitional housing (only if they originally came from the streets or emergency shelters); be fleeing domestic violence; or be exiting an institutional stay of 90 days or less, before which they came from streets, emergency shelter or safe haven. PSH reallocation projects under this CoC NOFA must serve 100% chronically homeless.
2. RRH Projects: RRH projects must serve individuals or families coming from the streets or shelters. RRH reallocation projects must serve 100% families with children.
3. Samaritan and Permanent Housing Bonus Projects: Renewal projects that were originally funded under the Samaritan and Permanent Housing Bonus must continue serving the homeless population in accordance with the NOFA under which they were awarded (e.g., Samaritan Initiative project must continue exclusively serving CH).

E. Eligible Project Applicants

Eligible project applicants for the CoC Program Competition are **nonprofit organizations, states, local governments, and instrumentalities of state and local governments, and public**

housing agencies. For-profit entities are not eligible to apply for grants or to be sub recipients of grant funds.

F. Eligible CoC Program Components & Cost Types

HUD CoC funding, formerly composed of the Supportive Housing Program (SHP), the Shelter Plus Care (S+C) program, and the Section 8 SRO Program, has been merged. A single CoC program with the following four project components is eligible under the CoC NOFA:

1. **Permanent housing (PH)** is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. The CoC Program may fund two types of permanent housing: (1) **permanent supportive housing (PSH)**, which is permanent housing with indefinite leasing or rental assistance paired with services to help homeless people with disabilities achieve housing stability; and (b) **rapid re-housing (RRH)**, a model that emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless people as rapidly as possible into permanent housing. Note: As mentioned previously, new reallocation projects are limited to the following: (1) **new PSH projects targeted exclusively to CH**, and (2) **new rapid re-housing (RRH) targeted exclusively to homeless families** with children coming from the streets or shelter.
2. **Transitional housing (TH)** is a project component that may be used to cover the costs of up to 24 months of housing with accompanying support services, providing a period of stability to enable homeless people to transition successfully to and maintain permanent housing within 24 months of program entry. Program participants must have a lease or occupancy agreement in place when residing in transitional housing. Note: As mentioned previously, HUD is strongly encouraging CoCs and recipients to carefully review the transitional housing models for cost-effectiveness, performance, and for the number and type of criteria used to determine eligibility for the program and determine if rapid re-housing may be a better model for the CoC.
3. **Supportive services only (SSO)** is a program component limited to recipients and sub recipients providing services to individuals and families not residing in housing operated by the recipient. SSO recipients and sub recipients may use the funds to conduct outreach to sheltered and unsheltered homeless persons, link clients with housing or other necessary services, and provide ongoing support. SSO projects may be offered in a structure or structures at one central site, or in multiple buildings at scattered sites where services are delivered. Projects may also be operated independent of a building (e.g., street outreach) and in a variety of community-based settings, including homeless programs operated by other agencies. Note: As mentioned previously, HUD believes that service costs should be paid for with

mainstream resources where possible and that CoC funds are best used for housing activities.

4. **Homeless Management Information System** Funds under this component may be used only by HMIS leads for leasing a structure in which the HMIS operates, for operating the structure in which the HMIS is housed, and/or for covering other costs related to establishing, operating, and customizing a CoC's HMIS.

Eligible Cost Types

CoC Program funding can only be used to support eligible costs. Not all costs are eligible in each program component, and in some cases, certain costs cannot be combined in a structure. The eligible costs are summarized below. For further information, please see the CoC Interim Rule and CoC Program Introductory Guide at: www.OneCPD.info.

Acquisition of real property is an eligible cost category under the PH, TH, and SSO program components. Grant funds may be used for up to 100 percent of the cost of purchasing property for the purpose of providing permanent housing, transitional housing, and supportive services only activities.

Rehabilitation of structures is an eligible cost category under the PH, TH, and SSO program components. Eligible rehabilitation costs include installing cost-saving energy measures and bringing a structure up to health and safety standards. Rehabilitation on leased properties is ineligible.

New construction of structures is eligible under the PH and TH program components. New construction may include building entirely new facilities, constructing an addition to an existing structure that increases the floor area by 100 percent or more, and the cost of land for construction. Grant funds may be used for up to 100 percent of costs (as long as the match requirement is met through other means).

Leasing is an eligible cost category under the PH, TH, SSO, and HMIS program components. Funds may be used to lease individual units for all or part of structures. Rents must be reasonable and, in the case of individual units, the rent paid may not exceed HUD---determined fair market rents. Leasing funds may not be used for units or structures owned by the recipient, sub recipient, or their parent organization. When leasing funds are used to pay rent on units, the lease must be between the recipient or the sub recipient and the landowner, with a sublease or occupancy agreement with the program participant. The recipient may charge the program participant an occupancy charge consistent with the interim CoC rule.

Rental assistance is an eligible cost category under the PH and TH program components and may be tenant-based (TBRA), sponsor-based (SBRA), or project-based (PBRA), depending upon the component type. Rental assistance may be short-term for up to 3 months; medium-term for 4 to 24 months; or long-term for more than 24 months. The length of assistance depends upon the component type under which the cost is funded. Recipients must serve as many program participants as shown in their funding application to HUD, but, if the amount reserved for the term of the grant exceeds the amount needed to pay actual costs, the excess funds may be used to cover property damage, rent increases, or the rental needs of a greater number of program participants. When rental assistance funds are used to pay rent on units, the lease must be between the program participant and the landowner.

Supportive services are eligible costs under the PH, TH, and SSO program components. All eligible services types are listed in the box and any cost not listed is ineligible. As in the past, services must be offered to residents of PSH and TH for the full period of their residence. RRH programs must require program participants to meet with a case manager at least monthly. Services may be provided to formerly homeless individuals for up to six months after their exit from homelessness, including the six months following exit from a transitional housing project.

Eligible costs include the cost of providing services, the salary and benefits of staff providing services, and materials and supplies used in providing services.

Operating costs are eligible under the PH, TH, and HMIS program components. Funds may be used to pay the day- to-day operating costs in a single structure or individual housing units, including maintenance (such as scheduled replacement of major systems), repairs, building security (when CoC Program funds pay for more than 50 percent of the facility by unit or area), electricity, gas, water, furniture, equipment, property insurance, and taxes. These costs may not be combined with rental assistance costs within the same structure.

HMIS Costs related to contributing client data to or maintaining data in the CoC's HMIS or a comparable database for victim services providers or legal services providers are eligible costs under the PH, TH, SSO, and HMIS program components. Eligible HMIS costs include hardware, equipment and software costs; training and overhead; and HMIS---related staffing costs.

Eligible Types of Services

- Annual assessment of service needs
- Assistance with moving costs
- Case management
- Child care operations or vouchers
- Education services
- Employment assistance and job training
- Food (meals or groceries)
- Housing search and counseling
- Legal services
- Life skills training
- Outpatient mental health services
- Outpatient health services
- Outreach services
- Outpatient substance abuse treatment
- Transportation
- Utility deposits

Project Administration Recipients and sub recipient may use up to 10 percent of the grant for project administrative costs. These costs include expenses related to the overall administration of the grant, such as management, coordination, monitoring and evaluation activities, and environmental review.

G. CoC Renewal Funding

The following key parameters affect applications to renew funding of a previous CoC grant:

To apply for renewal funding this year, the existing grant must be expiring in the calendar year applying for competition (i.e. 2015 competition, then expires January 1 – December 31, 2015).

A project may only request renewal of term activities: leasing, rental assistance, operations, supportive services, HMIS, and administration (10%).

A project's request cannot exceed the Annual Renewal Amount for the project approved by HUD in the Grant Inventory Worksheet (GIW).

Renewal term: **1 year for all renewal projects.**

H. Grant Terms for New Projects

In order to maximize funding, new and renewal projects are encouraged to apply for 1 year of funding. However, the following terms are allowable for new projects. They can request 1, 2, 3, 4, 5, or 15 year grant terms, with the following exceptions:

1. Any new project application that includes **leasing** can only request **up to a 3-year** grant term.
2. Any of the following new projects can request **1-year, 2-year, 3-year, 4-year, or 5-year** grant terms: **operating costs, supportive services only, HMIS, and project administration.**
3. Any new project applications that requests **new construction, acquisition, or rehabilitation** must request a minimum of a **3-year grant term and can request up to a 5-year grant terms.**
4. Any new **projects requesting project-based rental assistance or sponsor-based rental assistance**, or operating costs may request up to a 15-year grant term, but request up to **5 years** of funds.
5. If an applicant requests funds for **new construction, acquisition, or rehabilitation in addition to requesting funds for operating, supportive services, or HMIS**, the term will be **3 years plus the time necessary to acquire the property, complete construction, and begin operating** the project.

I. **New Projects Funding Through Hold Harmless Need Reallocation**

CoCs may re-allocate some or all of funding from one or more renewal grants to one or more NEW PSH projects for CH or RRH projects for homeless families with children coming from streets or shelters. HUD would like CoCs to review all existing projects to determine if they are needed and still address key policy priorities. Funds for projects that are under performing, obsolete, or ineffective should be reallocated to new projects based upon proven or promising models.

J. **Match Requirements**

All eligible funding costs, except leasing, must be matched with no less than a **25 percent cash or in-kind contribution. No match is required for leasing.** The match requirements apply to project administration funds, CoC planning costs, and UFA costs, along with the traditional expenses—operations, rental assistance, supportive services, and HMIS.

For an in-kind match, the recipient or sub recipient may use the value of property, equipment, goods, or services contributed to the project, provided that, if the recipient or sub recipient had to pay for such items with grant funds, the costs would have been eligible. If third-party services are to be used as a match, the recipient or sub recipient and the third-party service provider that will deliver the services must enter into a memorandum of understanding (MOU)—before the grant is executed—documenting that the third party will provide such services and value towards the project.

K. **Leverage**

Please see the current NOFA to see how leverage will be scored. Leveraged resources include both required match (above) and additional leveraged resources.

In order to claim leverage, projects must have a signed leverage commitment letter or similar evidence dated within 60 days of the CoC application deadline on file. If a project receives an award, it may have to show the letters as a condition of final approval of the funding contract.

HUD leverage commitment elements and requirements:

- Land, buildings, and equipment can only be claimed once, so if you have claimed specific items before, they cannot be claimed again.
- Donated buildings should be valued at the fair market value or fair rental value minus any charge to CoC funding.
- Donated professional services should be valued at the customary rate.
- Volunteer time should be valued at \$10 per hour.
- Commitments must include these elements:
 - Written
 - On letterhead stationary

- Signed by authorized representative
- Dated and in possession (prior to application submission)
- Name of organization providing leverage
- Type of contribution
- Value of contribution
- Name of project and sponsor organization receiving the leverage
- Date the contribution is available (corresponding with your anticipated grant period).

L. **Electronic Application (e-snaps)**

Project applicants should rely on HUD’s very detailed e-snaps materials as authoritative on e-snaps matters. CoCs and applicants are required to apply for CoC funds electronically through HUD’s e-snaps system.

In essence, applicants will:

1. Create a User Profile (new users only): First, create a user name and password;
2. Project Applicant Profile: Second, fill out and submit a Project Applicant Profile form and provide applicable attachments, and,
3. Project Application: Finally, register for, fill out, and submit an Project Application form for each project and provide applicable attachments.

The CoC’s Support Entity will have access, in e-snaps, to each Project Application in order to review the applications. Any changes needed will be returned to applicants for correction. CoC Support Entity will not be able to directly edit Project Applications.

The CoC Program Application Committee (CPAC) will approve (or reject), rank, and place into Tier 1 or Tier 2 all projects correctly submitted in e-snaps. The CPAC is comprised of individuals with extensive knowledge of the CoC application process, *Opening Doors* (the nation’s strategic plan to prevent and end homelessness), and the programs allowed in the CoC application. If not correctly submitted, the project cannot be approved or ranked in e-snaps and might not be funded. The Research and Evaluation Committee delegates the ranking of CoC projects to the CPAC due to the complex nature of the process. The recommendations of the C PAC will be presented to the Research and Evaluation Committee by the Support Entity along with an explanation for ranking. Members of the Research and Evaluation Committee will have an opportunity to ask questions directed to the Support Entity. After complete review the Research and Evaluation Committee will vote to approve the ranking of projects.

Applicants using e-snaps must have a valid DUNS number and up-to-date Federal System for Award Management (SAM) registration, formerly the Central Contractor Registry (CCR).

Again, only basic information about e-snaps is provided above (subject to change and correction). Therefore, it is critical that you access and review e-snaps materials at: www.OneCPD.info.

II. Local Policies

A. Role of the WCICCC

Applicants for new and/or renewal CoC funding must participate in the local consolidated application being coordinated by the WCICCC. The process includes applying for funds, providing information as needed for the consolidated application, and participating in planning meetings. The key local deadlines and requirements are listed in the attached CoC Process Timeline. Please note that the dates and requirements are subject to revision and change. The best way to keep track of such changes is to attend all the meetings

B. Types of Projects Encouraged

All eligible projects are encouraged to apply for CoC funds in the local competition. Based upon HUD priorities and CoC needs and priorities the following project types are being encouraged:

- Renewal of existing CoC projects (those expiring in 2014)
- New reallocation projects including new PSH exclusively targeted to CH and new RRH exclusively for homeless families with children coming from the streets or shelters.

The following types of projects are not eligible for CoCs like ours under HUD's rules:

- Emergency shelter
- Homelessness prevention
- New transitional housing
- New supportive services only

C. Order of Priority for HUD CoC-funded Permanent Supportive Housing

The CoC has adopted HUD's July 28, 2014 Notice CDP-14-012 "Notice on Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless Persons in Permanent Supportive Housing, and Recordkeeping Requirements for Documenting Chronic Homeless Status." The adoption of this notice ensures resources will be targeted to the persons who need it the most. Please see the attachments area for the complete notice.

D. Notice of Intent to Reallocate Funds

The CoC does not intend to reallocate funds in the 2015 CoC Competition.

Reallocated funds come from renewal projects that will no longer be operational. New PSH exclusively targeted to CH and new RRH exclusively for homeless families with children coming from the streets or shelters are specifically encourage to competitively apply for these

reallocation funds. It is also possible that the CoC Program Application Committee may reallocate in future competition if it finds that one or more renewal project is under performing, obsolete, or ineffective and that the CoC would be better served by a new project using a promising or proven approach.

E. Encouragement of New Applicants

The CoC is open to and encourages applications from entities that have not previously been awarded CoC funds. New applicants should be aware that, due to the limitations above, the only new projects can be for new PSH exclusively targeted to CH and new RRH exclusively for homeless families with children coming from the streets or shelters.

Any prospective or new applicants are requested to contact the CoC's Collaborative Applicant, Mary Muehlenfeld, at 217.221.9922 or marymuehlenfeld@ywcaquincy.org or CoC's Support Entity, Lori Sutton 309.298.2968 or la-sutton@wiu.edu for more information.

F. Local Process

- CoC Support Entity issues an email notifying CoC of competition and permanent housing bonus opportunity with an application timeline specifying key requirements, criteria, dates, and deadlines.
- CoC Support Entity works with Project Applicants to secure required documents (such as renewal APRs) to be submitted for review and ranking by the CoC Program Application Committee (at least 30 days before the HUD deadline).
- The CoC requires that all Project Applications be submitted in e-snaps with all HUD-required forms (also at least 30 days before the HUD deadline) CoC Support Entity will review the Project Applications and may amend them back in e-snaps for correction and re-submission.
- The CoC Program Application Committee convenes to approve (or reject), score, rank, place in Tier 1 or Tier 2 renewal, review new project applications, and to hear applicant presentations (optional).
- The CoC Program Application Committee's recommendation is reviewed by the Research and Evaluation Committee.
- The CoC provides notice to each applicant regarding project approval (or rejection), rank order, and Tier placement (at least 15 days before the HUD deadline). Dated minutes of the rating and ranking decisions will be made available to all CoC members, and will be posted, along with the CoC Application and Project Priority listings, on the WCICCC's website.
- The Collaborative Applicant submits the final CoC application in e-snaps to HUD, including the CoC Application, Project Applications, and Project Priority Listings.

Please see the attached Process Timeline for further details about the process steps.

G. Rating, Ranking, and Publicly Announced Objective Criteria

HUD requires that the community review, approve (or reject), rank, and place into Tiers 1 and 2 all projects submitted. As in previous years, this process will be carried out by the CoC Program Application Committee (formerly Project Review Committee) with members selected for (1) lack of conflict of interest, (2) knowledge of the community and homelessness issues, and (3) representative of varied geographic, subpopulation, and sector interests.

CoC Program Application Committee members will engage in a fair, objective decision process that may include the following:

1. Reviewing and rating local applications using previously publicly announced objective criteria (please see the accompanying Review Criteria sheet for further details).
2. Proposal question and answer with applicants (if needed).
3. Discussion of the local applications in the context of local and HUD priorities and needs, performance metrics, etc.
4. Reach consensus on the approval (or rejection), rank order, and tier placement of each new and renewal project. If the CoC Program Application Committee does not reach a consensus, it will use a quorum majority voting process as detailed in the CoC's Governance Charter.
5. As mentioned above, all applicants will receive notice regarding project approval (or rejection), rank order, and Tier placement (at least 15 days before the HUD deadline). Dated minutes of the rating and ranking decisions will be made available to all CoC members, and will be posted, along with the CoC Application and Project Priority listings, on the WCICCC's website.

H. Attachments

1. Local CoC Process Timeline
2. West Central Illinois Continuum of Care Consortium -- 2015 Renewal Projects Ranking Matrix
3. 2015-Rating-and-Ranking-Tool-New-Application
4. HUD Notice CDP-14-012, Notice on Prioritizing Persons Experiencing Chronic Homelessness...

III. Attachments

WCICCC Process Timeline, FY2015 Competition

| Step | Date |
|--|--|
| Point-in-Time (PIT) homeless population due | Last 10 days in January (traditionally held last Wednesday in January) |
| Housing Inventory Chart (HIC) due | Last 10 days in January (traditionally held last Wednesday in January) |
| Deadline to submit PIT count of homeless population in HDX | April 30, 2015 |
| Deadline to submit HIC in HDX | April 30, 2015 |
| Deadline to submit grant inventory worksheets (GIW) to HUD Field Office | February 16, 2015 |
| Deadline for CoC Program Registration (geography, need amount, etc.) in e-snaps to be completed by Collaborative Applicant | Complete between April 28 to May 18, 2015 |
| HUD releases CoC NOFA and application materials in e-snaps | September 17, 2015 |
| Annual Homeless Assessment Report (AHAR) data collection cycle opens in HDX | October 1, 2015 |
| WCICCC's public notice of local CoC application process with criteria and timeline | October 2, 2015 |
| Deadline to submit local applications (via e-mail) and HUD applications (via e-snaps) | October 20, 2015 |
| Project applicants on call to make corrections and edits to e-snaps applications | October 21-HUD Deadline |
| CoC Program Application Committee meeting to approve and rank CoC projects | October 29, 2015 |
| Research & Evaluation Committee meeting to review results of CoC Program Application Committee | November 3, 2015 |
| Written project approvals/denials with explanation sent to applicants | November 3, 2015 |
| Illinois Housing Development Authority requesting approval of CoC application for Certification of Consistency with State's Consolidate Plan | November 4, 2015 |
| Post ranking results on CoC's website | November 4-18, 2015 |
| Target date for consolidated CoC application submission | November 18, 2015 |
| HUD deadline for submission of consolidated CoC Application in e-snaps | November 20, 2015 |
| AHAR final data deadline | December 16, 2015 |



Special Attention of:

All Secretary's Representatives
All Regional Directors for CPD
All CPD Division Directors
Continuums of Care (CoC)
Recipients of the Continuum of Care (CoC)
Program

Notice: CPD-14-012

Issued: July 28, 2014

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 and Recordkeeping Requirements for Documenting Chronic Homeless Status

Table of Contents

- I. Purpose..... 2**
 - A. Background 2
 - B. Goal of this Notice 2
 - C. Applicability 3
 - D. Key Terms..... 3
- II. Dedication and Prioritization of Permanent Supportive Housing Strategies to Increase Number of PSH Beds Available for Chronically Homeless Persons 5**
 - A. Increase the number of CoC Program-funded PSH beds that are dedicated to persons experiencing chronic homelessness. 5
 - B. Prioritize non-dedicated PSH beds for use by persons experiencing chronic homelessness..... 5
- III. Order of Priority in CoC Program-funded Permanent Supportive Housing 6**
 - A. Order of Priority in CoC Program-funded Permanent Supportive Housing Beds Dedicated to Persons Experiencing Chronic Homelessness and Permanent Supportive Housing Prioritized for Occupancy by Persons Experiencing Chronic Homelessness ... 6
 - B. Order of Priority in Permanent Supportive Housing Beds Not Dedicated or Prioritized for Persons Experiencing Chronic Homelessness..... 8
- IV. Using a Coordinated Assessment and a Standardized Assessment Tool or Process to Determine Eligibility and Establish a Prioritized Waiting List..... 10**
 - A. Coordinated Assessment Requirement 10
 - B. Written Standards for Creation of a Single Prioritized Waiting List for PSH..... 10
 - C. Standardized Assessment Tool Requirement..... 11
 - D. Nondiscrimination Requirements 11
- V. Recordkeeping Requirements..... 11**
 - A. CoC Records 11
 - B. Recipient Recordkeeping Requirements..... 12
 - C. Recordkeeping Recommendations for CoCs that have Adopted the Order of Priority in this Notice. 16
- VI. Questions Regarding this Notice..... 16**

I. Purpose

This Notice 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 also establishes recordkeeping requirements for all recipients of CoC Program-funded PSH that includes beds that are required to serve persons experiencing chronic homelessness as defined in 24 CFR 578.3, in accordance with 24 CFR 578.103.

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. Ending chronic homelessness is the first goal of *Opening Doors* and is a top priority for HUD. Although progress has been made there is still a long way to go. In 2013, there were still 109,132 people identified as chronically homeless in the United States. In order to meet the first goal of *Opening Doors*—ending 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 for persons experiencing chronic homelessness has increased from 24,760 in 2007 to 51,142 in 2013. This increase has contributed to a 25 percent decrease in the number of chronically homeless persons reported in the Point-in-Time Count between 2007 and 2013. Despite the overall increase in the number of dedicated PSH beds, this only represents 30 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 and/or based on tenant selection processes that screen-in those who are most likely to succeed. These approaches to tenant selection have not been effective in reducing chronic homelessness, despite the increase in the number of PSH beds nationally.

B. Goal of this Notice

The overarching goal of this Notice is to ensure that the homeless individuals and families with the most severe service needs within a community are prioritized in PSH, which will also increase progress towards the Obama Administration’s goal of ending chronic homelessness. In order to guide CoCs in ensuring that all CoC Program-funded PSH beds are used most effectively, this Notice establishes an order of priority which CoCs are strongly encouraged to adopt and incorporate into the CoC’s written standards and

coordinated assessment system. With adoption by CoCs and incorporation into the CoC's written standards, **all** recipients of CoC Program-funded PSH must then follow this order of priority, consistent with their current grant agreement, which will result in this intervention being targeted to the persons who need it the most. Such adoption and incorporation will ensure that persons are housed appropriately and in the order provided in this Notice.

HUD seeks to achieve three goals through this Notice:

1. Establish an order of priority for dedicated and prioritized PSH beds which CoCs are encouraged to adopt in order to ensure that those persons with the most severe service needs are given first priority.
2. Inform the selection process for PSH assistance not dedicated or prioritized for chronic homelessness to prioritize persons who do not yet meet the definition of chronic homelessness but are most at risk of becoming chronically homeless.
3. Provide uniform recordkeeping requirements for all recipients of CoC Program-funded PSH for documenting chronically homeless status of program participants when required to do so as well as provide guidance on recommended documentation standards that CoCs may require of its recipients of CoC Program-funded PSH if the priorities included in the Notice are adopted by the CoC.

C. Applicability

The guidance in this Notice is provided to all CoCs and all recipients and subrecipients—the latter two groups referred to collectively as recipients of CoC Program-funded PSH. CoCs are encouraged to incorporate the order of priority described in this Notice into their written standards, in accordance with the CoC Program interim rule at 24 CFR 578.7(a)(9) and 24 CFR 578.93, for CoC Program-funded PSH. Upon incorporation of the order of priority into written standards CoCs may then require recipients of CoC Program-funded PSH to follow the order of priority in accordance with the CoC's revised written standards and this Notice and in a manner consistent with their current grant agreement.

D. Key Terms

1. **Housing First.** Housing First is an approach in which housing is offered to people experiencing homelessness without preconditions (such as sobriety, mental health treatment, or a minimum income threshold) or service participation requirements and in which rapid placement and stabilization in permanent housing are primary goals. PSH projects that use a Housing First approach promote the acceptance of applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services. HUD encourages all recipients of CoC Program-funded PSH to follow a Housing First approach to the maximum extent practicable. Any recipient that indicated that they would follow a Housing First approach in the FY 2013 CoC Project Application must do so for both the FY 2013 and FY 2014 operating year(s), as the CoC score for the FY 2013–FY 2014 CoC Program Competition was affected by the extent in which project applications indicated that they would follow this approach and this requirement will be incorporated into the recipient's FY 2013 and FY 2014 grant agreement.

HUD recognizes that this approach may not be applicable for all program designs, particularly for those projects formerly awarded under the SHP or SPC programs which were permitted to target persons with specific disabilities (e.g., “sober housing”).

2. Chronically Homeless. The definition of “chronically homeless” currently in effect for the CoC Program is that which is defined in the CoC Program interim rule at 24 CFR 578.3, which states that a chronically homeless person is:

- (a) An individual who:
 - i. Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
 - ii. Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and
 - iii. Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;
- (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 (1) of this definition [as described in Section I.D.2.(a) of this Notice], before entering that facility; or
- (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 (1) 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; or
 - ii. Significant health or behavioral health challenges or functional impairments which require a significant level of support in order to maintain permanent housing.

Severe service needs as defined in paragraphs i. and ii. 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 that can identify the severity of needs such as the Vulnerability Index (VI), the Service Prioritization Decision Assistance Tool (SPDAT), or the Frequent Users Service Enhancement (FUSE). The determination must not be based on a specific diagnosis or disability type, but only on the severity of needs of the individual.

- (b) In states where there is an alternate criteria used by state Medicaid departments to identify high-need, high cost beneficiaries, CoCs and recipients of CoC Program-funded PSH may use similar criteria to determine if a household has severe service needs instead of the criteria defined paragraphs i. and ii. above. However, such determination must not be based on a specific diagnosis or disability type.

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

There are two significant ways in which CoCs can increase progress towards ending chronic homelessness in their communities using only their existing CoC Program-funded PSH:

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

Dedicated PSH beds 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 this occurs, the recipient may then follow the order of priority in this Notice if it is adopted by the CoC. 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. These PSH beds are reported as "CH Beds" on a CoC's Housing Inventory Count (HIC). A CoC may increase the number of CoC Program-funded PSH beds that are dedicated to persons experiencing chronic homelessness when it's recipients of non-dedicated CoC Program-funded PSH request a grant amendment to dedicate one or more of its beds for this purpose. A recipient of CoC Program-funded PSH is prohibited from changing the designation of the bed from dedicated to non-dedicated without a grant agreement amendment. Similarly, if a recipient of non-dedicated PSH intends to dedicate one or more of its beds to the chronically homeless it may do so through a grant agreement amendment.

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. In the FY 2013-FY 2014 CoC Program Competition, CoCs were scored on the extent to which they were willing to commit to prioritizing chronically homeless persons in a percentage of their non-dedicated PSH beds with the highest points going to CoCs that committed to prioritize the chronically homeless

in 85 percent or more of their non-dedicated CoC Program-funded PSH. Further, project applicants for CoC Program-funded PSH had to indicate the number of non-dedicated beds that would be prioritized for use by persons experiencing chronic homelessness. These projects are now required to prioritize chronically homeless persons in their non-dedicated CoC Program-funded PSH beds for FY 2013 and FY 2014, as the project application is incorporated into the grant agreement. PSH beds that were included in the calculation for the CoCs commitment in the CoC Application cannot revise their FY 2014 application to reduce the number of prioritized beds; however, recipients of PSH that are currently not dedicated to the chronically homeless may choose to prioritize additional beds in the FY 2014 CoC Project Application. All recipients of CoC Program-funded PSH are encouraged to prioritize the chronically homeless as beds become vacant to the maximum extent practicable. CoCs will be expected to meet or exceed the goals established in the FY 2013/FY 2014 CoC Application and should continue to prioritize persons experiencing chronic homelessness in their CoC Program-funded PSH until there are no persons within the CoC's geographic area who meet that criteria. Further, to the extent that CoCs incorporate this order of priority into the CoCs written standards, recipients of CoC Program-funded PSH will also be required to follow this criterion included in those standards.

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

A. Order of Priority in CoC Program-funded Permanent Supportive Housing Beds Dedicated to Persons Experiencing Chronic Homelessness and Permanent Supportive Housing Prioritized for Occupancy by Persons Experiencing Chronic Homelessness

1. As of the date of this Notice, CoCs are encouraged to revise their written standards to include the following order of priority for CoC Program-funded PSH that is either dedicated or prioritized for use by the chronically homeless. If adopted into the CoCs written standards, recipients of CoC Program-funded PSH would then be required to follow the order of priority when selecting participants for housing in accordance with the CoC's revised written standards in accordance with this Notice and in a manner consistent with their current grant agreement. For CoC Program-funded PSH that is dedicated or prioritized for persons experiencing chronic homelessness, the following order of priority is strongly encouraged:

- (a) **First Priority—Chronically Homeless Individuals and Families with the Longest History of Homelessness and with the Most Severe Service Needs.**

A chronically homeless individual or head of household as defined in 24 CFR 578.3 for whom both of the following are true:

- i. The chronically homeless individual or head of household of a family has been homeless and living in a place not meant for human habitation, a safe haven, or in an emergency shelter for at least 12 months either continuously or on at least four separate occasions in the last 3 years, where the cumulative total length of the four occasions equals at least 12 months; and

- ii. The CoC or CoC Program recipient has identified the chronically homeless individual or head of household, who meets all of the criteria in paragraph (1) of the definition for chronically homeless, of the family as having severe service needs (see Section I.D.3. of this Notice for definition of severe service needs).

(b) Second Priority—Chronically Homeless Individuals and Families with the Longest History of Homelessness. A chronically homeless individual or head of household, as defined in 24 CFR 578.3, for which both of the following are true:

- i. The chronically homeless individual or head of household of a family has been homeless and living in a place not meant for human habitation, a safe haven, or in an emergency shelter for at least 12 months either continuously or on at least four separate occasions in the last 3 years, where the cumulative total length of the four occasions equals at least 12 months; and,
- ii. The CoC or CoC program recipient has **not** identified the chronically homeless individual or the head of household, who meets all of the criteria in paragraph (1) of the definition for chronically homeless, of the family as having severe service needs.

(c) Third Priority—Chronically Homeless Individuals and Families with the Most Severe Service Needs. A chronically homeless individual or head of household as defined in 24 CFR 578.3 for whom both of the following are true:

- i. The chronically homeless individual or head of household of a family has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter on at least four separate occasions in the last 3 years, where the total length of those separate occasions equals less than one year; and
- ii. The CoC or CoC program recipient has identified the chronically homeless individual or the head of household, who meets all of the criteria in paragraph (1) of the definition for chronically homeless, of the family as having severe service needs.

(d) Fourth Priority—All Other Chronically Homeless Individuals and Families. A chronically homeless individual or head of household as defined in 24 CFR 578.3 for whom both of the following are true:

- i. The chronically homeless individual or head of household of a family has been homeless and living in a place not meant for human habitation, a safe haven, or in an emergency shelter for on at least four separate occasions in the last 3 years, where the cumulative total length the four

occasions is **less than**
12 months; and

- ii. The CoC or CoC program recipient has **not** identified the chronically homeless individual or the head of household, who meets all of the criteria in paragraph (1) of the definition for chronically homeless, of the family as having severe service needs.
2. Where a CoC or a recipient of CoC Program-funded PSH beds that are dedicated or prioritized is not able to identify chronically homeless individuals and families as defined in 24 CFR 578.3 within the CoC, the order of priority in Section III.B. of this Notice, as adopted by the CoC, may be followed.
 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 that has been identified as a project that will prioritize a portion or all of its turnover beds to persons experiencing chronic homelessness 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.
 4. Recipients must exercise due diligence when conducting outreach and assessment to ensure that persons are served in the order of priority in this Notice. 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 remain vacant where there are persons who meet a higher priority within the CoC and who have not yet accepted the PSH opportunities offered to them. Street outreach providers should continue to make attempts to engage those persons and the CoC and CoC Program-funded PSH providers are encouraged to follow a Housing First approach to the maximum extent practicable and for those projects that indicated in the FY 2013 CoC Project Application that they would follow a Housing First approach will be required to do so for both the FY 2013 and FY 2014 operating year(s), as the CoC score for the FY 2013 – FY 2014 CoC Program Competition was affected by the extent in which project applications indicated that they would follow this approach and this requirement will be incorporated into the recipient’s FY 2013 and FY 2014 grant agreement. For eligibility in dedicated or prioritized PSH serving chronically homeless households, the individual or head of household must meet all of the applicable criteria to be considered chronically homeless per 24 CFR 578.3.

B. Order of Priority in Permanent Supportive Housing Beds Not Dedicated or Prioritized for Persons Experiencing Chronic Homelessness

1. As of the date of this Notice, CoCs are encouraged to revise their written standards to include the following priorities for non-dedicated and non-prioritized PSH beds. If adopted into the CoCs written standards, recipients of CoC Program-funded PSH would then be required to follow the order of priority when selecting participants for housing in accordance with the CoC’s revised written standards included in this Notice and in a

manner consistent with their current grant agreement. CoCs that adopt this order of priority are encouraged to include in the written standards a policy that would allow for recipients of non-dedicated and non-prioritized PSH to offer housing to chronically homeless individuals and families first, but minimally would be required to place otherwise eligible households in an order that prioritizes, in a nondiscriminatory manner, those who would benefit the most from this type of housing, beginning with those most at risk of becoming chronically homeless. For eligibility in non-dedicated and non-prioritized PSH serving non-chronically homeless households, any household member with a disability may qualify the family for PSH.

(a) First Priority–Homeless Individuals and Families with a Disability with the Most Severe Service Needs.

An individual or family that is eligible for CoC Program-funded PSH who has been living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter for any period of time, including persons exiting an institution where they have resided for 90 days or less but were living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately prior to entering the institution **and** has been identified as having the most severe service needs.

(b) Second Priority–Homeless Individuals and Families with a Disability with a Long Period of Continuous or Episodic Homelessness. An individual or family that is eligible for CoC Program-funded PSH who has been living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least 6 months or on at least three separate occasions in the last 3 years where the cumulative total is at least 6 months. This includes persons exiting an institution where they have resided for 90 days or less but were living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately prior to entering the institution and had been living or residing in one of those locations for at least 6 months or on at least three separate occasions in the last 3 years where the cumulative total is at least 6 months.

(c) Third Priority–Homeless Individuals and Families with Disability Coming from Places Not Meant for Human Habitation, Safe Havens, or Emergency Shelters. An individual or family that is eligible for CoC Program-funded PSH who has been living in a place not meant for human habitation, a safe haven, or an emergency shelter. This includes persons exiting an institution where they have resided for 90 days or less but were living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately prior to entering the institution.

(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 coming from transitional housing, where prior to residing in the transitional housing lived on streets or in an emergency shelter, or

safe haven. This priority also includes homeless individuals and homeless households with children with a qualifying disability who were fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking and are living in transitional housing—all are eligible for PSH even if they did not live on the streets, emergency shelters, or safe havens 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, in CoC Program-funded PSH where the beds are not dedicated or prioritized and which is permitted to target homeless persons with a serious mental illness should follow the order of priority under Section III.B.1. of this Notice, as adopted by the CoC, to the extent in which persons with serious mental illness meet the criteria.
3. Due diligence should be exercised when conducting outreach and assessment to ensure that persons are served in the order of priority 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 where there are persons who meet a higher priority within the CoC and who have not yet accepted the PSH opportunities offered to them. Street outreach providers should continue to make attempts with those persons using a Housing First approach to place as few conditions on a person's housing as possible.

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

A. Coordinated Assessment 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 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 their coordinated assessment system in order to ensure that there is a single prioritized waiting list for all CoC Program-funded PSH within the CoC. Under no circumstances shall the order of priority be based upon diagnosis or disability type, but instead on the severity of needs of an individual or family.

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

CoCs are also encouraged to include in their policies and procedures governing their coordinated assessment system, a requirement that all CoC Program-funded PSH accept referrals only through a single prioritized waiting list that is created through the CoCs coordinated assessment process. Adopting this into the CoC's policies and procedures for coordinated assessment would further ensure that CoC Program-funded PSH is being used most effectively, which is one of the goals in this Notice. This would also allow for

recipients of CoC Program funds for PSH to maintain their own waiting lists, but all households would be referred to each of those project-level waiting lists based on where they fall on the prioritized list and not on the date in which they first applied for housing assistance.

C. Standardized Assessment Tool Requirement

CoCs must utilize a standardized assessment tool, in accordance with 24 CFR 578.3, or process. Appendix A of this Notice—*Coordinated Assessment Tool and Implementation: Key Considerations*—provides recommended criteria for a quality coordinated assessment 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.

V. Recordkeeping Requirements

This Notice establishes recordkeeping requirements for all recipients of CoC Program-funded PSH that are required to document a program participant's status as chronically homeless as defined in 24 CFR 578.3 and in accordance with 24 CFR 578.103. Further, 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.

A. CoC Records

In addition to the records required in 24 CFR 578.103, it is recommended that the CoC should supplement such records with the following:

- 1. Evidence of written standards that incorporate the priorities in Section III. of this Notice, as adopted by the CoC.** A CoC adopting the priorities in Section III of this Notice, may be evidenced by written CoC, or subcommittee, meeting minutes where written standards were adopted that incorporate the prioritization standards in this Notice, or an updated, approved, governance charter where the written standards have been updated to incorporate the prioritization standards set forth in this Notice.
- 2. Evidence of a standardized assessment tool.** Use of a standardized assessment tool may be evidenced by written policies and procedures referencing a single standardized assessment tool that is used by all CoC Program-funded PSH recipients within the CoC's geographic area.
- 3. Evidence that the written standards were incorporated into the coordinated assessment policies and procedures.** Incorporating standards into the coordinated assessment policies and procedures may be evidenced by updated policies and

procedures—that incorporate the updated written standards for CoC Program-funded PSH developed and approved by the CoC.

B. Recipient Recordkeeping Requirements

In addition to the records required in 24 CFR 578.103, recipients of CoC Program-funded PSH that is required by grant agreement to document chronically homeless status of program participants in some or all of its PSH beds must maintain the following records:

1. **Written Intake Procedures.** Recipients must maintain and follow written intake procedures to ensure compliance with the definition of chronically homeless per 24 CFR 578.3. These procedures must establish the order of priority for obtaining evidence as: (1) third-party documentation, (2) intake worker observations, and (3) certification from the person seeking assistance. Records contained in an HMIS or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates entries are made.
2. **Evidence of Chronically Homeless Status.** Recipients of CoC Program-funded PSH whose current grant agreement includes beds that are dedicated or prioritized to the chronically homeless must maintain records evidencing that the individuals or families receiving the assistance in those beds meets the definition for chronically homeless at 24 CFR 578.3. Such records must include evidence of the homeless status of the individual or family (paragraphs (1)(i) and (1)(ii) of the definition), the duration of homelessness (paragraph (1)(ii) of the definition), and the disabling condition (paragraph (1)(iii) of the definition). When applicable, recipients must also keep records demonstrating compliance with paragraphs (2) and (3) of the definition.
 - (a) **Evidence of homeless status.** Evidence of an individual or head of household's current living situation may be documented by a written observation by an outreach worker, a written referral by housing or service provider, or a certification by the household seeking assistance that demonstrates that the individual or head of household is currently homeless and living in a place not meant for human habitation, in an emergency shelter, or a safe haven. For paragraph (2) of the definition for chronically homeless at 24 CFR 578.3, for individuals currently residing in an institution, acceptable evidence includes:
 - i. Discharge paperwork or a written or oral referral from a social worker, case manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution that demonstrate the person resided there for less than 90 days. All oral statements must be recorded by the intake worker; or
 - ii. Where the evidence above is not obtainable, a written record of the intake worker's due diligence in attempting to obtain the evidence described in the paragraph i. above and a certification by the individual seeking

assistance that states that they are exiting or have just exited an institution where they resided for less than 90 days; and

- iii. Evidence that the individual was homeless and living in a place not meant for human habitation, a safe haven, or in an emergency shelter, and met the criteria in paragraph (1) of the definition for chronically homeless in 24 CFR 578.3, immediately prior to entry into the institutional care facility.

- (b) **Evidence of the duration of the homelessness.** Recipients documenting chronically homeless status must also maintain the evidence described in paragraph i. or in paragraph ii. below, and the evidence described in paragraph iii. below:

- i. **Evidence that the homeless occasion was continuous, for at least one year.**

Using any combination of allowable documentation described in Section V.B.2.(a) of this Notice, recipients must provide evidence that the homeless occasion was continuous, for a year period, without a break in living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter. For the purposes of this Notice, a break is considered at least seven or more consecutive nights not residing in a place not meant for human habitation, in shelter, or in a safe haven.

At least 9 months of the 1-year period must be documented by one of the following: (1) HMIS data, (2), a written referral, or (3) a written observation by an outreach worker. In only rare and the most extreme cases, HUD would allow a certification from the individual or head of household seeking assistance in place of third-party documentation for up to the entire period of homelessness. Where third-party evidence could not be obtained, the intake worker must obtain a certification from the individual or head of household seeking assistance, and evidence of the efforts made to obtain third-party evidence as well as documentation of the severity of the situation in which the individual or head of household has been living. An example of where this might occur is where an individual has been homeless and living in a place not meant for human habitation in a secluded area for more than 1 year and has not had any contact with anyone during that entire period.

Note: A single encounter with a homeless service provider on a single day within 1 month that is documented through third-party documentation is sufficient to consider an individual or family as homeless for the entire month unless there is any evidence that the household has had a break in homeless status during that month (e.g., evidence in HMIS of a stay in transitional housing).

ii. Evidence that the household experienced at least four separate homeless occasions over 3 years.

Using any combination of allowable documentation described in Section V.B.2.(a) of this Notice, the recipient must provide evidence that the head of household experienced at least four, separate, occasions of homelessness in the past 3 years.

Generally, at least three occasions must be documented by either: (1) HMIS data, (2) a written referral, or (3) a written observation. Any other occasion may be documented by a self-certification with no other supporting documentation.

In only rare and the most extreme cases, HUD will permit a certification from the individual or head of household seeking assistance in place of third-party documentation for the three occasions that must be documented by either: (1) HMIS data, (2) a written referral, or (3) a written observation. Where third-party evidence could not be obtained, the intake worker must obtain a certification from the individual or head of household seeking assistance, and must document efforts made to obtain third-party evidence, and document of the severity of the situation in which the individual has been living. An example of where this might occur is where an individual has been homeless and living in a place not meant for human habitation in a secluded area for more than one occasion of homelessness and has not had any contact with anyone during that period.

iii. Evidence of diagnosis with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in Section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability. Evidence of this criterion must include one of the following:

- (1) Written verification of the condition from a professional licensed by the state to diagnose and treat the condition;
- (2) Written verification from the Social Security Administration;
- (3) Copies of a disability check (e.g., Social Security Disability Insurance check or Veterans Disability Compensation);
- (4) Intake staff (or referral staff) observation that is confirmed by written verification of the condition from a professional licensed by the state to diagnose and treat the condition that is confirmed no later than 45 days of the application for assistance and accompanied with one of the types of evidence above; or

(5) Other documentation approved by HUD.

C. Recordkeeping Recommendations for CoCs that have Adopted the Order of Priority in this Notice.

Where CoCs have incorporated the order of priority in this Notice into their written standards, recipients of CoC Program-funded PSH may demonstrate that they are following the CoC-established requirement by maintaining the following evidence:

- 1. Evidence of Cumulative Length of Occasions.** For recipients providing assistance to households using the selection priority in Sections III.A.1.(a) and (b) of this Notice, the recipient must maintain the evidence of each occasion of homelessness as required in Section V.B.2.(b)(2) of this Notice, which establishes how evidence of each occasion of homelessness, when determining whether an individual or family is chronically homeless, may be documented. However, to properly document the length of time homeless, it is important to document the start and end date of each occasion of homelessness and these occasions must cumulatively total a period of 12-months. In order to properly document the cumulative period of time homeless, at least 9 months of the 12-month period must be documented through third-party documentation unless it is one of the rare and extreme cases described in Section V.B.2.b.ii. of this Notice. For purposes of this selection priority, a single encounter with a homeless service provider on a single day within one month that is documented through third-party documentation is sufficient to consider an individual or family as homeless for the entire month unless there is any evidence that the household has had a break in homeless status during that month (e.g., evidence in HMIS of a stay in transitional housing).
- 2. 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 conducted by a qualified professional.
- 3. 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.

VI. Questions Regarding this Notice

Questions regarding this notice should be submitted to HUD's Ask A Question at: www.onecpd.info/get-assistance/my-question.

Appendix A

Coordinated Assessment Process and Standardized Assessment Tool: Key Considerations

A coordinated assessment process is intended to increase and streamline access to housing and services for households experiencing homelessness, matches appropriate levels of housing and services based on their needs, and prioritizes persons with severe service needs for the most intensive interventions. HUD will be issuing guidance regarding the minimum requirements for establishing and operating a coordinated assessment system, as required by 24 CFR 578.7(a)(8), separately. Meanwhile, this Appendix is intended to help inform CoC efforts to implement an effective coordinated assessment *process* and qualities of an effective standardized assessment tool. As stated in Section III of this Notice, the use of both a coordinated assessment process and assessment tool(s) are critical to effectively implement the order of priority described in Section III.A. and III.B., if adopted by the CoC and incorporated into the CoCs written standards.

Recommendations for Effective Implementation of a Coordinated Assessment Process

The coordinated assessment process must incorporate and defer to any funding requirements established under the CoC Program interim rule, ESG Program interim rule, or a Notice of Funding Availability under which a project is awarded. In addition, the following are recommended as the minimum criteria for the effective implementation of a coordinated assessment process.

1. **Standardized**—The assessment process should rely upon a standardized method and criteria to determine the appropriate type of intervention for individuals or families. This standardized process could encompass the CoC-wide use of a standardized assessment tool, as well as data driven methods.
2. **Improves data management**—Individual tracking, resource allocation and planning, system monitoring, and reporting to the community and to funders is improved by use of a common, coordinated assessment tool.
3. **Non-directive**—The recommendations of the tool can be overridden by the judgment of qualified professionals, especially in where there are extenuating circumstances that are not assessed by the tool are relevant to choosing appropriate interventions. Discretion must be exercised in a nondiscriminatory manner consistent with fair housing and civil rights laws and should be subject to appropriate review and documentation (see Section V. of this Notice for the recordkeeping requirements), to ensure it is applied judiciously.
4. **Mainstream resources**—Effective coordinated assessment facilitates meaningful coordination between the homeless response system and the intake processes for mainstream systems. Connections should be made to public housing authorities, multifamily housing, health and mental health care, the workforce development system, and with other mainstream income and benefits as appropriate and applicable.
5. **Align Interventions**—The various types of interventions that are available are aligned and used strategically.

6. **Leverage local attributes and capacity**—The physical and political geography, including the capacity of partners in a community, and the opportunities unique to the community’s context, should inform local coordinated assessment implementation.
7. **Assess program capacity**—Assess the variety and capacity of programs in the community to identify and fill critical gaps in housing and service resources and to ensure that there is a range of options needed for a coordinated assessment system to work well.
8. **Outreach**—The coordinated assessment system should ensure that connections and ongoing engagement occurs with those not accessing services and housing on their own. Often, these are the highest need and most at-risk people in communities.
9. **Privacy protections**—Protections should be in place to ensure proper use of the information with consent from the client. Assessment should also be conducted in a private location.
10. **Fair Housing and Civil Rights**—Protections should be in place to ensure compliance with all civil rights requirements, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973. The assessment tool should not seek disability-related information that is unnecessary for determining the need for housing-related services. The coordinated assessment process should ensure that program participants are informed of rights and remedies available under applicable federal, state, and local fair housing and civil rights laws, in accordance with the requirement at 24 CFR 578.93(c)(3).
11. **Training**—Initial and ongoing training on the use of the assessment tool should be provided to those parties that will be administering the assessment.
12. **Accessible and well-advertised**—The assessment must be well advertised and easily accessed by people seeking services or housing. This can happen in a variety of ways: access to services can be centralized, a one-stop shop approach. Access can be coordinated, leveraging outreach capacity and linking or integrating with mainstream systems. The assessment must be conducted in a manner that is accessible for individuals with disabilities, ensures meaningful program access for persons with Limited English Proficiency, and is affirmatively marketed in order to reach eligible persons who are least likely to seek assistance in the absence of special outreach, in accordance with 24 CFR 578.93(c)(1).
13. **Prioritization**—When resources are scarce, the coordinated assessment process should prioritize who will receive assistance based on their needs. Coordinated assessment should never result in long waiting lists for assistance. Instead, when there are many more people who are assessed to receive an intervention than there are available openings, the process should refer only individuals with the greatest needs.
14. **Inform system change efforts**—Information gathered during the coordinated assessment process should identify what types of programs are most needed in the community and be used by the CoC and other community leaders to allocate resources.

Recommended Qualities of a Good Standardized Assessment Tool

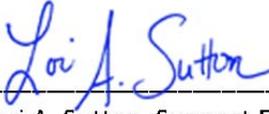
While HUD requires that CoCs use a standardized assessment tool, it does not endorse any specific tool or approach, there are universal qualities that any tool used by a CoC for their coordinated assessment process should include.

1. **Valid**—Tools should be evidence-informed, criteria-driven, tested to ensure that they are appropriately matching people to the right interventions and levels of assistance, responsive to the needs presented by the individual or family being assessed, and should make meaningful recommendations for housing and services.
2. **Reliable**—The tool should produce consistent results, even when different staff members conduct the assessment or the assessment is done in different locations.
3. **Inclusive**—The tool should encompass the full range of housing and services interventions needed to end homelessness, and where possible, facilitate referrals to the existing inventory of housing and services.
4. **Person-centered**—Common assessment tools put people—not programs—at the center of offering the interventions that work best. Assessments should provide options and recommendations that guide and inform client choices, as opposed to rigid decisions about what individuals or families need. High value and weight should be given to clients’ goals and preferences.
5. **User-friendly**—The tool should be brief, easily administered by non-clinical staff including outreach workers and volunteers, worded in a way that is easily understood by those being assessed, and minimize the time required to utilize.
6. **Strengths-based**—The tool should assess both barriers **and** strengths to permanent housing attainment, incorporating a risk and protective factors perspective into understanding the diverse needs of people.
7. **Housing First orientation**—The tool should use a Housing First frame. The tool should not be used to determine “housing readiness” or screen people out for housing assistance, and therefore should not encompass an in-depth clinical assessment. A more in-depth clinical assessment can be administered once the individual or family has obtained housing to determine and offer an appropriate service package.
8. **Sensitive to lived experiences**—Providers should recognize that assessment, both the kinds of questions asked and the context in which the assessment is administered, can cause harm and risk to individuals or families, especially if they require people to relive difficult experiences. The tool’s questions should be worded and asked in a manner that is sensitive to the lived and sometimes traumatic experiences of people experiencing homelessness. The tool should minimize risk and harm, and allow individuals or families to refuse to answer questions. Agencies administering the assessment should have and follow protocols to address any psychological impacts caused by the assessment and should administer the assessment in a private space, preferably a room with a door, or, if outside, away from others’ earshot. Those administering the tool should be trained to recognize signs of trauma or anxiety.

Additionally, the tool should link people to services that are culturally sensitive and appropriate and are accessible to them in view of their disabilities, *e.g.*, deaf or hard of hearing, blind or low vision, mobility impairments

9. **Transparent**—The relationship between particular assessment questions and the recommended options should be easy to discern. The tool should not be a “black box” such that it is unclear why a question is asked and how it relates to the recommendations or options provided.

Certified as approved by West Central Illinois Continuum of Care Consortium's (WCICCC) CoC Program Application Committee on November 6, 2015. Pending approval of WCICCC's governing board, West Central Illinois (WCI) Homeless Assistance Council.



Lori A. Sutton, Support Entity