

## **Proposed policy: Adoption of HUD Notice CPD 16-11**

July 7, 2017

### **Proposed Change: Adopt Updated Notice on Prioritizing Persons Experiencing Chronic Homelessness and other Vulnerable People in Permanent Supportive Housing (HUD Notice CPD-16-11)**

Replace “A. Eligibility and Prioritization” for Permanent Supportive Housing section on pages 19-21 of the NYC CoC Written Standards with the following:

#### **Eligibility:**

- All households served in CoC-funded PSH must have documentation on file verifying their status of homelessness and disability, including any necessary 3rd Party documentation as required by HUD.
- All permanent supportive housing projects must seek to minimize any barriers to applicant’s entry into their project. This means that projects cannot require things of potential clients to enter their project over and beyond demonstrating meeting basic eligibility and any population prioritization requirements.
- Unless prohibited by other project funding sources and the project received an exemption from the NYC CoC Steering Committee, permanent supportive housing projects are required to use a low-barrier, Housing First model (i.e., PSH projects may not: have service participation requirements; screen out participants based on having too little or no income, active or history of substance abuse, a criminal record, or a history of domestic violence. PSH projects also may not terminate participants from the project for any of the following reasons: failure to participate in supportive services, failure to make progress on a service plan, loss of income or failure to improve income, domestic violence, any other activity not covered in a customary and enforceable lease agreement).

#### **Requirement to dedicate or prioritize PSH beds to people experiencing chronic homelessness:**

All New York City Continuum of Care (NYC CoC) funded PSH beds are required to dedicate or prioritize 100% of their beds to people experiencing chronic homelessness, as defined by HUD (See definitions section). When filling vacant beds, CoC-funded PSH projects must seek referrals only through the *By-Name Prioritized List of People Experiencing Chronic Homelessness* maintained by the New York City Human Resources Administration’s Placement, Assessment and Client Tracking Unit (PACT).

This by-name list uses the order of priority established in HUD Notice CPD-16-11: Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless

Persons in Permanent Supportive Housing. Relevant guidance from the Notice appears below, and the full Notice is available at:

<https://www.hudexchange.info/resources/documents/notice-cpd-16-11-prioritizing-persons-experiencing-chronic-homelessness-and-other-vulnerable-homeless-persons-in-psh.pdf>

The notice defines which chronically homeless people get priority access to PSH beds and how to prioritize PSH beds when no chronically homeless persons exist within the geographic area.

### **Accepting Referrals through a Single Prioritized List for PSH**

All CoC-funded PSH projects are required to accept referrals ONLY from *By-Name Prioritized List of People Experiencing Chronic Homelessness* maintained by PACT. The single prioritized list is updated frequently to reflect the most up-to-date and real-time data as possible.

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

When selecting participants for housing, PACT and CoC Program-funded PSH that is dedicated or prioritized for persons experiencing chronic homelessness are required to use the following order of priority that has been established by the NYC CoC Steering Committee, which is consistent with HUD Notice CPD-16-11:

- Priority #1: People who meet the HUD definition of chronic homelessness and have been determined to be Level I based on New York City's Standardized Vulnerability Assessment, which considers, length of time homeless, multi-system contact, and functional impairment/high utilization of Medicaid.
- Priority #2: People who meet the HUD definition of chronic homelessness and have been determined to be Level II based on New York City's Standardized Vulnerability Assessment.
- Priority #3: People who meet the HUD definition of chronic homelessness and have been determined to be Level III based on New York City's Standardized Vulnerability Assessment.
- Within each priority group described above, applicants will be prioritized based on the number of days of cumulative homelessness during the past 3 years. For example, applicants in priority group #1 with more cumulative days of homelessness will be prioritized over other applicants in priority group #1 with fewer cumulative days of homelessness. Only as necessary to break a tie, applicants within each priority group will be further prioritized based on date of application, with earlier application dates being prioritized over later application

dates.

- Exceptions to the order specified above may be considered in extraordinary circumstances and must be approved by a subcommittee appointed for this purpose by the NYC Coordinated Assessment and Placement System (CAPS) Steering Committee, which is a committee of the NYC CoC. For example a project might seek an exception to prioritize someone who has been living in an unsheltered location for 400 days, is Level I and has been diagnosed with terminal cancer over someone who has been living in shelter for 600 days and is Level I.

Recipients of CoC funds (“recipients”) must follow the order of priority while also considering any target populations served by the project as identified in the project application submitted to HUD. For example, a CoC Program-funded PSH project that targets homeless persons with a serious mental illness should follow the order of priority to the extent to which persons with serious mental illness meet the criteria. In this example, if there were no persons with a serious mental illness that also met the criteria of chronically homeless, the recipient should follow the order of priority for PSH when no chronically homeless person exists on the By-Name List (see below).

Recipients must exercise due diligence when conducting outreach and assessment to ensure that chronically homeless individuals and families are prioritized for assistance based on their total length of time homeless and/or the severity of their needs. The NYC CoC recognizes that some persons—particularly those living on the streets or in places not meant for human habitation—might require significant engagement and contacts prior to their entering housing and recipients of CoC Program-funded PSH are not required to allow units to remain vacant indefinitely while waiting for an identified chronically homeless person to accept an offer of PSH. Projects should continue to make attempts to engage those persons that have not accepted an offer of PSH and these chronically homeless persons must continue to be prioritized for PSH until they are housed.

**Prioritizing access to PSH when participants are transferred from a different PSH project:**

Existing PSH participants being transferred from a different NYC CoC PSH project are exempt from the order of priority established in HUD Notice CPD-16-11. Such transfers should be considered to best serve the needs of PSH participants and/or ensure efficient use of PSH resources. All PSH transfers must be coordinated through and approved by PACT to ensure that any resulting PSH vacancy is filled using the order of priority established in this policy and HUD Notice CPD-16-11, except in cases where existing project participant households exchange units. In all cases, PSH units must be prioritized for eligible applicants residing in the NYC CoC covered geography over eligible applicants residing in another CoC.

**Order of priority for PSH when no chronically homeless person exists on the By-Name List or wants to live in the jurisdiction where the vacancy is:**

When no chronically homeless person or no chronically homeless person who meets a project's HUD-approved target population criteria (e.g. families with children, youth under 25, veterans, survivors of domestic violence, people with mental illness, people who use substances, or people with HIV/AIDS) exists on the *By-Name Prioritized List of People Experiencing Chronic Homelessness* maintained PACT, CoC Program-funded PSH projects are required to follow the order of priority below when selecting participants. PACT will work with CoC Program-funded PSH projects to match eligible applicants to vacancies in their preferred geographic area, and homeless people may decline referrals that are inconsistent with their geographic preferences. Projects are required to follow the order of priority below when there is no eligible chronically homeless applicant who wishes to live in the geographic area where the vacancy exists.

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

An individual or family that is eligible for CoC Program-funded PSH who has experienced fewer than four occasions in the past three years where they have been living or residing in a place not meant for human habitation or in an emergency shelter but where the cumulative time homeless during the three-year period is at least 12 months **and** who has been identified as having severe service needs as demonstrated by being assigned to Level I based on New York City's Standardized Vulnerability Assessment.

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

- i. An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation or in an emergency shelter where the cumulative time homeless during the three-year period is at least 8 months **and** who has been identified as having severe service needs as demonstrated by being assigned to Level I based on New York City's Standardized Vulnerability Assessment.
- ii. An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation or in an emergency shelter where the cumulative time homeless during the three-year period is less than 8 months **and** who has been identified as having severe service needs as demonstrated by being assigned to Level I based on New York City's Standardized Vulnerability Assessment.

Applicants who meet the definition in section i above (i.e., those whose period of cumulative time homeless during the three-year period is at least 8 months) will be prioritized over applicants who meet the definition in section ii above.

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

An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation or an emergency shelter where the individual or family has not been identified as having severe service needs as demonstrated by being assigned to Level II or Level III based on New York City’s Standardized Vulnerability Assessment, with Level II applicants being prioritized over Level III applicants.

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

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

Within each priority group described above, applicants will be prioritized based on the number of days of cumulative homelessness during the past 3 years. For example, applicants in priority group “a” with more cumulative days of homelessness will be prioritized over other applicants in priority group “a” with fewer cumulative days of homelessness. Only as necessary to break a tie, applicants within each priority group will be further prioritized based on date of application, with earlier application dates being prioritized over later application dates.

Beds assigned to applicants who do not meet HUD criteria for chronic homelessness will continue to be dedicated or prioritized, so when that bed becomes vacant again it must be used to house a chronically homeless person unless there are still no eligible persons who meet that criterion within the CoC’s geographic area at that time.

## **Appendix**

### **Section I. Recordkeeping Requirements:**

All households served in CoC-funded PSH must have documentation on file verifying their status of homelessness and disability, including any necessary 3rd Party documentation as required by HUD.

Recipients of CoC Program-funded PSH, will maintain evidence of implementing these priorities. Evidence of following these orders of priority must be demonstrated by:

- A. Evidence of Severe Service Needs.** Evidence of severe service needs is that by which the recipient is able to determine the severity of needs as defined in this policy using data-driven methods such as an administrative data match or through the use of a standardized assessment. The documentation should include any information pertinent to how the determination was made, such as notes associated with case-conferencing decisions.
- B. Evidence that the Recipient is Following the CoC's Written Standards for Prioritizing Assistance.** Recipients must follow the CoC's written standards for prioritizing assistance, as described in this policy. Recipients must also document that the CoC's revised written standards have been incorporated into the recipient's intake procedures and that the recipient is following its intake procedures when accepting new program participants into the project.
- C. Evidence that there are no Households Meeting Higher Order of Priority within CoC's Geographic Area.**
  - (a)** When dedicated and prioritized PSH is used to serve non-chronically homeless households, the recipient of CoC Program-funded PSH should document how it was determined that there were no chronically homeless households identified for assistance within the geographic area at the point in which a vacancy became available. This documentation should include evidence of the outreach efforts that had been undertaken to locate eligible chronically homeless households within the defined geographic area and, where chronically homeless households have been identified but have not yet accepted assistance, the documentation should specify the number of persons that are chronically homeless that meet this condition and the attempts that have been made to engage the individual or family. The recipient of PSH may refer to a single prioritized list maintained by PACT as evidence.
  - (b)** When non-dedicated and non-prioritized PSH is used to serve an eligible individual or family that meets a lower order of priority, the recipient of CoC Program-funded PSH should document how the determination was made that there were no eligible individuals or families within the geographic area that met a higher priority. The recipient of PSH may refer to a single prioritized list maintained by PACT as evidence

that there were no households identified within the CoC’s geographic area that meet a higher order of priority.

**Section II. Severity of Service Need Requirements**

For the purposes of this policy, severity of service needs must be documented in a program participant’s case file. The determination must not be based on a specific diagnosis or disability type, but only on the severity of needs of the individual or family. The NYC CoC uses the NYC Standardized 1i Assessment to determine severity of service needs.