

CONTINUUM OF CARE AWARDS PREPARATION

While the 2017 CoC NOFA has not been released, there are a number of things Continuum's of Care can be doing now. This checklist will help CoC's prepare for the 2017 Continuum of Care NOFA.

Review 2016 Consolidated Application

Carefully review last year's application and:

- Identify areas where you scored low in last year's application.
- Develop a plan to address these areas.
- Make a list of activities that the CoC stated they would accomplish and collect information from stakeholders on progress towards stated goals.

Develop a Governance Plan

Meet with your Governance Committee now to:

- Create resource reallocation strategy (see below).
- Meet with local providers to prepare them for any plans or changes.
- Establish your Ranking and Review Committee and prepare them for their responsibility.
- Prepare a request for proposals for new projects with CoC priorities.

Review Funded Projects

Review your current projects. Ask:

- Which projects are not spending their funding or are not at capacity?
- Which projects are not meeting the performance benchmarks?
- What are the costs per permanent housing exit for each project?

Review Fidelity to Housing First

Review project policies and procedures. Ask:

- Are you offering training and clear guidance for your providers on housing first philosophy and strategies?
- Does your project ranking and prioritization require that all projects be housing first?
- What can you offer in making program changes to align with the housing first policies?

Review Ranking Process and Forms

Review last year's process. Ask:

- Do forms align with the HUD policy priorities?
- Do forms focus on performance for each project?
- Are you prioritizing projects that are efficient with funds?
- Do projects help you reach the goals you state in your application?
- Does your scoring system reflect all of the above?

Create Resource Allocation Strategy

Review all your current projects. Ask:

- Are there projects that are underutilized or underperforming that can be reallocated?
- Are there portions of projects that can be reallocated?
- Are there funds from projects that can be recaptured to create new projects?

Review PIT/HIC and Performance Data

Make sure your information is accurate. Ask:

- Are there any major changes or discrepancies from the 2016 data?
- Do the projects we apply for reflect the information in our data?
- Are you able to measure performance?
- How do you plan to use this data improve both system and project performance?

Read NOFA Notice

- Plan ample time to review the notice completely.
- Carefully review each SNAPS CoC Competition Focus notice. These notices give a good idea of what is expected for local communities.

Promoting a Housing First approach is one of HUD's policy priorities in the 2016 Continuum of Care (CoC) NOFA. HUD encourages CoCs to use data to measure how quickly Housing First programs move households into permanent housing, remove barriers to accessing housing and services, and adopt a client-centered service method.

CoCs that can demonstrate at least 75 percent of their project applications use a Housing First approach can receive points on the NOFA. This Fact Sheet can be used by CoCs looking for a definition and summary of the evidence for Housing First.

What is Housing First?

Housing First is a homeless assistance approach that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness and serving as a platform from which they can pursue personal goals and improve their quality of life. This approach is guided by the belief that people need basic necessities like food and a place to live before attending to anything less critical, such as getting a job, budgeting properly, or attending to substance use issues. Additionally, Housing First is based on the theory that client choice is valuable in housing selection and supportive service participation, and that exercising that choice is likely to make a client more successful in remaining housed and improving their life.ⁱ

How is Housing First different from other approaches?

Housing First does not require people experiencing homelessness to address all of their problems including behavioral health problems, or to graduate through a series of services programs before they can access housing. Housing First does not mandate participation in services either before obtaining housing or in order to retain housing. The Housing First approach views housing as the foundation for life improvement and enables access to permanent housing without prerequisites or conditions beyond those of a typical renter. Supportive services are offered to support people with housing stability and individual

well-being, but participation is not required as services have been found to be more effective when a person chooses to engage.ⁱⁱ Other approaches do make such requirements in order for a person to obtain and retain housing.

Who can be helped by Housing First?

A Housing First approach can benefit both homeless families and individuals with any degree of service needs. The flexible and responsive nature of a Housing First approach allows it to be tailored to help anyone. As such, a Housing First approach can be applied to help end homelessness for a household who became homeless due to a temporary personal or financial crisis and has limited service needs, only needing help accessing and securing permanent housing. At the same time, Housing First has been found to be particularly effective approach to end homelessness for high need populations, such as chronically homeless individuals.ⁱⁱⁱ

What are the elements of a program that follows a Housing First approach?

Housing First programs often provide rental assistance that varies in duration depending on the household's needs. Consumers sign a standard lease and are able to access supports as necessary to help them do so. A variety of voluntary services may be used to promote housing stability and well-being during and following housing placement.

Two common program models follow the Housing First approach but differ in implementation. Permanent supportive housing (PSH) is targeted to individuals and families with chronic illnesses, disabilities, mental health issues, or substance use disorders who have experienced long-term or repeated homelessness. It provides long-term rental assistance and supportive services.

A second program model, rapid re-housing, is employed for a wide variety of individuals and families. It provides short-term rental assistance and services. The goals are to help people obtain housing quickly, increase self-sufficiency, and remain housed. The Core Components of rapid re-housing—housing identification, rent and move-in assistance, and case management and services—operationalize Housing First principals.

Does Housing First work?

There is a large and growing evidence base demonstrating that Housing First is an effective solution to homelessness. Consumers in a Housing First model access housing faster^{iv} and are more likely to remain stably housed.^v This is true for both PSH and rapid re-housing programs. PSH has a long-term housing retention rate of up to 98 percent.^{vi} Studies have shown that rapid re-housing helps people exit homelessness quickly—in one study, an average of two months^{vii}—and remain housed. A variety of studies

have shown that between 75 percent and 91 percent of households remain housed a year after being rapidly re-housed.^{viii}

More extensive studies have been completed on PSH finding that clients report an increase in perceived levels of autonomy, choice, and control in Housing First programs. A majority of clients are found to participate in the optional supportive services provided,^{ix} often resulting in greater housing stability. Clients using supportive services are more likely to participate in job training programs, attend school, discontinue substance use, have fewer instances of domestic violence,^x and spend fewer days hospitalized than those not participating.^{xi}

Finally, permanent supportive housing has been found to be cost efficient. Providing access to housing generally results in cost savings for communities because housed people are less likely to use emergency services, including hospitals, jails, and emergency shelter, than those who are homeless. One study found an average cost savings on emergency services of \$31,545 per person housed in a Housing First program over the course of two years.^{xii} Another study showed that a Housing First program could cost up to \$23,000 less per consumer per year than a shelter program.^{xiii}

ⁱTsemberis, S. & Eisenberg, R. Pathways to Housing: Supported Housing for Street-Dwelling Homeless Individuals with Psychiatric Disabilities. 2000.

ⁱⁱEinbinder, S. & Tull, T. The Housing First Program for Homeless Families: Empirical Evidence of Long-term Efficacy to End and Prevent Family Homelessness. 2007.

ⁱⁱⁱGulcur, L., Stefancic, A., Shinn, M., Tsemberis, S., & Fishcer, S. Housing, Hospitalization, and Cost Outcomes for Homeless Individuals with Psychiatric Disabilities Participating in Continuum of Care and Housing First Programmes. 2003.

^{iv}Gulcur, L., Stefancic, A., Shinn, M., Tsemberis, S., & Fishcer, S. Housing, Hospitalization, and Cost Outcomes for Homeless Individuals with Psychiatric Disabilities Participating in Continuum of Care and Housing First programs. 2003.

^vTsemberis, S. & Eisenberg, R. Pathways to Housing: Supported Housing for Street-Dwelling Homeless Individuals with Psychiatric Disabilities. 2000.

^{vi}Montgomery, A.E., Hill, L., Kane, V., & Culhane, D. Housing Chronically Homeless Veterans: Evaluating the Efficacy of a Housing First Approach to HUD-VASH. 2013.

^{vii}U.S. Department of Housing and Urban Development. Family Options Study: Short-Term Impacts. 2015.

^{viii}Byrne, T., Treglia, D., Culhane, D., Kuhn, J., & Kane, V. Predictors of Homelessness Among Families and Single Adults After Exit from Homelessness Prevention and Rapid Re-Housing Programs: Evidence from the Department of Veterans Affairs Supportive Services for Veterans Program. 2015.

^{ix}Tsemberis, S., Gulcur, L., & Nakae, M. Housing First, Consumer Choice, and Harm Reduction for Homeless Individuals with a Dual Diagnosis. 2004.

^xEinbinder, S. & Tull, T. The Housing First Program for Homeless Families: Empirical Evidence of Long-term Efficacy to End and Prevent Family Homelessness. 2007.

^{xi}Gulcur, L., Stefancic, A., Shinn, M., Tsemberis, S., & Fishcer, S. Housing, Hospitalization, and Cost Outcomes for Homeless Individuals with Psychiatric Disabilities Participating in Continuum of Care and Housing First programs. 2003.

^{xii}Perlman, J. & Parvensky, J. Denver Housing First Collaborative: Cost Benefit Analysis and Program Outcomes Report. 2006.

^{xiii}Tsemberis, S. & Stefancic, A. Housing First for Long-Term Shelter Dwellers with Psychiatric Disabilities in a Suburban County: A Four-Year Study of Housing Access and Retention. 2007.

REALLOCATING PERMANENT SUPPORTIVE HOUSING

After years of emphasis on reallocating low performing transitional housing programs, many communities are finding their Continuum of Care (CoC) portfolios are almost entirely composed of permanent housing projects. CoCs should evaluate permanent supportive housing (PSH) projects and consider reallocation when it would improve the communities' ability to end chronic homelessness.

CoCs that do not have the ability or capacity to evaluate all of the suggested considerations below should choose a few questions to consider as part of the 2016 process, with the goal of evaluating these questions more in-depth in future funding competitions.

How do you determine whether PSH should be reallocated?

In the 2016 NOFA, CoCs may reduce or eliminate funds from eligible renewal projects, including first-time renewal projects formerly funded under the Shelter Plus Care Program (S+C). CoCs can reallocate funds from one or more projects to create one or more new projects. CoCs should consider reallocating low performing projects, inefficient projects, and projects that no longer meet a community need.

Here are three key questions to consider when evaluating permanent supportive housing projects:

1. Does the permanent supportive housing project perform well?

Continually monitor project performance and work with projects to develop capacity or determine others who could provide high quality supportive housing.

Data or Information Needed

- Total number of households served in the year
- Number of households exited to any destination
- Number of households who exited to permanent housing destinations
- Number of households remaining in the project longer than 12 months¹
- Written project policy of prioritizing chronically homeless households
- Organizational policies and procedures
- Percentage of clients served in the past year who were chronically homeless
- HMIS data quality
- Consumer feedback

Things to Consider

- Did the project meet HUD's performance goal of 80 percent of households retaining housing or exiting to permanent housing?
- If the CoC set a higher performance goal, did the project also meet the CoC's performance goal?
- How did the project compare relative to other PSH projects in the CoC?
- Are the high or low performers serving chronically homeless households?
- Has the project shown improvements or have plans in place to make improvements?
- Are consumers satisfied with the housing and services?
- Does the project embrace a Housing First philosophy, and is this reflected in their policies and procedures?
- How is the project's data quality?

¹ In the 2016 NOFA, points are available for CoCs that can demonstrate that 80 percent of people in CoC funded PSH remained for at least 12 months.

2. Is it cost effective?

Permanent housing resources are scarce. Measure cost effectiveness to determine if projects are maximizing their resources.

Data or Information Needed

- Total annual program budget (all funding sources)
- Total number of households served in a year
- Utilization Rates from Housing Inventory Chart
- Number of households who exited to permanent housing destinations
- Number of households remaining in the project longer than 12 months
- Written project policy of prioritizing chronically homeless households
- Percentage of clients served in the past year who were chronically homeless

Things to Consider

- What is the cost per household served?
- Are project costs high or low compared to other PSH projects in the CoC?
- Are high costs projects also serving chronically homeless households?
- Is the project operating at full capacity?
- What is the cost per positive outcome (exit to or retention of permanent housing)?

3. Does it continue to meet a community need?

CoC projects should reflect the needs of the community for permanent housing and be used strategically to end chronic homelessness.

Data or Information Needed

- Percentage of beds dedicated or prioritized for a specific population
- Percentage of beds serving households experiencing chronic homelessness as reported on the HIC
- PIT counts of chronically homeless individuals and families over time
- CoC gaps analysis
- Participation in coordinated entry
- Written project policy of prioritizing chronically homeless households
- Percentage of clients served in the past year who were chronically homeless

Things to Consider

- Does the project's target population match the need in your community?
- Has chronic homelessness gone up or down in your community?
- Is the project serving the intended target population?
- Is the project serving chronically homeless households?
- Is the project accepting referrals from coordinated entry?

What should CoCs reallocate funding to?

CoCs should consider data on community need and HUD's policy priorities when determining to what to reallocate. Reallocating from PSH to another PSH project should be the first consideration. CoCs with a need for more PSH should consider reallocating to a high performing PSH provider who can take over operations without displacing clients. If the PSH project does not currently serve a community need, CoCs should consider reallocating to PSH for another population. If, through move-on strategies and better targeting, the CoC has enough PSH to end chronic homelessness they may want to reallocate to rapid re-housing, HMIS, or SSO for coordinated entry.

If CoCs do find they have PSH that is low performing, inefficient, or no longer meets a community need, the following chart outlines to what CoCs should consider reallocating.

	Reallocate from PSH to high performing PSH provider	Reallocate from PSH serving one population to PSH serving a higher priority population	Reallocate from PSH to rapid re-housing, HMIS, or SSO for coordinated entry
Low performing	x	x	
Not cost effective	x		
Does not meet need		x	x