

Vermont's Medicaid Permanent Supportive Housing Program

Research and Housing Policy Alignment Strategy Report



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Background and Methodology

The Vermont Agency of Human Services (AHS) contracted with the Technical Assistance Collaborative (TAC) to support the development of the state's new Medicaid Permanent Supportive Housing (PSH) Assistance Program. As part of this engagement, TAC has developed this Research and Housing Policy Alignment Strategy Report.

The overall purpose of this report is to provide recommendations to maximize housing resources for those receiving services through the new Program, and ensure these resources are delivered through a coordinated and aligned approach that meets national best practices and standards. TAC conducted a number of activities to inform this report and develop our recommendations, including:

- Completed 17 stakeholder interviews with state funders, PSH providers, and Coordinated Entry staff (See <u>Appendix A</u>)
- Held a group feedback session with nonprofit housing developers and providers
- Reviewed various reports and data sources including Point-In-Time Count (PIT), Housing Inventory Counts (HICs), Continuum of Care (CoC) Program Policies and Procedures, state legislature reports, and Public and Indian Housing (PIH) data dashboards
- Reviewed feedback obtained from stakeholder input sessions and surveys
- Researched best practices and national standards

In addition, TAC created a PSH Program and Resource Summary for state agencies, partners, and other stakeholders to better understand the range of PSH that exists and utilize this information as recommendations are considered and implemented. The PSH Program and Resource Summary can be found in <u>Appendix C</u> of this report. To assist in review of this report, a glossary of abbreviations is included as <u>Appendix B</u>.

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Best Practices and National Standards

Overview of Best Practices

Permanent supportive housing (PSH) is decent, safe, and affordable community-based permanent housing that provides eligible households with the rights of tenancy under landlord/tenant law and that is linked to voluntary and flexible services designed to meet the tenant's needs and preferences. PSH emphasizes choice, affordability, quality, and consumer control of housing in community-based integrated housing settings such as apartments.

For this project, Vermont has defined permanent supportive housing (PSH) as follows:

Permanent Supportive Housing (PSH) refers to housing for people with the most complex needs that is affordable, upholds the rights of tenancy via a lease, and offers voluntary, individualized services and supports to help them maintain their housing.

Since as early as 2010, the Substance Abuse and Mental Health Services Administration (SAMHSA) has identified PSH as an evidence-based practice (EBP), and outlines six core principles of PSH¹:

- **Choice in housing and living arrangements**: Participants should be given choice in the housing offered that takes into account their needs and preferences. This includes factors such as type of housing, location, and proximity to transportation and services as well as who else will be residing there.
- **Functional separation of housing and services**: PSH is most effective when there is a separation between housing matters (rent collection, physical maintenance of the property) and services and supports (e.g., case management).
- Decent, safe, and affordable: The housing should meet the Department of Housing and Urban Development's (HUD) National Standards for the Physical Inspection of Real Estate (NSPIRE). Participants should pay no more than 30% of their gross income for housing costs (rent plus utilities).
- **Community integration and rights of tenancy:** Housing units should be typical of those available in the community, without clustering people with disabilities or special needs. Tenants have full legal rights of tenancy according to local landlord/tenant laws. Tenancy is not contingent in any way on compliance with program or treatment participation (e.g., sobriety or medication compliance).
- Access to housing and privacy: Tenants have access to housing with no requirements to demonstrate readiness (other than provisions in a standard lease).
- Flexible, voluntary, and recovery-focused services: People can accept or refuse treatment or other services, but staff must continue to offer support and use flexible engagement strategies. The type, location, intensity, and frequency of services are adjusted to meet tenants' changing needs.

Research has shown the cost-effectiveness of the PSH model, particularly for people with extensive or complex needs such as those with co-occurring mental health and substance use disorders (SUDs) who

¹ Substance Abuse and Mental Health Services Administration (2010). <u>Permanent supportive housing: Evaluating</u> <u>your program</u>. HHS Pub. No. SMA-10-4509, Rockville, MD: Center for Mental Health Services, Substance Abuse and Mental Health Services Administration.

often experience homelessness, or who are frequent users of costly institutional and emergency care.² Research has also demonstrated positive impacts of PSH on housing stability, health, and behavioral health.³ In one review of existing research studies, a consistent finding emerged that the "provision of housing had a strong, positive effect in promoting housing stability and reducing homelessness."⁴

PSH can be created and designed in a variety of ways that meet the core principles noted above. For example, some states promote the development of integrated properties in which a percentage of units (usually 25% or less) in a building are dedicated to PSH, with the remainder available to the general population. Vermont Housing Finance Agency (VHFA) incentivizes the creation of integrated PSH by building in additional "checkmarks" for projects providing 25% of units within a development as Housing with Services for the Homeless or At Risk of Homelessness.⁵ Scattered site projects or programs in which tenants lease individual units in the community are another common model that meets the PSH best practice principles. Many of Vermont's models, including but not limited to the Family Supportive Housing program, Housing Subsidy Plus Care, and CoC PSH Shelter Plus Care, meet the principles using a variety of tenant-based rental assistance paired with supportive services.

Models in which all units in a property are PSH may not by themselves meet the aforementioned best practice principles. For example, here is the U.S. Department of Justice definition of "integrated" and "segregated" settings in the context of *Olmstead* law:

The "most integrated setting" is defined as "a setting that enables individuals with disabilities to interact with non-disabled persons to the fullest extent possible." Integrated settings are those that provide individuals with disabilities opportunities to live, work, and receive services in the greater community, like individuals without disabilities. Integrated settings are located in mainstream society; offer access to community activities and opportunities at times, frequencies and with persons of an individual's choosing; afford individuals choice in their daily life activities; and, provide individuals with disabilities the opportunity to interact with non-disabled persons to the fullest extent possible. Evidence-based practices that provide scattered-site housing with supportive services are examples of integrated settings.

³Rog, D., Marshall, T., Dougherty, R., George, P., Daniels, A., Ghose, S. S., & Delphin-Rittmon, M. (2014). <u>Permanent</u> <u>supportive housing: Assessing the evidence</u>. *Psychiatric Services, 65*(3):287-94; Padgett, D., Stanhope, V., & Henwood, F. (2011). <u>Substance use outcomes among homeless clients with serious mental illness: Comparing</u> <u>Housing First with treatment first programs</u>. *Community Mental Health Journal, 47*(2), 227–232.

Rog, D., Marshall, T., Dougherty, R., George, P., Daniels, A., Ghose, S. S., & Delphin-Rittmon, M. (2014). <u>Permanent</u> <u>supportive housing: Assessing the evidence</u>. *Psychiatric Services, 65*(3):287-94

⁵ Funding for projects that dedicate more than 30% of units as Housing with Services is limited, and such projects must show they meet an emergent and deeply rooted community need where other development resources are unavailable.

²Culhane, D. P., Metraux, S., & Hadley, T. (2002). <u>Public service reductions associated with placement of homeless</u> <u>persons with severe mental illness in supportive housing</u>. *Housing Policy Debate, 13*(1), 107-163; Larimer, M. E. (2009). <u>Health care and public service use and costs before and after provision of housing for chronically homeless</u> <u>persons with severe alcohol problems</u>. *JAMA, 301*(13):1349; Chalmers McLaughlin, T. (2010). <u>Using common</u> <u>themes: Cost-effectiveness of permanent supported housing for persons with mental illness</u>. *Research on Social Work Practice, 21*(4):404–411.

By contrast, segregated settings often have qualities of an institutional nature. Segregated settings include, but are not limited to: (1) congregate settings populated exclusively or primarily with individuals with disabilities; (2) congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in community activities and to manage their own activities of daily living; or (3) settings that provide for daytime activities primarily with other individuals with disabilities.⁶

However, in a comprehensive PSH portfolio such as the one being established in Vermont, it may be best practice to offer a range of models including clustered, scattered site as well as some single sites that adhere to the PSH principles included in the state's definition.

Housing First

Housing First is an approach to housing and service provision that prioritizes rapid placement and stabilization in permanent housing that does not have service participation requirements or preconditions (such as sobriety or a minimum income threshold).⁷ Within the Housing First framework, supportive services are offered to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry. The United States Interagency Council on Homelessness (USICH) and HUD have both identified Housing First as a best practice. It is identified as a key component of multiple strategies outlined in <u>ALL IN: The Federal Strategic Plan to Prevent and End Homelessness</u>. Recent studies have shown Housing First to reduce homelessness, increase housing stability, and improve quality of life for people who are experiencing homelessness.⁸ While Housing First is an effective approach in PSH programs, it is not a program in itself and should be considered as a systemwide orientation and response in the delivery of housing and services.⁹

Equitable Access and Incorporating the Insights of People with Lived Experience

Equitable access to PSH is a principle that has been more critically considered in recent years. Programs must be designed to ensure that Black, Indigenous, and people of color (BIPOC), lesbian, gay, bisexual,

⁹ United States Interagency Council on Homelessness (2016). *Housing First checklist: Assessing projects and systems for a Housing First orientation*. Washington, D.C.: United States Interagency Council on Homelessness

⁶ U.S. Department of Justice, Civil Rights Division (2011). <u>Statement of the Department of Justice on enforcement of</u> <u>the integration mandate of Title II of the Americans with Disabilities Act and Olmstead v. L.C.</u> Washington, D.C.: U.S. Department of Justice.

⁷ Office of Policy Development & Research (2023). <u>Housing First: A review of the evidence</u>. *Evidence Matters*, Spring/Summer 2023. Washington, D.C.: Department of Housing & Urban Development, Office of Policy Development & Research

⁸ National Low Income Housing Coalition, National Alliance to End Homelessness, & CWS (2023). <u>The case for</u> <u>Housing First</u>. Washington, D.C.: National Low Income Housing Coalition

transgender, and queer/questioning (LGBTQ+) people, and people with all disabilities have equal access to all types of PSH programs. Disparities associated with race, ethnicity, gender, age and other categories covered by the Fair Housing Act pose an enormous challenge to all systems of care. But policy changes at multiple levels and across multiple sectors can drive systemic change in assuring equitable access. Long-term impact requires meaningful education with the community and key institutions to ensure both accountability and sustainability. This includes incorporating the insights of people with lived experience in meaningful ways such as creating tenant organizations that have a meaningful voice, hiring staff with lived experience, and including people with lived experience on organizational committees and boards.

Incorporating people with lived experience in PSH programs is also an effective strategy for engaging and building relationships with individuals and families experiencing homelessness who may not trust formalized agencies or provider staff. People with lived experience are often able to gain trust and break down barriers that prevent people from utilizing resources to address homelessness and housing instability.

Thoughtfully incorporating data points, creating a baseline, and reviewing data on a regular basis is important. For example, what are the demographics (race, ethnicity, gender identification, age, disability) of the target populations prior to program entry (streets, shelter, institutions, jail, etc.), and what is the demographic profile of tenants? What disparities may be due to issues related to outreach (e.g., staffing capacity, methods of outreach), referral processes (e.g., need for additional partners, assessment protocols, training), or eligibility requirements (e.g., documentation, unnecessary requirements)? What disparate outcomes might be due to disparities in evictions or tenancy-sustaining supports? Collecting, reviewing, and analyzing the data regularly — including after making policy and practice changes — is key.

The development of PSH and PSH programs requires resources for housing assistance (capital and/or rental assistance) and supportive services as well as effective, coordinated partnerships and systems. There are a number of best practices and standard processes that can be established to ensure consistent implementation of PSH.

Best Practice Strategies for PSH Development

One of the biggest issues facing states and communities across the nation is a lack of available housing stock. Although rental subsidies are a critical resource for affordability, without available housing, resources cannot be fully utilized.

Incentives in the Federal Low Income Housing Tax Credit (LIHTC) Program

Among the most promising PSH development strategies across the country are practices for offering incentives that encourage mainstream developers to create PSH units, and to prioritize PSH tenant populations consistent with state goals.

State Housing Finance Agencies across the country have developed innovative systems to incentivize PSH development for both majority PSH properties and mixed properties. Some utilize points in their Qualified Allocation Plan (QAP) to incentivize development. Other states incentivize PSH development

with a percentage of their funding allocations, or by prioritizing certain funding sources specifically for the development of PSH. These set-asides lessen or eliminate the competition for PSH funds, encouraging developers to apply and ensuring that PSH developers — who may have less capacity than traditional affordable housing developers — have access to adequate financing.

According to the National Council of State Housing Agencies:

The Housing Credit is a vital tool for developing supportive housing for various special needs populations, and many Allocating Agencies have developed strategies for structuring and attracting investors to such developments. Some states have set-asides of Credit authority for supportive housing, while others provide additional points in the competitive scoring process. Some Agencies are revising underwriting standards and using the state-designated basis boost to enhance financial feasibility of supportive housing developments, while others are focusing on securing supportive service commitments and funding to enhance investor comfort with these deals.¹⁰

VHFA's LIHTC award process incentivizes the development of PSH units integrated into tax credit projects by providing checkmarks to projects providing 25% of units as Housing with Services for the Homeless or At Risk of Homelessness.

State Tax Credits for Capital Investment

One way states have been able to maximize affordable housing resources is through the creation of a <u>state housing tax credit program</u>. This can supplement the federal LIHTC program and provide additional resources for affordable housing production. In 2023, Vermont and 23 other states had state tax credit programs. Vermont's state tax credit program allocates up to \$400,000 a year to rental projects.

State Funds for PSH Development

Many states allocate state funding for affordable housing development. In some cases, these investments are made from the state's operating budget, in others from state bonds. Vermont's <u>Housing</u> for All revenue bond is an example of an affordable housing program funded from state bonds. The \$37 million housing bond was created in 2017 and is administered by the Vermont Housing & Conservation Board (VHCB).

VHFA established the Vermont Housing Investment Fund (VHIF) in 2020 to provide flexible financing opportunities for affordable housing development. The fund has raised over \$9.5 million in public and private capital, including funding from the Vermont Community Foundation, the U.S. Department of the Treasury Capital Magnet Fund, Federal Home Loan Bank of Boston, New England Federal Credit Union (NEFCU), and a portion of VHFA's unrestricted general fund capital.¹¹ In two years, VHIF has funded the

¹⁰ National Council of State Housing Agencies (2023). <u>*Recommended practices in housing credit administration (2023 update)*</u>. Washington, D.C.: National Council of State Housing Agencies

¹¹ Vermont Housing Finance Agency (2022). 2022 <u>Vermont Housing Investment Fund annual report</u>. Burlington, VT: Vermont Housing Finance Agency

production of 17 projects with a total of 834 units including 10% targeted to people experiencing homelessness. VHFA is pursuing options to continue to expand this program.

Collaborative Proposal Assessment

A key element to the success of PSH development is developing standards for assessing proposals of funding and decision-making. In a number of states, the Housing Finance Agency involves the state Department of Human Services equivalent, or other supportive service subject matter experts, in its development project review teams. Another factor in project selection is the proven capacity of a developer's service partner to provide and bill for Medicaid-funded services. Some states have established stand-alone entities to serve as PSH project reviewers and subject matter experts. These entities provide opportunities for mainstream developers sponsoring mixed PSH deals to access technical assistance and support to strengthen the service plan portion of their applications.

Proposal Requirements and Review

The submission of supportive service plans, supportive service budgets, and tenant selection plans at project application is another critical element to reviewing proposals. States with more structured service funding/service plan requirements often report a higher level of confidence in and satisfaction with the services offered in their PSH programs. Additionally, requiring a signed memorandum of understanding with a service provider, a supportive service plan, a fully funded supportive service budget, and a commitment of project-based vouchers or rents set at 15% of area median income is beneficial.

Best Practices to Create Affordability

While capital investments are critical to increasing the number of units available in the market, capital alone is not sufficient to make PSH affordable to the state's target populations which are extremely low-income. Housing is considered affordable when the tenant pays not more than 30% of their income for rent and utilities.¹² In Vermont a single individual whose sole source of income is SSI would have a monthly income of \$966. At 30% of their income, this individual could afford only \$290 for rent and utilities, far below the HUD-designated fair market rent (FMR) of \$812 for an efficiency unit in the least expensive county in Vermont. The gap between the \$290 the individual can afford and the market rate of \$812 is the "rental assistance," sometimes called operating assistance, and it is generally paid by a public entity. Rental assistance comes primarily in two forms: tenant-based assistance (or vouchers) and project-based assistance. Tenant-based assistance provides the eligible participant with a voucher that allows the tenant to select a unit of their choice. Once a unit is selected (and passes inspection and other requirements), the tenant leases the unit themselves. The tenant pays the landlord their share of the rent, and the public entity — very often a public housing agency — pays the rental assistance to the landlord. With project-based assistance (or operating assistance in some circumstances), the tenant pays the same 30% of income for rent and utilities but the assistance is attached to the unit. If the

¹² It is not uncommon now in the Housing Choice Voucher program to see tenants choosing to pay 40% of their income to improve the choice of units available to them.

tenant moves into the unit, they will receive the subsidized rent but if they move out, the rental assistance stays with the unit to be accessed by the next tenant.

The following highlights a few best practices related to rental assistance and PSH:

Targeted Rental Assistance Programs

The Housing Choice Voucher (HCV) program is one of the major federal rental assistance programs across the country. HCV can be both tenant-based and project-based. The agencies administering the HCV can adopt "preferences" which enable vouchers to first serve certain target populations. Preferences for people experiencing homelessness, people with disabilities, people exiting institutions, and Veterans are among the commonly seen preferences. In the tenant-based program it is illegal to target a specific disability population. When project-basing HCV (called PBVs), however, agencies can target populations eligible for disability-specific services, as well as non-disability-specific services. A Way Home is an example of a PBV program targeted to people experiencing homelessness.

For the last 20 years, Congress has also funded HCVs that are limited to specific target populations. These vouchers, known as <u>Special Purpose Vouchers</u> (SPVs), include Veterans Affairs Supportive Housing (VASH), the Family Unification Program (FUP), Mainstream, and Non-Elderly Disabled (NED) vouchers. These SPVs can help the state reach its goals of ending homelessness and minimizing the number of persons living in costly institutions. HUD has awarded SPVs through competitive Notices of Funding Opportunity (NOFOs) as well as through non-competitive processes. Once awarded, most SPVs are funded through annual appropriations.

The state's nine public housing agencies (PHAs) administer the HCV program, including five that administer Mainstream vouchers (1,036 vouchers), four that administer NED vouchers (922 vouchers), two that administer FUP vouchers (771 vouchers), and two that administer VASH vouchers (218 vouchers). VSHA administers all four of these special purpose vouchers in addition to other HCVs.

Note that data for four PHAs — Springfield, Barre, Winooski, and Montpelier — indicated no homeless new admissions from September 2022 through August 2023.¹³ The reasons for this are unclear.

State Housing Authority

Tenant-based rental assistance is most often administered by public housing agencies or authorities. Most of these PHAs are public entities controlled by local boards. In order to secure a preference in the PHA's HCV program or ask a PHA to apply to HUD for special vouchers when HUD announces an opportunity for funding, the state would have to go to each local entity individually and make the case. In addition to local PHAs, some states have state PHAs, often a state housing agency that administers a variety of housing programs. Having a state PHA is considered a best practice because it provides a partner for the creation of PSH at the state level, one that can reach across local jurisdictions. Vermont has such a partner in VSHA.

¹³ Based on the most recent publicly available data through HUD.

State-Funded Rental Assistance

Many states now also fund their own rental assistance programs to supplement the HCV programs. State-funded programs both expand the amount of rental assistance and allow states to control how the resources are allocated, e.g., to specific target populations. Vermont's Housing Subsidy Plus Care is an excellent example of state-funded PSH rental assistance utilizing state general funds to fund the housing assistance component.

Best Practices to Align Housing and Services for PSH

Aligning and synchronizing the provision of affordable housing and services is critical to best practices in PSH, ensuring successful outcomes and housing retention. The following are some of the practices that support successful alignment.

Streamlined Access, Referral, and Intake Processes

Establishing clear processes for access, referral, and intake to PSH opportunities is critical to ensure fair and equitable access for those persons most in need of assistance as well as timely referrals and enrollment. There are a number of referral systems seen nationally that Vermont could use as models to develop its system. Selecting a system, however, will be partly dependent on finalizing prioritization of the target population(s) for the program. For example, if people experiencing homelessness are prioritized, the natural choice for a referral system would be the Coordinated Entry system overseen by the two CoCs in the state. HUD requires that all recipients of CoC and Emergency Solutions Grants (ESG) funding utilize the CoC's Coordinated Entry system to make referrals to PSH, and also encourages a number of best practices to be incorporated into these systems including trauma-informed and personcentered approaches. Although participation in Coordinated Entry is not required for non-CoC/ESG programs, it is practical to include any PSH resources dedicated to those at risk of or experiencing homelessness into Coordinated Entry to the greatest extent feasible. Additionally, HUD encourages providers of mainstream resources and services targeted to people experiencing homelessness to be incorporated into Coordinated Entry, in order to assist with:

- Identifying people experiencing or at risk of experiencing homelessness
- Facilitating referrals to and from the coordinated entry process
- Aligning prioritization criteria where applicable
- Coordinating services and assistance
- Conducting activities related to continual process improvement¹⁴

Despite this encouragement by HUD, incorporating populations other than people experiencing homelessness has been challenging for many Coordinated Entry systems. Both Chittenden County Homeless Alliance (CCHA) and Vermont Coalition to End Homelessness (VCEH) are currently modifying their Coordinated Entry systems to include people at risk of homelessness.

¹⁴ U.S. Department of Housing and Urban Development (2017). <u>Notice establishing additional requirements for a</u> <u>Continuum of Care centralized or coordinated assessment system</u>. HUD Office of Community Planning and Development Notice CPD-17-01.

Other referral models include those used by state housing agencies that administer the Section 811 Project Rental Assistance (PRA) program. These range broadly, and include several states that target multiple populations from persons experiencing homelessness to those exiting institutions. If AHS decides to include multiple target populations, it may want to look more closely at the variety of models used by <u>Section 811 PRA states</u>.

Defining Roles and Responsibilities

PSH is a partnership model. Each partner must be clear on their role and the role of their partners in order to maintain the alignment and synchronization needed for successful PSH programs. TAC has found that it is critical for roles and responsibilities of each PSH partner and staff to be clearly defined in writing either through a memorandum of understanding (MOU) or other formal agreement. The MOU should be reviewed at regular intervals and updated as needed. MOUs are useful in orienting new staff to the partnership and their role in it. Additionally, there should be clear communication protocols established across partners with regular meetings to discuss roles and coordinate efforts in serving tenants (with necessary Releases of Information in place).

Monitoring and Evaluating Performance

To understand whether PSH programs are having their intended impact at the project and system levels, it's useful to establish specific performance indicators and goals. For CoC-funded PSH, HUD has specific performance measures that are tracked through data in the CoC's Homeless Management Information System (HMIS). Outside of CoC funding, TAC is aware of a number of states that have done a significant amount of work to identify and isolate specific performance measures that they are tracking, or would like to track, in PSH units and properties. While specific tools and priorities vary, a common set of performance indicators includes:

- Housing stability
- Employment and income
- Utilization of community health and social services
- Utilization of coordinated entry for referrals
- Utilization of Homeless Management Information System (HMIS) systems
- Vacancy rate in PSH units
- Number of PSH tenants engaged in voluntary services
- Number of evictions or early exits from PSH units
- Changes in target population
- Changes in resident access to support services
- Effectiveness of referral and screening practices
- Number of PSH denied/screened out

Another critical element to incorporate in performance standards is utilizing available data to understand access issues and racial inequities in projects or systems.

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Recommendations

Recommendation 1: Increase Rental Assistance Resources for Target Population

It is anticipated that the target populations will need rental assistance to make the housing in PSH affordable. As used here, rental assistance means funding a rental unit to ensure the tenant pays no more than 30% of their income for rent and utilities, a recognized best practice. In Vermont, a single individual whose sole source of income is SSI would have a monthly income of \$966. At 30% of their income, this individual could afford only \$290 for rent and utilities, far below the HUD-designated FMR of \$812 for an efficiency unit in the least expensive county in Vermont. The gap between the \$290 the individual can afford and the market rate of \$812 is the necessary "rental assistance," sometimes called operating assistance, and is generally paid by a public entity. Rental assistance comes primarily in two forms: tenant-based assistance (or vouchers) and project-based assistance. Tenantbased assistance provides the eligible participant with a voucher that allows the tenant to select a unit of their choice. Once a unit is selected (and passes inspection and other requirements), the tenant enters into a lease directly with the landlord. The tenant pays the landlord their share of the rent and the public entity - very often a public housing agency — pays the rental assistance (the difference between the tenant share and the contract rent) to the landlord. With project-based assistance, the tenant pays the same 30% of income for rent and utilities but the rental assistance is attached to the

unit. If the tenant moves into the unit, they will receive the subsidized rent but if they move out, the rental assistance stays with the unit to be accessed by the next tenant.

RENTAL ASSISTANCE PROGRAMS-INCOME ELIGIBILITY

Several stakeholders mentioned that low-wage earners were not eligible for rental assistance. TAC calculated the gross income of an individual working 40 hours per week for a full year earning \$13.67, the current minimum wage in Vermont. With an annual gross income of \$28,215, this individual would be over the income limit for most Housing Choice Voucher programs. HUD regulations require that at least 75% of all HCVs go to extremely low-income (ELI) households; in Burlington (the county with highest income limits) the ELI maximum income is \$23,900 for a single individual. Once eligible for the HCV program, a tenant's income can increase and the individual will remain eligible, but the initial income for eligibility is ELI.

For the DMH Housing Subsidy Plus Care program and CoC "Shelter Plus Care" administered by VHSA, the initial income eligibility is 50% of area median income (AMI).

1A: Opportunities to Increase Tenant-Based Rental Assistance in Vermont

There are three primary sources of tenant-based rental assistance in Vermont:

- 1. The Housing Choice Voucher program
- 2. The Department of Mental Health's Housing Subsidy Plus Care program
- 3. PSH programs through the CoCs, including Shelter Plus Care

Housing Choice Voucher program

The state's nine public housing agencies (PHAs) administer the HCV program, including five that administer Mainstream vouchers (1,036 vouchers), four that administer NED vouchers (922 vouchers), two that administer FUP vouchers (771 vouchers), and two that administer VASH vouchers (218 vouchers). VSHA administers all four of these special purpose vouchers in addition to other HCVs.

A review of one year of data for these nine PHAs indicates that on average almost 100 new households are admitted to the HCV program each month, with, on average, one-third of these admissions being those experiencing homelessness.¹⁵ VSHA accounts for about half of these admissions and has a similar ratio most months. Data for four PHAs — Springfield, Barre, Winooski, and Montpelier — indicated no homeless new admissions over that year. The Brattleboro and Rutland PHAs show significant underutilization of their Mainstream vouchers, and VSHA shows significant underutilization of its VASH vouchers.¹⁶

HUD data also backs up what TAC heard from stakeholders, that many households have vouchers but cannot find units. For example, as of October 13, 2023, VSHA had issued 132 Emergency Housing Vouchers (EHVs) but only 65 or almost half of voucher recipients have successfully leased units with their vouchers.¹⁷

TAC recommends VSHA adjust its Section 8 Administrative Plan to allow at least 50% of the vouchers turning over each month to be targeted to the new Program population. TAC estimates this may result in as many as 120 vouchers becoming available to the target population over one year.

TAC recommends the state reach out to the four PHAs that did not have any homeless admissions to identify the reasons for this and whether adjustments can be made to serve this population.

TAC recommends the state implement strategies to support increased utilization of vouchers such as expanding the existing state landlord relief fund to allow for payment of security deposits, bonuses for leasing units or renewing leases to target populations, and other incentives. The state should consider conducting a focus group with owners to identify the best incentives for this purpose.

¹⁵ September 2022 through August 2023. This was the most recent publicly available data through HUD.

¹⁶ Data for these programs is from July 2023 and is the most up to date available from HUD.

¹⁷ <u>https://www.hud.gov/program_offices/public_indian_housing/ehv/dashboard</u>. Data utilization for NED and FUP showed zero utilization so additional data review is needed.

The Department of Mental Health's Housing Subsidy Plus Care program

Just over \$1 million in state funds provides an estimated 100 households with tenant-based rental assistance and access to support services.

TAC recommends the state seek to increase this program by 50 vouchers per year for the next four years. TAC recommends assessing the feasibility of project-basing a portion of these vouchers.

CoC PSH Rental Assistance

The 2019 report from the Specialized Housing Vouchers Working Group¹⁸ to the Vermont legislature indicates significant underutilization of CoC rental assistance at that time. The reasons identified echo stakeholder comments that additional housing stock is needed and that landlords are reluctant to take tenants from vulnerable populations without assurance that services are available (and even then, owners with bad experiences remain reluctant). The new program can help to address the latter concerns, but additional landlord incentives may be necessary to ensure this resource can be maximized and that funds are not returned to HUD.

TAC re-emphasizes the recommendation above that the state implement strategies to support increased utilization of vouchers such as expanding landlord incentives that can be paired with any tenant-based vouchers. These could include increased security deposits, bonuses for leasing units and renewing leases to target populations, and other incentives. Educating landlords about the new PSH Assistance Program may also be helpful.

1B: Opportunities to Increase Project-Based Assistance in Vermont

TAC encourages PSH programs to develop both tenant-based and project-based rental assistance programs. Tenant-based voucher programs are often more desirable to tenants because they offer choice. Tenant-based vouchers also help tenants move as needed, whether to be closer to supports or a new job, to avoid a problem neighbor, or to avoid eviction themselves. Stakeholders, however, indicated that many who had been issued vouchers had difficulty finding units to lease. As described above, the data backs this up. Project-based rental assistance can help to minimize this issue because the voucher is already in place with a unit. Project-basing strategies are especially useful in areas where rents are strongly trending upward such as highly desirable neighborhoods or cities. These are often areas with public transportation and other amenities also important to those accessing the new Program. In addition, when paired with capital sources, this assists in increasing opportunities to accessible affordable units.

In reviewing existing affordable rental housing projects, TAC identified a minimum of 263 units in federal- or state-funded projects that made supportive housing commitments but do not already have any project-based vouchers.¹⁹

¹⁸ In Accordance with Sec. E.300.4 of Act 72 of 2019

¹⁹ Based on a review of HousingData.org

Section 811 Project Rental Assistance

Developing new sources of project-based rental assistance as Vermont PHAs reach their PBV caps is critical. HUD currently has an <u>open NOFO</u> for these funds. *Applications are due February 12, 2024*. Section 811 PRA provides project-based rental assistance for multifamily projects with five or more units. Households that include one or more persons ages 18-61 who have disabilities are eligible for this rental assistance. No more than 25% of the units in any one multifamily property can be targeted to persons with disabilities. Unlike the HCV program, these units can be targeted to persons with specific disabilities and the target population can be changed over time to align with changing needs.

TAC urges VHFA to apply for Section 811 PRA funding on behalf of the state.

Project-Based Vouchers (PBVs)

A PHA is allowed to project-base up to 20% of its authorized units generally, and under some conditions — including providing housing for households exiting homelessness — the PHA may project-base an additional 10%, for a total of 30% of authorized units.²⁰ HUD data from August 2023 indicates that seven Vermont PHAs have PBV components in their HCV programs.²¹ Five of these seven have used PBV primarily to preserve public housing programs through the Rental Assistance Demonstration (RAD) program, although Brattleboro and Rutland also have small non-RAD PBV allocations. VSHA and Burlington have made significant commitments of HCV towards PBV (1,200 and 619 units respectively). While each of these PHAs has exceeded the 20% cap "on paper," it is very likely that many of the units are targeted to people experiencing homelessness, seniors, or people with disabilities, all of which are exempt under the regulations. RAD units are also exempt. Therefore, it is likely that each of the PHAs has room to project-base additional PBVs if they are willing.

TAC recommends VSHA designate additional project-based vouchers paired with the new Program. As PBV regulations allow PBVs to be targeted based on services and/or disability, AHS should work with VSHA on language that would ensure households with the new Program would have first priority for these PBV units. AHS and VSHA would collaborate on identifying properties for these PBVs, potentially including units already occupied by beneficiaries of the new Program.

TAC recommends VSHA and VHFA collaborate on developing a pilot RFP that offers PBVs for properties awarded LIHTC and VHIF funding. Massachusetts has paired these together successfully in the application process for many years.

TAC recommends VSHA work with VHFA to identify projects for which VASH vouchers can be project-based. As described above, VSHA's VASH vouchers are underutilized.

²⁰ See <u>PIH Notice 2017-21</u>

²¹ This is the most current data publicly available at the time of this publication.

HUD-Assisted Multifamily Housing

HUD data indicates there are an estimated 180 HUD-assisted properties in Vermont with over 3,700 units that have project-based rental assistance (PBRA). Most of these properties have existed for a number of years, and most of the units are likely occupied at this time. However, units will turn over time, and when they do, it would be advantageous to be able to secure some of these units for those accessing the new Program. HUD has developed a <u>toolkit</u> to support outreach to encourage owners to consider a preference for people experiencing homelessness. If we estimate that 5% of units turn over in a year, if even 25% of these were allocated to the target population, the state would secure an additional 50 units that have project based rental assistance.

TAC recommends AHS work with the state housing agencies to review the HUD multifamily listing and identify properties, owners, and management agents who might be open to a time-limited preference for the target population.

Recommendation 2: Increase Production of Integrated PSH

Without additional affordable housing production, low-, very low-, and extremely low-income Vermonters will simply continue to compete for access to the existing but inadequate supply of housing. As described under PBV above, stakeholders indicated that finding units to lease was one of the primary challenges; the housing search data bears this out. VHFA is the primary funder and driver of affordable housing production in the state. The primary vehicles driving production are LIHTC, VHIF, and capital funds from VHCB; these funding sources offer opportunities to increase the production of new PSH units.

Low Income Housing Tax Credit Programs

Vermont has both federal tax credits and its own state tax credit program.

While competition for critical development resources ensures that projects awarded LIHTC in recent years have all committed 25% of their units for supportive housing, projects funded prior to 2018 may have only 10% or fewer targeted units. Owners/managers of projects targeting fewer than 25% of their units may be interested in increasing that percentage.

TAC recommends conducting outreach to these owners/managers to determine interest and what type and amount of incentive would be needed to secure an increase, e.g., PBVs, landlord mitigation funds, etc.

TAC recommends securing a pool of project-based rental assistance — whether PBV, 811 PRA, or other — to ensure the 25% committed units are affordable to the target population and are fully utilized. Further, TAC recommends project based rental assistance be included as part of the RFP process for VHFA's tax credit program.

Opportunity to Leverage VHIF & Housing for All Revenue Bond

Since its establishment in 2020, the VHIF program has funded the production of 17 projects with 834 rental units, of which 80 (10%) are targeted to people experiencing homelessness. It appears that most of these units have project-based assistance. VHFA has requested additional Capital Magnet funds to expand production investments.

The Housing for All Revenue Bond included \$37 million in bond funds for financing rental housing and homeownership. Since its inception in 2017, VHCB has awarded these funds for 843 new apartments and homes which include a number of developments to serve individuals and households with complex housing needs, such as those experiencing homelessness, exiting a corrections facility, or in recovery from an SUD.

TAC recommends AHS work with VHFA and VHCB to reach out to these owners/managers to determine interest in increasing units targeted for PSH (where less than 25% of the development has targeted units) and what type and amount of incentive would be needed to secure an increase, e.g., PBV, landlord mitigation funds, etc.

Additionally, TAC urges the state to continue to fund state-bond-funded affordable housing programs to invest in production with specific goals for integrated PSH production.

A number of states have developed state-funded production programs. Massachusetts, for example, has a number of state-bond-funded capital programs including programs targeted specifically to people with disabilities including those experiencing homelessness (Housing Innovation Fund) and those exiting or at risk of institutionalization (Facilities Consolidation Fund and Community Based Housing).

Recommendation 3: Align the new Program with Affordable Housing and Supportive Services Resources

As described above, implementing PSH requires the alignment of affordable housing and support services with the new Program. Without alignment and synchronization of these necessary components, maximization of resources cannot be achieved, even where there is new production of housing.

State Agency Collaboration to Align Resources

Ideally, alignment of resources begins at program design and continues through the project selection process and implementation.

TAC recommends building upon the interagency Steering Group to create a cross-agency working group on permanent supportive housing to align contracts and MOUs, performance metrics, RFPs, and other funding opportunities.

Align Existing PSH resources with the New Program

For a number of years, the state has implemented two policies that produce units targeted for PSH. Executive Order 3-73 "Publicly Funded Housing for the Homeless" establishes a goal to make at least 15% of the housing units that have received state-controlled funding available to Vermonters experiencing homelessness. Additionally, Vermont's Tax Credit Qualified Allocation Plan incentivizes at least 25% of housing credit units as housing for households exiting homelessness. Discussions with stakeholders indicate that while these policies are intended to serve vulnerable populations, some tweaks could maximize use for the intended populations.

TAC recommends that AHS, VHCB, VHFA, and the Agency of Commerce and Community Development (ACCD) collaborate to develop policies to identify units counted under the 15% and developed under the 25% that can be utilized and/or prioritized for the new Program's target populations.

Such policies (e.g., owner outreach, waiting list management, application and referral processes) could be piloted with a few volunteers from the types of organizations covered by Executive Order 3-73 such as PHAs and nonprofit housing organizations. Similarly, VHFA could identify volunteer LIHTC and VHIF projects that will be coming on-line over the next year. The state should consider offering incentives such as mitigation funds, additional security deposits, etc., to owners/organizations willing to volunteer during this pilot period.

Align Coordinated Entry Systems with the New Program

Coordinated Entry systems, a required component of CoCs across the country, already align federal resources for housing and services for people experiencing homelessness. The state's two CoCs have established Coordinated Entry systems and have developed policies and procedures for their respective operations. Coordinated entry offers an excellent option as a referral source for people experiencing homelessness eligible for the new Program, and with some adjustments may be able to refer other target populations as well.

If the state chooses to use the CoCs' coordinated entry systems to refer some or all target populations for the new Program, TAC recommends written policies and training to ensure that all the referral agents operate similarly and equitably. TAC recommends the state review existing Coordinated Entry

policies and processes adopted by CCHA, VCEH and local lead agencies and work with each CoC's Coordinated entry staff, committees, and Board representatives to establish standards and additional protocols to ensure responsiveness and fair and consistent assessment/referral processes.

Support Collaboration with Cross-Training and Resources

TAC recommends that the state provide cross-training and resources to PSH developers, owners, property managers, and housing providers on topics including but not limited to Housing First, engagement, trauma-informed care, confidentiality, and fair housing.

Meaningfully Partner and Build Trust with People with Lived Experience

As noted earlier, it's important to incorporate people with lived experience in meaningful ways and intentionally integrate them into decision-making structures. People with lived experience bring a deep understanding of issues faced in navigating housing and services systems.

TAC recommends developing a formal consumer advisory board made up of people with lived experience that will meet regularly to provide guidance and advice to the state. Ensure that members are compensated for their time and expert

Appendix A: Interview Participants

Angus Chaney, Homeless Prevention Center Ari Kisler, Office of Economic Opportunity (OEO) **Crystal Jones,** Burlington Housing Authority Daniel Blankenship, Vermont State Housing Authority (VSHA) Derek Miodownik, Department of Corrections (DOC) Elaine Soto, Howard Center Emily Higgins, Department of Corrections (DOC) Jennifer Garabedian, Department of Disabilities, Aging, and Independent Living (DAIL) Julie Abrahamson, Department of Disabilities, Aging, and Independent Living (DAIL) Lily Sojourner, Office of Economic Opportunity (OEO) Family Supportive Housing Lindsey Mesa, Pathways Vermont Maura Collins, Vermont Housing Finance Agency Mike Ohler, Champlain Housing Trust Molly Dugan, Cathedral Square Pollaidh Major, Vermont Housing and Conservation Board (VHCB) Shaun Gilpin, Department of Housing and Community Development (DHCD) Stephanie Smith, Champlain Valley Office of Economic Opportunity (CVOEO) Trish Singer, Department of Mental Health (DMH)

Appendix B: Glossary of Abbreviations

- ACCD Agency of Commerce and Community Development
- AHS Agency of Human Services
- **BIPOC** Black, indigenous, and other people of color
- CCHA Chittenden County Homeless Alliance
- CoC Continuum of Care
- **CVOEO** Champlain Valley Office of Economic Opportunity
- **DAIL** Department of Disabilities, Aging, and Independent Living
- DMH Department of Mental Health
- DOC Department of Corrections
- ESG Emergency Solutions Grants
- FMR Fair Market Rent
- FUP Family Unification Program
- HCV Housing Choice Voucher
- HIC Housing Inventory Count
- HMIS Homeless Management Information System
- HUD United States Department of Housing and Urban Development
- LGBTQ+ Lesbian, gay, bisexual, transgender, queer, questioning, intersex, two-spirit, and other diverse sexual orientations, gender identities and expressions
- LIHTC Low Income Housing Tax Credit Program
- MOU Memorandum of Understanding
- NCSHA National Council of State Housing Agencies
- **NED** Non-Elderly Disabled
- NOFO Notice of Funding Opportunity
- OEO Office of Economic Opportunity
- PBV Project-based Voucher
- **PHA** Public Housing Agency or Public Housing Authority
- PIC Point-in-Time
- PIH Public & Indian Housing
- PRA Section 811 Project Rental Assistance
- **PSH** Permanent Supportive Housing
- PWLE People with Lived Experience
- QAP Qualified Allocation Plan

- RAD Rental Assistance Demonstration Program
- **RFP** Requests for Proposals
- **SPV** Special Purpose Voucher
- SSI Supplemental Security Income
- TAC Technical Assistance Collaborative
- TBV Tenant-based Voucher
- **USICH** United States Interagency Council on Homelessness
- VASH Veterans Affairs Supportive Housing
- VCEH Vermont Coalition to End Homelessness
- VHCB Vermont Housing and Conservation Board
- VHFA Vermont Housing Finance Agency
- VHIF Vermont Housing Investment Fund
- VSHA Vermont State Housing Authority

Appendix C: Vermont Permanent Supportive Housing (PSH) Program and Resource Summary

Purpose and Overview

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The purpose of the Vermont PSH Program and Resource Summary is to provide information on existing PSH programs and resources to ensure relevant State agencies and partners understand the range of PSH that exists and can utilize this information to maximize allocation and coordination of existing and new resources. The PSH Program and Resource Summary captures the wide array of programs that operate across the state but does not include information on each individual project that is funded through these programs. Descriptions for each section are noted below.

VT PSH Programs

This listing includes existing PSH programs across the State. There are a number of columns that capture specific information for each program:

- Program Name (Column A): Name generally used to refer to the PSH program.
- Administering Agency: Agency that holds or controls the funding for the program. This agency may award the funding to other agencies to operate the program (recipients/subrecipients).
- Funding Sources: Program primary funding sources.
- Annual Budget: Total amount of one year's program funding. The fiscal year is specified where available.
- Funding Mechanism: Describes how the funds are awarded or allocated.
- Recipients & Subrecipients: Entities who are awarded funding to operate the program, if any.
- Participant Eligibility: Eligible beneficiaries of the program.

- **Prioritization (Column H)**: Program priorities, if any, and/or how eligible beneficiaries are prioritized to receive assistance.
- Referral Method (Column I): How eligible beneficiaries are referred to the program.
- Counties Served: Indicates whether it's a state-wide or county specific program.
- # of HHs Served: Number of households can be served in the program at a given time.
- Source of Services: Source of services and in some cases the type of services or staffing provided.
- Source of Rent Subsidy or Units: Source of rental or operating assistance to subsidize housing.
- **Other Financial Assistance**: Additional financial assistance, if any, offered beyond housing subsidy or services.
- **Program Guidance (Column O)**: Links to any program guidance.

VT PSH Opportunities

This listing includes programs or resources that are not explicitly PSH but have funding or resources that could be used to develop PSH. There are a number of columns that capture specific information for each program:

- Program Name (Column A): Name generally used to refer to the PSH program.
- Administering Agency: Agency that holds or controls the funding for the program. This
 agency may award the funding to other agencies to operate the program
 (recipients/subrecipients).
- Funding Sources: Program primary funding sources.
- Annual Budget: Total amount of one year's program funding. The fiscal year is specified where available.
- Funding Mechanism: Describes how the funds are awarded or allocated.
- Recipients & Subrecipients: Entities who are awarded funding to operate the program, if any.
- Participant Eligibility: Eligible beneficiaries of the program.

- **Prioritization (Column H)**: Program priorities, if any, and/or how eligible beneficiaries are prioritized to receive assistance.
- **Referral Method (Column I)**: How eligible beneficiaries are referred to the program.
- Counties Served: Indicates whether it's a state-wide or county specific program.
- **# of HHs Served**: Number of households can be served in the program at a given time.
- **Source of Services**: Source of services and in some cases the type of services or staffing provided.
- Source of Rent Subsidy or Units: Source of rental or operating assistance to subsidize housing.
- Other Financial Assistance: Additional financial assistance, if any, offered beyond housing subsidy or services.
- **Program Guidance (Column O)**: Links to any program guidance.

Reports & Data Sources

This listing includes links to helpful reports and data related to various programs highlighted in the summary.

VT PSH Programs: Program Name to Prioritization (Columns A – H)

| | Funding | | | | | | | | |
|---|--|---|--|--|---|---|---|--|--|
| Program Name | Administering Agency | Funding Sources | - | Mechanism | Recipients and Subrecipients | Participant Eligibility | Prioritization | | |
| A Way Home – Rural | Vermont State Housing Authority (VSHA) | CoC Program through special NOFO | FY22 SNOFO \$1,674,486 (three-year grant) | CoC Special NOFO | VSHA of Households and Service Providers: 72 (Windham/Groundworks = 8, Rutland/Homeless Prevention Center = 8, Lamoille/Lamoille Community House = 8, Caledonia & Orleans/NE Kingdom Community Action = 8 each, Addison- Bennington-Washington/Pathways VT = 8 each, Windsor/Springfield Supportive Housing = 8) | Must meet Literal Homeless Criteria (priority to serve unsheltered) with Severe Service Needs Must be at or below 50% AMI | Follows CE PSH Prioritization | | |
| A Way Home – CoC PSH | VSHA | CoC Program through Vermont Coalition to End Homelessness (VCEH) | FY22: \$494,902 | Annual Competitive Application | Recipient: Vermont State Housing Authority Subrecipients: Groundworks Homeless Prevention Center Pathways Upper Valley Haven | Individuals and families who meet chronically homeless definition or other Dedicated Plus criteria. See https://files.hudexchange.info/resources/documents/Overview-of- DedicatedPLUS-Eligibility-and-Recordkeeping-Requirements.pdf Must be at or below 50% AMI | Follows CE PSH Prioritization | | |
| CoC PSH "Shelter+Care/Brattleboro" | Brattleboro Housing Authority | CoC Program through Vermont Coalition to End Homelessness (VCEH) | FY22 CoC Award: \$258,046 | Annual Competitive Application | BHA is recipient | Individuals and families who meet chronically homeless definition or other Dedicated Plus criteria. See <u>https://files.hudexchange.info/resources/documents/Overview-of-DedicatedPLUS-Eligibility-and-Recordkeeping-Requirements.pdf</u> | Follows CE PSH Prioritization | | |
| CoC PSH "S+C PTH" "Shelter+Care/Pathways" | VHSA | CoC Program through Vermont Coalition to End Homelessness (VCEH) | FY22 CoC Award: \$749,639 | Annual Competitive Application | VSHA is recipient Pathways is subrecipient | Individuals and families who meet chronically homeless definition or other Dedicated Plus criteria. See https://files.hudexchange.info/resources/documents/Overview-of- DedicatedPLUS-Eligibility-and-Recordkeeping-Requirements.pdf Must be at or below 50% AMI | Follows CE PSH Prioritization | | |
| CoC PSH-Shelter Plus Care New Horizons FY22 | City of Burlington/CEDO | CoC Program through Burlington/Chittenden County CoC (Chittenden County Homeless Alliance) | \$306,080 | Annual Renewals | City of Burlington is recipient | Individuals and families who meet chronically homeless definition or other Dedicated Plus criteria. See https://flies.hudexchange.info/resources/documents/Overview-of- DedicatedPLUS-Eligibility-and-Recordkeeping-Requirements.pdf | Follows CE PSH Prioritization | | |
| CoC-PSH "Shelter+Care Statewide" | VSHA | CoC Program through Vermont Coalition to End Homelessness (VCEH) | FY22 CoC Award: \$1,113,873 | Annual Competitive Application | VSHA | Individuals and families who meet chronically homeless definition or other Dedicated Plus criteria. See https://files.hudexchange.info/resources/documents/Overview-of- DedicatedPLUS-Eligibility-and-Recordkeeping-Requirements.pdf Must be at or below 50% AMI | Follows CE PSH Prioritization | | |
| Family Supportive Housing (FSH) | Department for Children and Families Office of Economic Opportunity (DCF OEO) | Medicaid Targeted Case Management; General Funds | ~\$1.6M (\$1.1mil Medicaid and \$400k General) Additional \$1.5M to expand | RFP when additional funds available- will be looking to bid/rebid soon to expand | 8 (one provider recently dropped out) | A family with minor children Be homeless per AHS/HUD Definition The parent(s) must want to participate in the program, be willing to engage with services offered, set goals, and actively work towards them. | Families that have had multiple episodes of homelessness OR are currently experiencing a period of homelessness that has lasted for one year or more. Families that are open for services (have an active case) with DCF Family Services. Families with at least one child under the age of six. | | |
| Family Unification Program (FUP) vouchers and Foster Youth to Independence (FYI) Initiative | Department of Children and Families (DCF) with Burlington Housing Authority (BHA) and VSHA | HUD PIH | Based on number vouchers awarded - BHA: 385; VSHA 359 | Annual renewals | BHA and VSHA | The family/youth must be involved with YDP, FSD, FSH or Reach Up and income eligible | Prioritize eligible youth/families in the following order: 1. Involved with the Family Services Division & urgency factor score 2. Urgency factor score 3. Date of referant. Eligible households get one point for each of the following urgency factors: Meets the AtH/HUO definition of homeless; Has had multiple episodes of homelessness OR are currently experiencing a period of homelesses that has lasted for one year or more; Has at least one child under the age of six | | |
| НОРША | Vermont Housing Conservation Board (VHCB) | HOPWA Program funds | \$214,121 (competitive HOPWA award) | VHCB funds VSHA | VSHA | Persons with HIV/AIDS; Must be at or below 50% AMI | | | |
| Housing First | Department of Mental Health (DMH) | General Funds | FY24 \$2,252,267 | Annual funding through SSA provider agreement | Pathways | Individuals with significant mental health issues, often with co-occurring substance use conditions, who have a history of chronic homelessness | Follows CE PSH Prioritization | | |
| Housing Subsidy Plus Care | DMH | General Funds; Global Commitment; MAP | \$1,040,000 Total from: General funds: \$936,000 Global Commitment: \$44,179.20 Federal MAP: \$59,820.80 | Annual funding | Vermont State Housing Authority | Individuals with serious mental illness who are ready to leave an acute care setting (e.g. hospitals and intensive residential programs) and are experiencing homelessness. Must have been homeless at the time of admission to the acute care program and remain homeless as they await discharge | None | | |
| Veteran's Affairs Supportive Housing Vouchers (VASH) | U.S. Department of Veterans Affairs (VA) in partnership with Burlington Housing Authority (BHA) | HUD Housing Choice Voucher ACC | Based on number vouchers awarded | Annual Renewals | вна | Eligible HUD-VASH families must be homeless veterans as determined by the VAMC. | | | |
| Veteran's Affairs Supportive Housing Vouchers (VASH) | U.S. Department of Veterans Affairs in partnership with Vermont State Housing Authority (VSHA) | HUD Housing Choice Voucher ACC | Based on number vouchers awarded | Annual Renewals | VSHA | Eligible HUD-VASH families must be homeless veterans as determined by the VAMC. | Prioritized according to CE policies | | |

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VT PSH Programs (cont.): Referral Method – Program Guidance (Columns I – O)

Counties Served

assistance

Will be determined by

properties that receive

Program Name

A Way Home – Rural

Authority (VSHA)

Administering Agency

Authority (VSHA)

Vermont State Housing

Referral Method

Coordinated Entry process, as imple-

https://helpingtohousevt.org/

nented in the local Continuum of Care:

of HHs Served (point-

Source of Services

Windham/Groundworks = 8. Rutland/

Homeless Prevention Center = 8, Lamoille/

Orleans/NE Kingdom Community Action = 8 and local VT PHAs

in-time)

72

| | | vermont-lead-agencies/ | | | each, Addison-Bennington- Washington/Pathways VT = 8 each, Windsor/Springfield Supportive Housing = 8) | | | |
|---|--|--|---|---|--|---|--|---|
| A Way Home – CoC PSH | VSHA | Coordinated Entry process, as imple- mented in the local Continuum of Care: https://helpingtohousevt.org/ vermont-lead-agencies/ | Rutland, Washington, Windham, Windsor | 60 (Rutland County - 15, Washington County - 8, Southern Windham - 15, Windsor County - 22) | CoC Program funds housing services provided by Groundworks (Windham), Homeless Prevention Center (Rutland), Pathways (Washington), Upper Valley Haven (Windsor) | Project-based vouchers through Housing Choice Voucher/Mainstream/Other from VSHA and local VT PHAs | Some program funding (CoC funding) pays for security deposits (RA BLI). | https://helpingtohousevt.org/wp_ content/uploads/2014/01/Coordinated-Entry- Permanent-Supportive-Housing-Policy.pdf |
| CoC PSH "Shelter+Care/Brattleboro" | Brattleboro Housing Authority | Coordinated Entry process, as imple- mented in the local Continuum of Care: https://helpingtohousevt.org/ vermont-lead-agencies/ | Brattleboro/Windham County | 23 | All Services leveraged through partnerships with Health Care & Rehabilitation Services (HCRS), Groundworks Collaborative, and Pathways | Program funds Tenant-based vouchers - HHs pay 30% of income towards rent. | | https://helpingtohousevt.org/wp- content/uploads/2014/01/Coordinated-Entry- Permanent-Supportive-Housing-Policy.pdf |
| CoC PSH "S+C PTH" "Shelter+Care/Pathways" | VHSA | Coordinated Entry process, as imple- mented in the local Continuum of Care: <u>https://helpingtohousevt.org/</u> <u>vermont-lead-agencies/</u> | Addison, Bennington, Franklin, Washington, Windham, Windsor | 43 | Pathways provides services through leveraged funding and CoC-funded services in the grant. Has MOU/contract with VSHA. | Program funds Tenant-based vouchers - HHs pay 30% of income towards rent. | | https://helpingtohousevt.org/wp- content/uploads/2014/01/Coordinated-Entry- Permanent-Supportive-Housing-Policy.pdf |
| CoC PSH-Shelter Plus Care New Horizons FY22 | City of Burlington/CEDO | Coordinated Entry process, as imple- mented in the local Continuum of Care | Chittenden | 22 | Pathways | Program funds Tenant-based vouchers - HHs pay 30% of income towards rent. | | |
| CoC-PSH "Shelter+Care Statewide" | VSHA | Coordinated Entry process, as imple- mented in the local Continuum of Care https://helpingtohousevt.org/ vermont-lead-agencies/ | All Except Chittenden County and the NE Kingdom (Essex, Caledonia, and Essex) | 92 | All Services leveraged through MOUs with sponsor agencies (6). Access to vouchers depends upon an agency's ability to provide appropriate services. Approximate number of subsidies are available as follows: Counseling Service of Addison County: 8 Homeless Prevention Center: 4 Lamoille County Mental Health Services: 8 United Counseling Service:5 Upper Valley Haven:6 Pathways Vermont: 61+ | Program funds Tenant-based vouchers - HHs pay 30% of income towards rent. | | https://helpingtohousevt.org/wp- content/uploads/2014/01/Coordinated-Entry- Permanent-Supportive-Housing-Policy.pdf |
| Family Supportive Housing (FSH) | Department for Children and Families Office of Economic Opportunity (DCF OEO) | Coordinated Entry process, as imple- mented in the local Continuum of Care: <u>https://helpingtohousevt.org/</u> <u>vermont-lead-agencies/</u> | All except Addison, Lamoille and Springfield. Expect to be Statewide once newest funding awarded. | 285; 12-15 families per FSH Service Coordinator (19 FT Coordinators) | Program funds pay for Service Coordinators providing: Long term, intensive, home-based case management Financial empowerment coaching Life skills support and referrals Tenant education Parent and child resilience support Support recovery and treatment | Affordable housing Coc-funded RRH subsidy Family Unification Voucher* Housing Choice Voucher HOP RRH Subsidy Public Housing Transitional Housing Vermont Rental Subsidy Market Rate Housing Majority of families are eligible for and access FUP vouchers | Risk pool and Housing Mitigation Funds (paid through General Funds) Holding Fee (no more than 2 months) Security deposit Eviction prevention Back/unpaid rent or utilities (no more than three months or max of \$4,500) Bed bug treatment (case by case basis) Eviction expenses (legal fees, etc.) Equipment/Damages (up to \$2,000 beyond original security deposit) | https://dcf.vermont.gov/oeo/partners/FSH https://dcf.vermont.gov/oeo/resources/reports |
| Family Unification Program (FUP) vouchers and Foster Youth to Independence (FYI) Initiative | Department of Children and Families (DCF) with Burlington Housing Authority (BHA) and VSHA | https://outside.vermont.gov/dept/DCF/ | All | VSHA FUP = 359; BHA FUP = 385 | AHS/DCF | Tenant-based through VSHA & BHA | | https://dcf.vermont.gov/oeo/partners/FUP |
| НОРWA | Vermont Housing Conservation Board (VHCB) | Referred by AIDS Services Organization (ASOs) | Statewide | 21 | VHCB funds ASOs to provide services | Tenant-based Vouchers administered by VSHA | | |
| Housing First | Department of Mental Health (DMH) | Coordinated Entry process, as imple- mented in the local Continuum of Care: https://helpingtohousevt.org/ vermont-lead-agencies/ | Addison, Bennington, Chittenden, Franklin, Washington, Windsor and Windham counties | 182 | Services include long-term, multidisciplinary community supports, including service coordination, drug & alcohol counseling, employment support, psychiatry, nursing care and representative payee services. | No rental assistance funded. Households are connected to rental subsidies or to affordable housing opportunities. | | |
| Housing Subsidy Plus Care | | Designated Agency or the Specialized Service Agency provides referral to DMH on applicant's behalf. DMH determines individual applicant eligibility. | All | 100 r | Services are provided by Designated Agencies, Specialized Service Agencies and other service providers. Service funding sources vary. https://mentalhealth.vermont.gov/individua Is-and-families/designated-and-special- services-agencies | Tenant-based voucher provided that follows HUD's S+C framework (HHs pay 30% of income towards rent) | N/A | |
| Veteran's Affairs Supportive Housing Vouchers (VASH) | U.S. Department of Veterans Affairs (VA) in partnership with Burlington Housing Authority (BHA) | | | 5 | Case management and clinical services provided by VA medical centers (VAMCs), | Tenant-based? Vouchers administered by BHA | assistance through SSVF | |
| Veteran's Affairs Supportive Housing Vouchers (VASH) | U.S. Department of Veterans Affairs in partnership with Vermont State Housing Authority (VSHA) | CE Lead and Veteran Committee Representation (VCR) coordinated referral | Statewide | 213 | Case management and clinical services provided by VA medical centers (VAMCs), | Tenant-based Vouchers administered by VSHA | Veterans may be able to access move-in assistance through SSVF | https://helpingtohousevt.org/wp- content/uploads/2021/03/Veterans-Referral- Process.pdf |

Source of Rent Subsidy or Units

Lamoille Community House = 8, Caledonia & Vouchers (22)/Other programs with VSHA

Project-based vouchers through Housing

Choice Voucher/Mainstream 811/Stability

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Program Guidance

Other Financial assistance?

PSH Opportunities: Program Name – Prioritization (Columns A – H)

| | | | | | Recipients and | | | |
|--|---|---|--|---|---|--|---|--|
| Program Name | Administering Agency | Funding Sources | Annual budget | Funding Mechanism | Subrecipients | Participant Eligibility | Prioritization | |
| Emergency Housing Voucher Program (EHV) | VSHA | HUD EHV Award | \$1,876,529 | Annual Renewals | VSHA | Families/individuals who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking; Must meet HCV citizenship and mandatory prohibitions. | Follows CE Prioritization | |
| Executive Order 3-73 | Agency of Commerce and Community Development and Agency of Human Services (AHS) | Across all state funds, state- allocated grants, state tax credits | None | None | PHAs, private and nonprofit developers, service providers | specific to funding source | Homeless individuals and families | |
| Mainstream Voucher Program | Each awarded PHA administers the program according to their PHA Admin Plan: Burlington Housing Authority Brattleboro Housing Authority Rutland Housing Authority Bennington Housing Authority Vermont State Housing Authority | HUD PIH | Based on number vouchers awarded | Annual Renewals | Burlington Housing Authority:416 Brattleboro Housing Authority: 40 Rutland Housing Authority: 99 Bennington Housing Authority: 53 Vermont State Housing Authority: 428 | Non-elderly persons (at least 18 and less than 62 years of age) who have disabilities and their families. Assisted households must meet all HCV eligibility requirements such as those related to income, citizenship or immigration status, and mandatory screening exclusions. | Refer to each PHA's admin plan. HUD has encouraged PHAs to adopt preferences for the following populations: Transitioning out of institutional or other segregated settings, At serious risk of institutionalization, Currently experiencing homelessness, Previously experienced homelessness and currently a client in a permanent supportive housing or rapid rehousing project, At risk of experiencing homelessness | |
| SASH (Support and Services at Home) | Cathedral Square | General Funds; Medicare; other federal | \$974,023 from DAIL sfy23; \$4.5 million annual from Medicare (not including costs of statewide administration); federal FY23 earmark: \$1,352,000 to expand a mental health program | Annual funding | Cathedral Square Corporation; 20 other SASH partners serving multiple sites | Older adults and younger people with disabilities who receive Medicare support. Program is centered at properties but other elders living in region receiving Medicare are also eligible as are younger people with disabilities living in the property who receive Medicare. | None | |
| Vermont Housing Improvement Program | Agency of Commerce and Community Development | CARES Act, American rescue Plan, State General Funds | \$25 million in ARP and \$15 million State General Funds | On-going | 5 Homeownership Centers award funds to owners who can meet the program requirements. Owner must agree to 20% match; put property into use within 18 months; address all code compliance, have units vacant for at least that past 90 day. | Households exiting homelessness Households that are working with an immigrant or refugee resettlement program | Determined by Coordinated Entry Lead Organization or an Immigrant or Refugee Resettlement Program | |
| VHC8 | VHCB | HOME and HOME-ARP; ARPA-SFR; National Housing Trust Fund | HOME \$3,000,000; HOME-ARP - \$9,600,000; NHT - \$3,000,000 | 3-4 times per year depending on funds available | Depending on the particular source, nonprofit housing development organizations, public housing agencies, private developers of affordable housing, municipalities and state agency | Most housing funded must serve households earning less than 100% of median income as defined by HUD income guidelines. The majority of the homes funded by VHGB serve households with incomes between 30% and 80% of median income. The Housing Revenue Bond can fund housing serving households with incomes from 80-120% of median income. While there is no targeting, it is clear from project descriptions, many projects funded serve very low income and homeless households including 100% as well as capped number of units. | | |
| VHFA | Vermont Housing Finance Agency (VHFA) | Low Income Housing Tax Credit (9%, 4%); Housing Investment Fund | HIF - \$9,000,000; LIHTC 9% - \$3,030,457 | One annual round | Nonprofit housing development entities including local housing trusts | Income eligible for designated units and meet HUD definition of homeless | All projects recently funded include 10%-25% homeless set- aside | |

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PSH Opportunities (cont.): Referral Method – Program Guidance (Columns I – O)

| Program Name | Administering Agency | Referral Method | Counties Served | # of HHs Served (point-in- time) | Source of Services | Source of Rent Subsidy or Units | Other Financial assistance? | Program Guidance |
|--|---|--|---|-------------------------------------|---|---|---|---|
| Emergency Housing Voucher Program (EHV) | VSHA | Coordinated Entry process, as implemented in the local Continuum of Care <u>https://helpingtohousevt.org/</u> <u>vermont-lead-agencies/</u> | Statewide | 99 | Source of Services EHV requires Housing Search assistance but additional services may be leveraged through non-EHV funding. EHV service fees can pay for security depot | Tenant-based rental assistance where HH pays 30% | | Https://www.vsha.org/wp/wp- content/uploads/2022/09/EHV-Operating-Policies- Addendum-to-Section-8-Administrative-Plan.pdf |
| Executive Order 3-73 | Agency of Commerce and Community Development and Agency of Human Services (AHS) | Interviews suggest mostly through CE but CE is not required | All | Unknown | Agency of Human Services ("AHS") shall prioritize and coordinate services and subsidies to homeless families and individuals, and shall encourage recipients of AHS grants to work together with housing partners to meet the 15% goal. | PHAs and owners of privately owned publicly supported affordable housing work towards the goal of making at least 15% of their units available to homeless families and individuals as units change hands and are developed. VCDP, VHFA, VCHB shall work together to develop funding criteria that requires applicants for housing grants or tax credits to describe plans and tools to achieve the goal of making at least 15% of their permanent, publicly supported housing units available to the homeless. | This policy relies on all other sources in the summary as well as other state and federal funds | https://legislature.vermont.gov/statutes/section/03APF ENDIX/003/00073 |
| Mainstream Voucher Program | Each awarded PHA administers the program according to their PHA Admin Plan: Burlington Housing Authority Brattleboro Housing Authority Rutland Housing Authority Bennington Housing Authority Vermont State Housing Authority | Some PHAs may have referral partners but applicants are selected from HCV waitlist according to preferences established in admin plan. | State-wide: Each PHA has a geographic jurisdiction | | Depends who PHAs have partnered with; services not guaranteed through voucher. | Project-based or Tenant-based assistance; Some Mainstream Vouchers have been project-based (i.e. see Away Home program) | Some PHAs have been awarded extraordinary admin fees that can pay for landlord incentives, security deposits, utility deposits, holding fees, etc. | https://www.hud.gov/program_offices/public_indian_h ousing/programs/hcv/mainstream |
| SASH (Support and Services at Home) | Cathedral Square | Any eligible person can self-refer or be referred by professional or other. | All | | SASH provides .25 FTE Nurse and 1.FTE SASH Coordinator for each 100 participants. SASH providers have MOUs with other community-based organizations to provide other services, e.g. designated mental health center. <u>https://sashvt.org/our-partners</u> | Program is property-based. Participating properties generally have PRAC or PBRA subsidies. | Some programs do additional fundraising locally | <u>https://sashvt.org/</u> |
| Vermont Housing Improvement Program | Agency of Commerce and Community Development | Referred by Coordinated Entry Lead Organization or an Immigrant or Refugee Resettlement Program | All | ТВО | Various. No requirement for service or MOUs | Assisted units must be rented at or below HUD Fair Market Rents (FMR) for at least a 5-year period. Referred households generally have a subsidy funded through other programs. | | https://accd.vermont.gov/vhip |
| VHCB | VHCB | Unclear but reviewing project descriptions, likely either closed referral (e.g. provider is developer) or CES referrals to meet the 15% or 25% targets of other funders/requirements. | All | unclear; multiple sources | Application for funds requires MQU for services where applicable | VHCB provides capital subsides but not rental assistance; other sources provide rental assistance | | https://vhcb.org/our-programs/housing https://vhcb.org/our-programs/housing/housing- policies |
| VHFA | Vermont Housing Finance Agency (VHFA) | MOU includes referral description. Generally, through CE but this is not required. | All | 303 as of 2023 | MOU between developer and community-based service provider | Project has LIHTC and other capital funds. Rent subsidies vary but include PBV, HCV, state rental assistance | Other sources of capital funding | https://www.vhfa.org/rentalhousing/developers https://housingdata.org/ https://www.vhfa.org/rentalhousing/need-rental- housing |

Report and Data Sources

- VT Affordable Housing Database: <u>https://www.housingdata.org/profile/housing-programs</u>
- VT Balance of State CoC (VCEH)-2023 GIW: https://www.hud.gov/sites/dfiles/CPD/documents/CoC/FY-2023-VT-500-GIW.xlsx
- Burlington/Chittenden County CoC 2023 GIW: <u>https://www.hud.gov/sites/dfiles/CPD/documents/CoC/FY-2023-VT-501-GIW.xlsx</u>
- HCV Dashboard: <u>https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard</u>

- EHV Dashboard: <u>https://www.hud.gov/program_offices/public_indian_housing/ehv/dashboard</u>
- 2019 Special Voucher Report: <u>https://legislature.vermont.gov/assets/Legislative-Reports/Specialized-Housing-Voucher-Report-FINAL.pdf</u>
- 2022 Housing & Investment Report: <u>https://outside.vermont.gov/agency/ACCD/ACCD Web Docs/Housing/Housing-Budget-Investment-Reports/HBI-2022.pdf</u>