

Landlord Engagement & Recruitment Desk Book

September 2015

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**Landlord Engagement & Recruitment
Desk Book
September 2015
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Links to Additional Information

Department of Veteran Affairs: Homeless Veterans Landlord Page – How Landlords Can Help End Veteran Homelessness. Information on: HUD-VASH, Benefits for Landlords, 5 steps to Get Started, Housing Inspection Tips, and Other Ways to Serve Homeless Veterans. <http://www.va.gov/homeless/landlords.asp>

Department of Housing & Urban Development: HUD Resources for Veterans Experiencing Homelessness. This webpage provides resources for veterans looking for housing. This page lists the HUD homeless veteran programs and initiatives, as well as resources, publications, and relevant links to agencies and organizations. <https://www.hudexchange.info/homelessness-assistance/resources-for-homeless-veterans/>

Michigan - Strategies for Working with Landlords – Tool kit. The sample materials included were provided by agencies within Michigan and the National Alliance to End Homelessness. These examples can assist your organization in facilitating landlord forums and in building relationships with landlords. These documents are only intended as guidance material, and can be adapted to best address quality improvement needs.

<http://www.thecampaigntoendhomelessness.org/DesktopModules/CHET-Documents/uploads/91d79d0b-2ff9-4d36-9817-8529acb01337.PDF>

King County, WA - Landlord Liaison Project: Step by Step Application Process and Forms. The Landlord Liaison Project (LLP) is a partnership among landlords, property managers, participating human services agencies and homeless people with barriers to accessing permanent housing. The goal of LLP is to offer homeless individuals and families who were previously denied by landlords help with accessing permanent housing, signing leases and moving into otherwise vacant units. Participating landlords agree to apply alternative screening criteria to applicants and in exchange receive rapid response to concerns, access to a 24-hour call-in line and risk reduction funds. Tenants are connected to ongoing case management from human service agencies for one year to ensure stability. <http://www.landlordliaisonproject.org/landlords.html>

New Lease for Homeless Families – Massachusetts -- In late August, 2013, New Lease became the first organization in the nation to establish a *homeless family preference in HUD Multifamily housing*. New Lease pairs homeless families with affordable units in five regions of Massachusetts.

<http://www.newleasehousing.org/>

Benefits for Landlords: Partnering with a Service Agency to Provide Services to Your Tenants Who Were Previously Homeless - Virginia Coalition to End Homelessness. Questions and Answers pertaining to partnering with service agencies, as well as a sample of the Coalitions "Landlord-Tenant-Case Manager Communication Agreement".

<http://www.vceh.org/vceh-pubs/for-landlords>

Landlords are Critical Customers - HUD Office of Public & Indian Housing

Without the participation of good landlords, families will not succeed in leasing up and staying leased. Landlord outreach objectives and examples of how to remove existing barriers when working with landlords.

http://www.hud.gov/offices/pih/programs/hcv/wtw/resources/wtwnc_00/s3_wtw_vouchers.pdf

Landlord Outreach and Recruitment Resources

HUD Exchange

- **Tips for Working with Landlords**
- **Landlord Benefits Checklist**
- **Landlord Marketing Letter**
- **Landlord Information Template**
- **Landlord-Tenant-Case Manager Communication Agreement**

<https://www.hudexchange.info/index.cfm/resources/housingsearchtool/?housingsearchtoolaction=public:main.landlord-outreach-and-recruitment-resources>

Landlord Outreach and Recruitment Resources

The documents provided below can assist you in reaching out to and cultivating relationships with landlords. Keep in mind that the documents are samples, and that you will need to tailor them to reflect your organization's needs and services.

- [Tips for Working with Landlords](#). This page provides suggestions for recruiting and cultivating relationships with landlords. The suggestions are based on the experiences of organizations around the country that have been providing housing search assistance for hard-to-place individuals. The page offers ideas on how to identify landlords for your program, what types of landlords to target, what types of assurances landlords are looking for, and how to stay in their "good graces."
- [Landlord Benefits Checklist](#). This checklist outlines the benefits landlords receive from working with a housing search program. (The checklist provides examples and would have to be tailored according to the services your program provides.) The checklist could be used as a marketing tool to advertise your program to potential landlords. Housing advocates could also use the information as talking points when calling or meeting with prospective partners.
- [Landlord Marketing Letter](#). This marketing letter can be used separately or with the Landlord Benefits Checklist to advertise your program to landlords in your community.
- [Landlord Information Template](#). Using this form will allow your agency to collect information about landlords in your community as well as the type of housing that is available. It is important to note, however, that many communities either have or are in the process of creating a housing inventory database. If you live in one of these communities, there are probably forms and procedures in place for collecting information and populating the database.
- [Landlord-Tenant-Case Manager Communication Agreement](#). This communication agreement can be used to promote open communication between the landlord, tenant, and case manager/housing advocate and to address problems before they become irreparable.

Select the desired resource above to access it.

Tips for Working with Landlords

This page provides tips on recruiting and cultivating relationships with landlords. These suggestions are based on the experiences of organizations around the country that have been providing housing search assistance for hard-to-place individuals.

- **Establish a landlord advisory group.**

Establish a landlord advisory group in your community. Not only will this be an excellent way to get to know some of the landlords in your community, but it will also be a way for you to introduce them to your program. Use the group to discuss landlords' fears about accepting your clients, and what it would take to get them to change their minds. Ask them for suggestions concerning the best way to recruit landlords. As they become more familiar with your organization, they may also be willing to help promote your program, introduce you to other landlords, and/or serve as references.

- **Attend meetings of your local landlord organization.**

Many communities have a [landlord organization](#) or rental housing association to help keep landlords informed of their rights and responsibilities. Contact your local organization and ask if you can attend a meeting and make a short presentation on your program. Be sure to bring some brochures or other marketing materials to leave behind. You may also want to bring one of your former clients (i.e., one of your "success stories") so that he or she can explain the impact that the program has had on his/her life.

- **Target "medium-sized" landlords.**

Targeting "medium-sized" landlords may offer the greatest chance at success. Landlords with few units (1-4 units) may be more risk adverse than landlords with more units, particularly if they live in the building themselves. Additionally, they will not have as much difficulty addressing turnover and quickly filling vacancies because they only have a few units. In contrast, large property management firms have so many units that they can more easily absorb the cost of vacancies. Large property management firms also typically have strict screening policies, and the individuals that work in the rental office have less autonomy to make decisions on a case-by-base basis. This does not mean, of course, that you should not work with landlords of small buildings or large property management firms, especially if they express an interest in working with your program. However, recruiting landlords and building relationships takes time and energy, and some housing search agencies have found that the biggest return on the investment comes from independent landlords of medium-sized buildings. Contact your

local [Chamber of Commerce](#) or [landlord organization](#) to see if they can help identify landlords according to the number of units owned/managed.

- **Divide and conquer.**

If you are located in a large city and have more than one housing advocate on staff, consider assigning staff to specific neighborhoods or regions. This will allow staff to focus their efforts and get to know specific neighborhoods (and landlords within those neighborhoods). Dividing responsibilities based on geography may also create a greater sense of collaboration and teamwork among advocates, since they must rely on one another for information and leads. Additionally, landlords may prefer having one main contact as opposed to getting repeated calls from different staff within the same organization.

- **Screen your clients appropriately.**

The long-term success of your organization will be dependent on your ability to maintain a good reputation. One problem tenant - or one instance where you do not follow up as promised - will probably discourage a landlord from working with your program again. As a result, it is critical that your agency properly screens clients. Make sure that your clients are, in fact, "housing ready" and have the ability to maintain their housing. Clients with severe barriers (e.g., alcohol or substance abuse problem, severe debt, no employment/income) may need to be referred to transitional housing in preparation for permanent housing.

- **Think like a sales person.**

Your job, as a housing advocate, is to "sell" your program and your clients to landlords. Emphasize the benefits landlords receive from partnering with you. (See the [Landlord Benefits Checklist](#) for ideas.) If landlords are concerned about the risks involved with renting to your clients, remind them that they take a risk with any tenant, but that your program mediates those risks. Explain what services are connected to the participant and that staff will be available if any problems do arise. Finally, appeal to the human/emotional side of landlords. Explain that although your clients have had some problems in their past, they are working hard to improve their circumstances. Landlords may be able to relate to your clients more easily than you realize. Remember, most people know someone - whether it be a relative, friend, or coworker - who has struggled with alcohol or drugs, mental illness, a sudden health crisis, an unexpected layoff, or domestic abuse. These are the same issues with which your clients struggle. Remind landlords that they have the opportunity to improve the quality of life for others.

- **Be honest.**

Be as clear and upfront as possible with landlords regarding whom you are housing, but emphasize that your clients are working hard to change their lives and that your

program supports their growth and development. Never hide the facts - if the landlord finds out, you may irreparably damage your organization's reputation. Additionally, encourage your clients to think about why they had the problems they did and what they are doing differently to prevent the problems from happening again. Some landlords have said that they are more willing to give someone a second chance if the person takes responsibility for his or her actions and can demonstrate that he or she has changed.

- **Be strategic about your placements.**

Clients will have a range of individuals with a spectrum of needs and situations. Consider placing your higher-risk clients with landlords with fewer units. One problem situation can be enough to deter a landlord from working with your program again, and you do not want to damage relationships with your largest customers (i.e., landlords with the most units).

- **Remain neutral.**

Remember that landlords are your customers, too. If a problem arises between your client and his/her landlord, it is important that you remain neutral and work to resolve the problem efficiently and effectively. If landlords view you as a tenant advocate (as opposed to an intermediary), they may be less willing to work with you. On the other hand, it's okay to have expectations of landlords. Your clients have the right to expect services equal to those provided to other residents (e.g., routine maintenance, prompt repairs, courteous service), and it's important to ensure landlords follow through on their responsibilities.

- **Practice patience.**

Relationships take time to build. Continue to nurture relationships regardless of whether a landlord initially expresses interest or not. It's possible that a landlord will "come around" over time, after they get to know your organization and your housing advocates on a personal basis. In addition, word gets around, so developing successful relationships with some landlords may actually help you expand your network and build relationships with other landlords. Consider using participating landlords as references. And remember, housing markets naturally fluctuate, and landlords may change their mind if they have units sitting vacant for very long. Housing advocates from one organization indicated that, once vacancy rates in their community began to rise, they had landlords calling them!

Select each tip and its embedded links above to learn more.

[Back to Landlord Outreach and Recruitment Resources](#)

LANDLORD BENEFITS CHECKLIST

Why do landlords like working with [name of your organization]?

About this Tool: This checklist is a tool to advertise your program to potential landlords. The benefits listed are just examples of services provided by housing search agencies based on interviews with providers around the country. Be sure to modify the list so that it represents your program accurately.

User Tips: As part of your marketing materials, it is important that the piece looks professional and catches people's attention. You may want to customize the checklist by including your organization's name and logo. Similarly, you could use graphics, photos (e.g., a photo of one of your program participants talking to one of your participating landlords), and/or colored paper to give it more of a polished look. This checklist could be mailed out to landlords in your community along with other program materials (e.g., a program brochure, newsletter, or annual report). Or, your housing advocates can use it as a "leave behind" piece when they meet with prospective landlords. Finally, send copies over to your local landlord organization to distribute at their next meeting. Even better, see if you can do a short presentation at their next meeting!

[INSERT 2-3 SENTENCE INTRODUCTION ABOUT YOUR PROGRAM.]

Landlords gain several benefits from participating in our program. Consider the following advantages:

- ✓ Eliminate advertising costs. Working with our program gives you access to a pool of ready-to-rent tenants. Just call us up when you have a vacant unit, and we'll immediately match you up with a client that is looking for housing.
- ✓ "Smart" renters. Our clients have attended training on such topics as personal budgeting, understanding rental agreements, housekeeping and general apartment maintenance, being a good neighbor, etc.
- ✓ Damage/security deposits. Our organization aims to help individuals get back up on their feet. We have found that many low-income clients can afford the monthly rent, but have difficulty saving enough money for their security deposit. As a result, we help clients put together this one-time payment.
- ✓ Clients have access to time-limited subsidies. Again, our organization aims to help individuals get back up on their feet. As a result, eligible clients receive a subsidy to help them cover the first three months of their rent. This allows clients some time to stabilize and build an emergency fund for the future.
- ✓ Guaranteed rent payments. Our clients are pre-screened and have a stable source of income. However, should one of our clients run into a problem, we have a pool of funds set aside to help get clients through those rough spots. We

will also co-sign leases in some situations to virtually eliminate any risk to landlords.

- ✓ Clients are attached to needed services. Some of our clients have special needs, but we work with our clients on an ongoing basis to make sure they have the support they need to succeed. We work with clients to correct past mistakes and prevent future problems, and through our network of partners, clients have access to an array of supportive services.
- ✓ Problem prevention through regular home visits. Our case managers conduct regular home visits to ensure that clients are stabilized in their new environments, that their jobs are going well, and that they are getting the support they need. Regular follow up with clients allows us to identify and address problems early before they become irreparable.
- ✓ Neutral party to mediate problems. Despite the best efforts, problems are sometimes inevitable. However, when problems arise, it can be reassuring to know that there is someone to call. We care as much about our relationship with our landlords as we do our clients. We need everyone to make our program work. The job of a case manager is to be a neutral party, ensuring that everyone is treated fairly and that problems are resolved quickly and impartially. This includes help evicting a client (and covering eviction costs) when warranted.
- ✓ Satisfaction from helping others. Everyone deserves a safe and affordable place to live. Some people make mistakes, but everyone deserves a second chance. By helping house our clients, you are playing an integral role not only in helping individuals take charge of their lives, but also in making your community a better place to live.

Interested but still unsure? Why don't you give one of our participating landlords a call:

- [NAME, NUMBER]
- [NAME, NUMBER]

[Note: Remember to ask for permission before listing someone's name. And, make sure they will give your program a good reference!]

And, of course, feel free to call us at anytime. We'd love to hear from you!

- [PROVIDE YOUR CONTACT INFORMATION]

Landlord Marketing Letter

About this tool: Use this marketing letter separate or in combination with the “landlord benefits checklist” to advertise your program to landlords in your community. Customize it based on your own program and print it out on your agency letterhead. Also, remember to include a telephone number so that landlords know how to get in touch with your agency.

[Name]
[Address]
[City, State, Zip Code]
[Date]

Dear [Name of Landlord]:

We would like to take this opportunity to introduce you to our organization and one of our most exciting programs. [Name of organization/program] is a unique program designed to place homeless individuals into permanent housing. The individuals in our program are working hard to turn their lives around and are in need of a second chance. We hope you will join us in giving them that chance.

We know that it can feel risky accepting tenants who have had problems maintaining housing stability in the past. However, our clients are committed to succeeding, and we are committed to helping them succeed. Yet, we cannot do it alone – landlords literally hold the key to our clients' futures. That's why we offer landlords a number of special incentives, including:

- Security deposits. Our organization aims to help individuals get back up on their feet. We have found that many low-income clients can afford the monthly rent, but have difficulty saving enough money for their security deposit. As a result, we help clients put together this one-time payment.
- Guaranteed rent payments. Our clients are pre-screened and have a stable source of income. However, should one of our clients run into a problem, we have a pool of funds set aside to help get clients through those rough spots. We will also co-sign leases in some situations to virtually eliminate any risk to landlords.
- Problem prevention through regular home visits. Our case managers conduct regular home visits to ensure that clients are stabilized in their new environments, that their jobs are going well, and that they are getting the support they need. Regular follow up with clients allows us to identify and address potential problems early on – before they become irreparable.

[Name of your agency/program] has found permanent housing for many formerly homeless individuals since its establishment in [date]. Our program's success is based upon regular communication with our clients and program partners and a commitment to following through on our promises. If you would like to speak with other landlords we have worked with, we would be happy to provide you with some references.

Please keep us in mind when you have future openings at your properties. We would love the opportunity to work with you.

Sincerely,

[Your Name]

[Your Number]

Landlord Information Template

About this Tool: Whether responding to an ad in the paper or contacting prospective landlords through cold calls, this tool will help you compile more complete information about the landlords in your community as well as the type of housing that is available. (You can then input the information into an excel spreadsheet for easy viewing and sharing.) Having an organized process for collecting information will also prevent landlords from getting multiple calls from your organization for the same information. Finally, if your community ever hopes to build a housing inventory database, you will already have collected some of the data needed to populate it.

User Tips: As an alternative to having your staff fill out this form when talking to landlords, you could send it to prospective landlords along with the *landlord marketing letter* and *landlord benefits checklist* (also included in this toolkit) and ask that they complete it and return it to you. If you have the funds, you could include a self-addressed, stamped envelope to encourage landlords to respond.

Also, this form includes an area to record vacancy information. Because vacancy information is not static, your organization will have to develop a protocol for periodically updating the information. For example, some landlords may be willing to call your organization when they have vacancies. Otherwise, you may want to assign a staff person to call each landlord in your database on a monthly basis to get vacancy updates.

1. Landlord Contact Information:

(Name)

(Address)

(City, State, Zip Code)

(Day Telephone Number)

(Evening Telephone Number)

(Cell Phone Number)

(Fax Number)

(Email Address)

2. Who should contact the landlord (case manager or client)? _____

3. Apartment Location: _____ (Address, Apartment #)

(City, State, Zip Code)

4. Building Type: 1-4 units_____ 5-20 units_____ 21-40 units_____ 40+ units_____

5. Type of Housing: Elderly____ Family____ Disabled____ Other____

6. Vacany(ies) as of ____/____/____

Bedroom Size	# of Units Available	Monthly Rent	Date(s) Available

7. Is/are the unit(s) lead-paint free? Yes____ No____ Don't Know ____

8. Upfront Costs: Application Fee \$____ First Month \$____ Last Month \$____
Security Deposit \$____ Realtor Fee \$____

9. Are utilities included? Y____ N____ Partial (Please list) _____

10. Public Transportation: Subway____ Bus____ Commuter Rail____ Car Only____

11. Parking: Street____ Off-Street____ Private____ Private/Pay____ None____

12. Amenities: Air Conditioning____ Handicap Accessible____ Refrigerator____
Dishwasher____ Storage Space____ Pets Allowed____
Eat-In Kitchen____ Laundry Room/Hookup____ Yard____

13. Does the owner have other properties in the area? Y____ N____

If yes, where? _____

Comments: _____

LANDLORD-TENANT-CASE MANAGER COMMUNICATION AGREEMENT

About this tool: This communication agreement should be filled out and signed by the tenant and then provided to the landlord to promote open communication between the landlord, tenant, and case manager. The form can easily be modified, but includes those issues most frequently cited by landlords as “red flags.” The important thing is to identify and address problems before they become irreparable. Note that before this agreement is used, you may want to have your client sign an information release authorization form.

Dear [NAME OF LANDLORD]:

My goal is to pay my rent on time, follow the provisions of my lease, keep my apartment in good condition, and get along with my neighbors. I am working with a program that will help me do this, but I need your help. I am asking you to inform both my case manager and me if any of the following occur. You can fill out the form and send it to the addresses below or contact us by telephone. We appreciate your cooperation.

- _____ Landlord has not received full rent by the 3rd day of the month.
- _____ Landlord has received a complaint that there is too much noise from the tenant's apartment.
- _____ Landlord has significant concerns about the condition of the tenant's unit.
(Examples: Landlord has seen damage or received complaints about bad smells that could be related to garbage.)
- _____ Landlord thinks someone is living in the tenant's unit who is not named on the lease.
- _____ Landlord thinks someone in the tenant's unit may be doing something illegal.
- _____ The behavior of someone living in or visiting the tenant's unit is causing other tenants to complain.
- _____ Landlord has seen something that is a violation of the lease. Describe : _____

- _____ Other: _____

Please contact me in writing at the following address: _____
or call me at this number: _____

Please also contact my case manager (name): _____
at (agency/address) _____
or call at this number (phone/cell/pager): _____

Thank you for your cooperation!

(Signature of Tenant)

(Date)

(Signature of Caseworker)

(Date)

Practice Brief: Preparing for HEARTH Act Implementation

Rapid Re-Housing for Homeless Populations: Program and Community Strategies for Recruiting Private-Market Landlords & Overcoming Housing Barriers

December 2010



Beyond Shelter



**Partnering
for
Change**

**The National Institute for Innovative Strategies
to Combat Family Homelessness & Poverty**

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This practice brief is part of a forthcoming Technical Assistance Manual and Implementation Toolkit on the same topic to be published in 2012.

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Partnering for Change, Los Angeles, CA 90017

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Rapid Re-Housing for Homeless Populations: Program and Community Strategies for Recruiting Private-Market Landlords & Overcoming Housing Barriers

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Introduction

The emerging shift in federal homelessness policy to housing-based solutions, and in particular rapid re-housing/Housing First,¹ necessitates facilitating and expanding permanent housing opportunities for homeless individuals and families. While efforts to increase the supply of affordable housing through new production or rehabilitation of current stock are necessary, agencies and communities cannot “build their way” out of homelessness. Rather, frontline staff, program managers, and systems planners must have a laser-like focus on increasing access to existing rental units for unhoused populations, particularly in the private rental market.

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) and the new Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act² prioritize the adoption of implementation practices and operational strategies to re-house homeless households as quickly as possible. While some service providers and Continuums of Care have more than

a decade of experience testing and refining rapid re-housing models for various target populations, rapid re-housing is a relatively new approach for most providers and for most Continuums across the country. As such, knowledge of innovative and effective practices remains fairly limited.

This practice brief discusses housing barriers commonly faced by homeless households and highlights promising and successful techniques, tools, and policies agencies and communities across the country are utilizing to build partnerships with landlords and overcome these barriers. Communities wishing to develop new, or strengthen existing, rapid re-housing initiatives can look to these strategies as models for *adaption*, recognizing that replication is not realistic nor even desirable, given that conditions, needs, resources, and opportunities vary from one community to another.

The strategies and tools outlined in the brief are intentionally diverse and range from those that can be implemented by single agencies serving homeless persons to those requiring community-level commitment, resources, coordination, and/or policies to implement. As such, the brief is intended to speak to the challenges and opportunities of the broad array of actors and stakeholders responsible for addressing homelessness today.

¹ Rapid re-housing refers to an approach that emphasizes moving homeless families and individuals into permanent housing *as quickly as possible*, followed by the provision of usually time-limited, home-based stabilization services to promote housing retention. Typically, rapid re-housing tenancies are scattered-site, private-market rentals, funded with time-limited rental assistance. The term “Housing First” is also used to describe this approach, both for families and individuals, though that term is increasingly being used more exclusively to describe interventions for chronically homeless individuals.

² For a review of forthcoming changes to the McKinney-Vento Homeless Assistance programs, see the National Alliance to End Homelessness’ Summary of the HEARTH Act (June 2009), available at <http://www.endhomelessness.org/content/general/detail/2098>

The Challenge of Low “Renter Capital”

The assets a household brings to a prospective rental situation have been described as “renter capital.”ⁱ By virtue of their housing status, homeless families and individuals have low renter capital. In addition to financial barriers to housing, homeless persons also face other barriers, to varying degrees, including eviction histories, poor credit or no credit, criminal records, limited rental histories, poor landlord references, and various forms of discrimination based on race, family composition, housing status, and income source. These barriers often mean that homeless households cannot pass standard tenant screening criteria, and consequently, are at a competitive disadvantage relative to other low-income tenants, particularly in tight rental markets.

It is the job of frontline, rapid re-housing staff – whether dedicated housing specialists or case managers responsible for housing search and placement – to address the rental barriers of homeless families and individuals. While housing relocation services designed to address such barriers are evolving into a “practice standard” in the field, prior approaches did not recognize the central importance of these services. In the mid-1990s, for instance, a rigorous national survey of shelter providers and users found that only 20% of homeless families reported receiving help finding housing; the most common forms of assistance received were transportation, clothing, and public benefits advocacy.ⁱⁱ

In addressing the housing barriers of homeless persons, housing specialists and case managers must seek, where possible, to increase the renter capital of homeless households through such means as accessing financial resources (e.g., move-in funds, temporary subsidies, Section 8 vouchers) to make housing more affordable. In many cases, however, many housing barriers cannot be directly addressed or reduced *per se*, such as multiple evictions or drug-related felonies. In those cases, the approach service providers must take is to advocate with and persuade property owners and management companies to overlook whatever capital deficits a particular family or individual may possess.

Sometimes it is necessary to provide property owners and managers with certain protections and/or incentives before they are willing to relax their screening criteria. Some incentives and protections, particularly those that are financial in nature, are beyond the means of individual service agencies but are possible with community leadership and resources.

The following sections describe many of the practices, tools, and methods currently being employed by re-housing providers and local Continuums to overcome the housing barriers of homeless persons and increase their access to private-market housing.

Marketing Tailored to Owner Needs

Homeless service providers typically consider their clients to be the individuals who are accessing their services. Housing search and placement requires a different mindset, one in which property owners are also viewed as “clients” or “customers” who have needs and wants that must be met through the program. In many ways, re-housing providers are tasked with “selling a product” (i.e., the program) and promoting prospective tenants in the open market, one in which property owners and managers often have many different choices.

This business or market-oriented mindset requires the use of selling points that speak to landlord needs and goals, address their concerns, and mitigate actual or *perceived* risks. In our experience, the three most common concerns and perceived risks of landlords in leasing to homeless persons are non-payment of rent, property damage, and the burden of having to deal with potential “problems” caused by the incoming tenants.

Successful marketing efforts often utilize the following selling points to explain the “win-win” for landlords in partnering with social service programs:

- Households are provided individualized case management before and after the move, including tenant education, budgeting, household management, employment

assistance, and crisis intervention

- Services are often provided on-site through regular home visits (often for a transitional period of time, e.g. 3-6 months)
- Landlords have access to support “hotlines” and dedicated point persons responsive to their concerns and needs, and can expect prompt intervention with tenants when requested
- Tenants – program participants and sometimes other tenants in the same buildings – have access to, or can be linked to, intervention programs to address issues or crises (e.g., rent-to-prevent eviction assistance)
- Landlord costs associated with advertising vacancies and finding qualified tenants are reduced through free tenant screening and referrals
- Security deposits are paid on behalf of tenants

For many landlords and for many program participants, these risk mitigation services are sufficient to open the doors to rental opportunities. All landlords at one time or another have dealt with problematic tenants, many of whom had never been homeless, and do not easily forget the burden, irritation, and sometimes financial cost of dealing with those individuals. Landlords often feel reassured when they discover that

program participants receive home-based support services and that there is a reliable, sympathetic contact to call in case problems arise. During our 40 years of collective experience, case management services and having a designated, responsive backup have consistently been the most persuasive selling points for landlord partners.

Getting Your Message Across to Property Owners & Management Companies

The key to engaging property owners and managers lies in presentation and appeal. Landlords appreciate when service providers demonstrate an understanding of the dollars and cents of the rental business and can communicate the protocols and measures they have instituted to mitigate owners' financial risks. Targeted and professional marketing materials and outreach strategies are essential in order to effectively present these messages, and pique the interest of prospective landlords.

Successful re-housing programs often use a variety of materials and tactics to recruit and engage property owners and managers. Some of the most common are agency and program brochures, one-page fact sheets or flyers, "Dear Landlord" letters, and business cards. Other materials used by some programs include client success stories that highlight how stable, affordable housing has transformed their lives, program or agency media coverage including newspaper articles, agency newsletters for donors and community members, and letters of recommendation from peers currently partnering with the program.

Marketing materials are often left with landlords during outreach visits or presentations at association meetings, or made available at trade shows or conferences. Sometimes, materials are mailed directly to landlords and management companies based on leads or initial contacts.

On a community-wide scale, landlord marketing efforts have been strengthened in recent years through the creation of web-based housing locators. These websites are essentially one-stop shops for service providers and homeless and low-income individuals to identify affordable housing opportunities in their communities. The sites are appealing to landlords due to their free advertising of rentals, easy-to-use listing tools, dedicated customer service, and steady stream of tenant referrals.

Customized locators have sprung up in localities across the country, typically through partnerships between state or local government agencies (e.g., housing finance agencies, housing authorities, and community development agencies) that fund and manage the sites and private developers of these sites. Socialserve.com is one of the leading national developers, but there are other companies, including RentLinx.

In addition to, or in lieu of, affordable housing websites, communities often utilize other means to attract landlord partners. One such approach is to place targeted advertisements of re-housing initiatives or rental assistance programs in local or community newspapers, or in publications of apartment owner/rental housing associations.

Creative Advocacy Approaches

Rapid re-housing providers often need to employ additional, creative strategies to convince landlords to take risks that they might otherwise not take. This is particularly the case when working with homeless families or individuals with spottier rental, credit, and/or criminal histories.

Certificated Tenant Education Programs

One strategy to address rental barriers is to develop a certificated, community tenant education program endorsed by the local landlord association.

Most, if not all, rapid re-housing programs provide tenant education directly or through local partnerships, and market such training as a selling point to prospective landlords. While useful to program participants and potentially attractive to landlords, tenant education of this kind tends to lack known standards and may be less rigorous in nature. A more formal program recognized by a landlord association, and developed with their input, on the other hand, provides a marketing advantage over traditional approaches.

Several communities around the country have established *Ready to Rent*³ programs, based upon the tenant readiness curriculum originally

developed in the late 1990s by the Portland Housing Center.

In King County, Washington, for example, the local United Way certifies area service providers in curriculum instruction. The providers then teach the curriculum to homeless clients through a 12-hour course; upon completion, clients receive a program certificate.

The Rental Housing Association of Puget Sound – the largest association of rental housing owners in the Pacific Northwest – provides tenant background checks for *Ready to Rent* participants and encourages its more than 3,000 members to accept the program certificate from graduates with screening barriers.ⁱⁱⁱ⁴

Character and Advocacy Letters

Character letters can be another useful tool in advocating for housing access for homeless families and individuals. Generally speaking, property owners like to see that a prospective renter has taken responsibility for past indiscretions or problems.

Letters from case managers and/or respected third parties, such as religious leaders, employers, or even parole officers, describing how the head of household or individual concerned has participated in specialized services

³ For more information about the program, including curriculum content, certification and licensing requirements, and cost, visit www.readytorent.org.

⁴ Another example of a certificate program is Multnomah County's (Oregon) Rent Well Tenant Education Program - <http://www.portlandonline.com/phb/index.cfm?c=50130>.

(e.g., substance abuse treatment, mental health counseling, financial education classes) and has made great strides in overcoming personal problems indicates to a landlord a level of commitment, motivation, and ability to turn one's life around.

While certainly not all landlords or management companies are swayed by such letters – no matter how impressive – experience has shown that some will respond by “bending” conventional rules or making exceptions on a case-by-case basis, particularly in light of ongoing program support for tenants. Typically, individual owners, and “mom and pop” landlords in particular, are more flexible in this regard; however, program advocacy of this nature can also work with management companies.

It is important to note that relaxing rules or practices in this manner does not violate fair housing laws, provided that housing determinations are not made on the basis of race, sex, age, disability, color, creed, or national origin, religion, or familial status.⁵ Some landlords misunderstand the bounds of these laws. All other things being equal, it is lawful for landlords to give preference to one applicant over another on the basis of his or her participation in a case management program, even if the applicant has a poorer rental “resume” than other applicants.

Advocacy letters can also be helpful in explaining the circumstances surrounding past rental and/or credit

problems. It is important for re-housing providers to thoroughly investigate with program participants the reasons for past problems. Take evictions for example. While all evictions that have gone through the full legal process are recorded and generally remain on one's credit report for seven years, not all evictions are created equal.

Sometimes there are mitigating circumstances that can be presented to prospective landlords. For instance, some homeless persons have been evicted in the past because they used poor judgment in withholding rent money as retaliation for landlords refusing or being slow to make requested repairs. Or, due to domestic violence, some homeless mothers have prior, and sometimes unlawful, evictions stemming from property damage and/or disorderly conduct caused by a former batterer, even though he was not on the lease and was not a household guest at the time of the incident(s) that led to the family's displacement.

In such cases, housing specialists can explain the reasons for negative marks on a client's credit report and describe how tenant education, domestic violence counseling, home visits, and other relevant services provide assurances that such problems will not recur.

Other Advocacy Approaches

At times, housing specialists have to be very resourceful and tenacious in order to assist homeless families and individuals with severe housing barriers. This may require, for example, a combination of character letters and

⁵NOTE: Some states afford additional or expanded protections to certain classes, so providers should be aware of applicable state laws in addition to federal laws.

copies of children's report cards and sports awards, or news of an adult's new job or recent promotion, in order to ease a property owner's initial concerns about renting to a particular client. Such creativity and persistence is a hallmark of successful programs.

While these approaches may not work on their own, they can be very effective when marketed alongside tenant and landlord supports, including case management services and landlord "hotlines."

As a general rule of thumb, the more barriers a homeless household has, the more strategies a re-housing provider must employ in order to find housing opportunities for that individual or family.

Enhanced Incentives & Protections for Landlords

For the “hardest to house” populations, including persons with felony records, multiple evictions, behavioral health challenges, and long-term or chronic homelessness, some agencies and communities have developed enhanced incentives and protections for landlords. These generally fall under two broad categories: non-financial and financial.

Non-Financial Incentives and Protections

Given landlords’ and property managers’ concerns over rent payments, property damage, neighbor relations, and other potential issues, some communities have developed non-financial strategies to reduce owner liability and/or share potential risk.

One such strategy is master leasing, in which a third party, usually a government agency or non-profit service provider, leases a unit, or a block of units, and then sub-leases to a high-risk tenant(s).⁶ Several counties in Pennsylvania, for example, are combining master leasing with rental assistance in order to overcome the housing barriers of justice involved individuals with mental illness.^{iv}

⁶ Master leasing arrangements sometimes involve entire buildings. For example, the San Francisco Department of Public Health’s Direct Access to Housing Program master leases SRO hotels in order to re-house chronically homeless-disabled individuals who are living on the streets or exiting various institutional settings.

Master leasing arrangements do not have to be long-term and have been used effectively on a time-limited basis, often lasting no more than six to twelve months.⁷ This transitional period provides sufficient time for high-risk tenants to demonstrate their reliability to landlords, who then become willing to transfer primary control of the lease to them. One notable exception to time-limited master leasing are scattered-site Housing First programs that work directly with private, for-profit landlords to re-house chronically homeless individuals (e.g., Pathways to Housing in New York City).

As an alternative to master leasing, some providers and communities will co-sign leases for high barrier tenants for a limited period of time. This is a similar risk-sharing approach that can appeal to otherwise reluctant landlords and enable tenants to develop a payment record. In addition to rental contracts, co-signing is also sometimes done for utility services.

Re-housing providers should carefully consider whether to engage in master leasing or co-leasing, even if only for a limited period of time. Such arrangements leave a provider or other third party liable for financial damages or loss, as well as potentially placing them in the awkward position of having

⁷ For example, the Montgomery County Coalition for the Homeless and the Massachusetts Department of Transitional Assistance have used short-term master leases in the past to re-house harder to serve populations.

to “evict” a problematic tenant, while at the same time still advocating for their permanent housing needs.

In over twenty years of re-housing homeless families, Beyond Shelter has never signed a family’s lease, even for those households with serious screening barriers. Based on this experience, Beyond Shelter and HomeStart recommend that providers first pursue other strategies to overcome their clients’ housing barriers in order to minimize program liability and to facilitate greater independence for tenants. Generally speaking, master leasing, or co-leasing, should be targeted very selectively and used as a last resort when no other options exist.

Another tool to protect against landlord loss and to mitigate perceived (or actual) risks are protective payee programs. Such programs hold clients’ monthly incomes in escrow accounts managed by third parties, who are responsible for making rent payments directly to landlords on behalf of tenants.

Shelter to Independent Living (SIL) in Lancaster, Pennsylvania, one of the oldest rapid re-housing programs for homeless families in the country, uses this strategy on a time-limited basis – generally one year but determined on a case-by-case basis – to address landlords’ concerns about the typically very high income to rent ratios and negative rent and credit histories of their clients. Tabor Community Services, the agency that operates the SIL Program, has found this strategy to be an effective

response to the housing barriers of their target population and the limited supply of rental assistance, including Section 8 subsidies, for homeless families in Lancaster County.^v

Protective payee services should not be confused with representative payee services. While the latter are often targeted to individuals deemed incapable of handling their own finances (e.g., severely disabled individuals on SSI), the former have no legal requirements for participation. Protective payee programs are one strategy, among many others, to convince landlords and management companies to relax screening criteria, while at the same enabling program participants to build budgeting and financial management skills.

Financial Incentives and Protections

Sometimes re-housing programs combine non-financial incentives with financial carrots in order to access rental housing for hard-to-house populations.

Financial incentives can be provided directly by programs or by third-party collaborators, such as government agencies (e.g., local welfare or mental health department). Incentives can range from very modest cash payments to more significant financial commitments.

Modest incentives sometimes include providing leasing bonuses to landlords, particularly during the launch phase of large-scale re-housing initiatives, and paying broker’s fees in communities

with such fees.⁸ More commonly, modest incentives include paying security deposits for program participants or negotiating increases in deposit amounts, sometimes of a few hundred dollars or, when necessary, double in amount. Re-housing providers often utilize public funds, such as EFSP, ESG, HOME, and TANF EA⁹, to pay for many of these types of incentives.

Recognizing the limitations of public dollars, some communities have established non-traditional funding sources for rental start-up costs. For example, the Cambridge Housing Assistance Fund in Cambridge, Massachusetts supplements start-up costs for homeless individuals and families, including security deposits, realtor fees, first and last month's rent, moving costs, storage, and utility bills.

What is unique about the Fund is that it was created in 1999 by the Cambridge Community of Realtors as a response to growing housing costs, and is primarily funded by proceeds from an charity event. The Fund has evolved into a strong public-private partnership involving the Cambridge banking community, local homeless service providers, including HomeStart, and the rest estate community.¹⁰

Some rapid re-housing initiatives that provide rental assistance will offer advance payments to landlords, such as the first 3 month's rent upon lease signing, or quarterly payments, as a means to incentivize owner participation. Other programs will guarantee a portion of the rent for a certain period of time, to assuage landlord concerns about financial risk. Some programs will also pay housing-related arrears to remove household debt as a housing barrier.

Financial guarantees of other kinds are increasingly being used in localities to provide insurance against landlord or management company loss. Similar to how auto, life, and other forms of insurance operate, these guarantees allow landlords to make claims against the policies in certain circumstances. In effect, these guarantees provide a safety net for property owners and managers.

The Rapid Exit Program in Hennepin County, Minnesota, and the Homeless Assistance Rental Project (HARP) in Salt Lake County, Utah, for example, provide eviction/unlawful detainer guarantees. If a landlord has to go through the normally expensive eviction process with a tenant, those programs will cover the landlord's legal costs.

HARP, which provides re-housing services for justice-involved individuals and families and those awaiting release from mental health and substance abuse treatment programs, also provides a wear and tear guarantee to landlords. This guarantee provides insurance against financial harm stemming from damages

⁸ Many communities do not have broker's or realtor's fees, but in those that do, the landlord is often the person responsible for those fees, but in some localities the tenant is responsible. Such fees could be as high as two month's rent.

⁹ All four programs are national programs under the direction of federal departments, as indicated parenthetically: EFSP is the Emergency Food and Shelter Program (Homeland Security). ESG is the Emergency Shelter Grants program (HUD). HOME is the HOME Investments Partnerships Program (HUD). TANF EA is the Temporary Assistance to Needy Families Emergency Assistance program (HHS).

¹⁰ For more information, go to <http://chafund.org/>

in excess of what a tenant's security deposit would cover.^{vi11}

Though these types of insurance policies might seem prohibitively expensive, their design, as well as program evaluations¹² and anecdotal evidence to date, suggests that implementation costs are fairly modest for several reasons.

First, the programs are often targeted to households with the greatest housing barriers, and so most homeless persons do not need or receive such assistance in order to access permanent housing. Second, the financial guarantees are normally capped (e.g., \$1,000 - \$2,000 per household) and are time-limited, typically expiring after 6-12 months. Third, some landlord guarantee funds restrict eligibility to households that graduate from community tenant education programs.¹³ Finally, the guarantees are tied to the provision of individualized housing stabilization services, which are designed to promote stable tenancies. Collectively, these factors reduce the likelihood of frequent and/or large payouts from risk mitigation funds.

Though these programs have not been rigorously evaluated and many funds are still relatively new, experience to date suggests that communities can establish and operate such programs without overly burdensome financial costs. In so doing, they would have a promising strategy to entice property owners to take on more risk than they normally would.

¹¹ The Fresh Start Program and the Landlord Guarantee Fund in Portland/Multnomah County, Oregon and the Grand Chance Program of Associated Ministries in Tacoma, Washington are other examples of risk mitigation funds for landlords that insure against financial harm due to property damages and/or eviction costs.

¹² For example, the interim evaluation for King County's Landlord Liaison Project found that few partnering landlords needed to file reimbursement claims against the Risk Reduction Fund due to the success of the program (Landlord Liaison Project: 2010 Performance and Evaluation Report). http://www.kingcounty.gov/socialservices/Housing/PlansAndReports/HCD_Reports.aspx.

¹³ For example: Landlord Guarantee Fund in Multnomah County, Oregon.

Approaches to Addressing the Affordability Problem

Regardless of whatever personal challenges a homeless family or individual may have, their primary housing barrier is affordability. Presently, there is not a single county in the nation in which a worker earning the federal minimum wage (\$7.25/hour) can afford a one-bedroom apartment at Fair Market Rent.^{vii}

Federal, state and local efforts to address homelessness must focus on strategies to close the growing gap between household income and housing costs. The most well-designed landlord incentive packages and outreach efforts will only go so far, if direct measures are not taken to lessen household rent burdens, whether through tenant-based assistance, workforce development initiatives, or both.

States, counties, and cities are responding to the systemic challenge of housing affordability through various demand-side initiatives focused on expanding access to existing housing stock.¹⁴ The universe of these initiatives is quickly evolving and fairly diverse, and comprehensive coverage of these initiatives is beyond the scope of this brief. However, some of the leading and

more innovative strategies, with examples, are described below.

Provide HPRP-Like Rental Assistance

The launch of the Federal HPRP Program introduced the terms *short- and medium-term rental assistance* into the national homelessness lexicon. Though such terms were new at the time for many communities across the country, HPRP was designed after successful temporary rental assistance programs across the country, including the State of Minnesota's Family Homeless Prevention and Assistance Program (FHPAP).¹⁵

One of the primary challenges to providing short- and medium-term rental assistance is funding. HPRP has helped to fill the void that has existed for many years in Continuums of Care across the country, but HPRP funding is only available through September 2012. While statutory changes under HEARTH to the Emergency Shelter Grants (ESG)¹⁶ program demonstrate an ongoing federal commitment to flexible funding to

¹⁴ Demand-side approaches focus on expanding access to existing housing stock by increasing consumer purchasing power and choice, as opposed to supply-side strategies that focus on increasing the overall supply of affordable housing, primarily through subsidies to developers for new construction or rehabilitation.

¹⁵ The program provides flexible, outcomes-based funding, including up to 24 months of rental assistance to promote rapid re-housing for homeless families with children, youth, and single adults. The success of Hennepin County's Rapid Exit Program – often cited nationally as a best practice for rapid re-housing – is due in large part to the structure and design of the FHPAP. For more information, see Burt, M.R., Pearson, C., & Montgomery, A.E. (2005). *Strategies for Preventing Homelessness*. Washington, DC: Department of Housing and Urban Development.

¹⁶ The Emergency Shelter Grants (ESG) program is being re-named the Emergency Solutions Grant, to incorporate a broader range of eligible activities and an enhanced commitment to homelessness prevention and rapid re-housing.

promote housing stability, housing resources under the new ESG will be at a *significantly* reduced funding level compared to HPRP.¹⁷ To make inroads in addressing homelessness going forward, communities will need to strategize about how to utilize existing and/or create new sources of money to provide temporary housing subsidies.

Maximize mainstream resources. One mainstream resource that is under-utilized for direct rental assistance is the Federal HOME program: HOME Investments Partnerships Program. While many state and local jurisdictions currently use HOME funds for rental start-up costs, far fewer use those funds for tenant-based rental assistance (TBRA). The program allows up to 24 months of rental assistance, with renewable terms, and provides local jurisdictions with the flexibility to design and customize their TBRA programs.¹⁸

The Salt Lake County, Utah Housing Authority and its service partners, including The Road Home, utilize HOME funds for multiple temporary

subsidy programs, including the previously mentioned HARP program. Some of these programs blend HOME funds with county general funds in order to maximize available dollars for rental assistance.

Other communities can follow Salt Lake County's example and utilize HOME funds for time-limited rental assistance, coupled with workforce development strategies. For populations needing long-term housing assistance, TBRA funds can be used as a bridge to long-term subsidy programs, including Section 8, Shelter Plus Care, HUD VASH, and FUP.

The Federal TANF program – Temporary Assistance for Needy Families – is another block grant program that can be utilized for temporary rental assistance. While some states and counties currently use TANF funds for this purpose, many do not dedicate funds in this manner, even though stable housing is a vital work support for homeless families on welfare, as well as those exiting the program.

Typically, localities use their required state matching dollars, known as maintenance-of-effort (MOE) funds, to provide longer-term rental assistance, including to families not receiving cash assistance. Those funds offer greater flexibility to states [when administered and accounted for separately] than federal dollars, because benefits paid with the latter normally trigger lifetime time limits and work participation requirements.^{viii}

¹⁷ HPRP funding amounts to \$500 million per year, whereas ESG funding has plateaued at about \$160 million for the last several fiscal years, and most of that funding has been dedicated to shelter activities, rather than prevention or re-housing activities. Provisions in HEARTH, however, essentially double the proportion of HUD's Homeless Assistance Programs funding that must be dedicated to the new ESG program. These changes will significantly increase ESG funding, assuming actual appropriations comply with the new statute, but funding will still far fall short of HPRP levels. For more information, see FY 2011 HUD Homeless Assistance Funding Scenarios: Federal Policy Brief, August 31, 2010, by the National Alliance to End Homelessness.

¹⁸ For more information on HOME TBRA, see <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/> as well as: Council of State Community Development Agencies. (December 1997). Using Home Funds to Address Homelessness Within a Continuum of Care. Washington, DC: Author. Available at <http://www.cosedca.org/publications/care.htm>

Communities using TANF funds for housing assistance have had some success in combating family homelessness. One striking example is Westchester County, New York, located close to New York City.

In the early 2000s, the recession and expensive rental market had resulted in increasing numbers of homeless families in Westchester, as well as longer lengths of stay in county-funded shelters. Among other responses to this crisis, the Westchester Department of Social Services participated in the Shelter Supplement Program, offered through the state. The program essentially doubled the housing allowance of long-staying (i.e., 6 months or more) welfare-dependent families, thereby enabling them to leave shelter. The success of this and complementary initiatives resulted in a 57% decrease in family homelessness from 2002 to 2006 and enabled the county to close some of its family shelters.^{ix}

More recently, some communities have used TANF funding for tenant-based assistance, in conjunction with HPRP. TANF funds – particularly from the Emergency Contingency Fund authorized by the Recovery Act (ARRA) – have been used to provide non-recurrent, short-term assistance (i.e., up to 4 months based on federal regulations), with HPRP funds used to extend rental assistance up to 18 months for households needing more time to achieve housing and financial stability.

Reallocate existing resources.

Sometimes existing resources that are, or

otherwise would be, dedicated to “managing” homelessness can be reallocated for pilot rental assistance programs.

Hamilton Family Center in San Francisco, for example, persuaded the local government to allow it to close two family shelters it had been operating and to reallocate those dollars for shallow subsidies. The success of the pilot program helped in part to propel the city to allocate general fund revenue for a first-ever city-wide rental assistance program for homeless families.

The Massachusetts Department of Transitional Assistance, which had been battling mushrooming shelter and motel costs, allocated funds for similar pilot programs. These rental assistance programs produced improved housing outcomes for homeless families, thereby reducing lengths of stay in shelter as well as financial costs to the state.¹⁹

Leverage resources from community stakeholders. Homelessness is expensive, and the prevailing business model in most communities of shelter-based responses is not only ineffective, but also inefficient, arguably inhumane. Some communities at the vanguard of ending and preventing homelessness have been able to reframe homelessness for certain target populations as an affordable housing issue that impacts other social problems (e.g., health care utilization, criminal recidivism, child welfare involvement, and welfare-to-work).

¹⁹ For a description of these initiatives, see One Family, Inc. (Fall 2006). *Housing First: An Unprecedented Opportunity*. Boston: Author. <http://www.onefamilyinc.org/cgi-script/csArticles/uploads/491/PolicyPaperFINAL.pdf>

Homeless and affordable housing advocates have been able to accomplish such reframing through the use of cost-benefit arguments and have successfully leveraged financial commitments from non-traditional sources.

The Indianapolis/Marion County Housing Trust Fund, for example, was able to secure an annual donation of \$1 million to the trust fund from the Health and Hospital Corporation of Marion County. The Corporation made this substantial commitment because it came to view permanent supportive housing as an effective strategy to reduce health care costs, particularly those related to recurrent emergency room visits and ambulance services.^x

Engage faith communities. Faith communities are also important stakeholders in efforts to address homelessness. The missions and fundamental teachings of Christianity, Judaism, Islam, and other religions make these communities natural allies in efforts to combat economic injustices like homelessness. Not surprisingly, faith-based partnerships have been spreading in communities across the country, due in part to priorities set forth in local Ten Year Plans.

One successful example of a faith-based rental assistance program is Project CATCH in Boise, Idaho. This Housing First project is a collaboration between local congregations, businesses, city government, and the United Way of Treasure Valley. Congregations and businesses fund most of the budget, including sponsorships of homeless

families involving six to twelve months, generally, of rental assistance. Mountain West Bank, a local partner in the initiative, provides a dollar-for-dollar savings match while families are enrolled in the program.²⁰

Create new public revenue streams. Given the limited supply of affordable, market-rate housing across the country and the fact that only one in four households eligible for federal housing assistance actually receives assisted housing of one form or another,^{xi} state and local communities have turned to other strategies to create housing resources. Taxes and fees of various kinds are some of the most common approaches.

In 2005, for instance, the Illinois Legislature passed legislation authorizing a \$10 surcharge on real estate recordings. This recordation fee provides tens of millions of dollars annually, including over \$10 million for Chicago/Cook County. Chicago has earmarked half of these resources for implementation of its Ten Year Plan, including for tenant-based rental assistance.^{xii}

Miami-Dade County, Florida imposes a 1% tax on sales at larger restaurants in the community. The Food and Beverage Tax generates millions of dollars for the Homeless Trust each year.

Communities have also developed other types of taxes or fees, or agreed to dedicate revenue from extant fees, to address homelessness. Such revenue

²⁰ For more information on Project CATCH, go to <http://www.cityofboise.org/CATCH/index.aspx>

streams have included lodging fees, parking fees, real estate transfer fees, and income taxes.

The Community Shelter Board, the lead agency for the Continuum of Care in Columbus and Franklin County, Ohio uses revenue from a modest real estate transfer fee to address homelessness. California has a 1% tax on household income over \$1 million. Revenue from the “millionaire’s tax,” formally known as Prop 63/Mental Health Services Act, funds permanent housing and comprehensive services for mentally ill populations.

Target Long-Term Assisted Housing Resources More Effectively

The other key strategy communities are employing to overcome the rental affordability challenge is to selectively allocate long-term assisted housing resources, including Section 8 and public housing. Although many homeless persons, and impoverished households at-large, could benefit from permanent subsidies, most have demonstrated that they can exit homelessness and remain housed without such assistance.

In the past, and to some extent still today, poor targeting of these resources based largely on housing status created perverse incentives in some communities to enter, and/or remain, in the shelter system in order to access housing assistance.^{xiii} Though targeting remains at best an imperfect science – as no research exists indicating how to match level and duration of subsidy to household need – some communities are

experimenting with more sophisticated targeting approaches.

New York City, for example, had prioritized (until recently) homeless individuals and families on fixed incomes (e.g., SSI or SSDI) due to a disability and child-welfare involved families for Section 8 vouchers.^{xiv}

Other communities are moving away from basing eligibility for permanent subsidies on housing status and instead are embracing a “progressive engagement” approach to housing assistance.^{xv} Under this approach, homeless households are provided temporary rental assistance, often combined with workforce development strategies. Households are re-evaluated on a periodic basis (e.g., quarterly, much like HPRP) to determine ongoing need for financial assistance, up to a defined period of time, and to ascertain whether service interventions remain appropriate or need to be adjusted in some way. Households that are not able to achieve housing stability once the temporary assistance ends are targeted for permanent subsidies.

The State of Massachusetts is a good example of this approach. The Moving to Economic Opportunity Program (MEOP) is a pilot initiative providing a two to four year subsidy to homeless and near-homeless TANF recipients with little to no work history. In addition to housing assistance, participants receive intensive work supports to help them overcome their employment barriers. Of particular importance, after exiting shelter through this program, participants do not lose their priority for

subsidized housing (Section 8 and public housing).^{xvi} Therefore, if the time-limited rental assistance proves inadequate for certain families, the state plans to transition those households to long-term assistance. The program design thus enables the Commonwealth to de-link shelter and housing subsidies, while targeting long-term assistance to households with demonstrable need for it.

programs dedicating a portion of their vouchers that turn over each year to homeless populations.

Currently, approximately one quarter of public housing authorities (PHAs) across the country have *set-aside programs* through which certain homeless populations are prioritized for Section 8 Housing Choice vouchers.^{xvii} In those jurisdictions, homeless providers, advocates, and planners should ensure that those tenant-based vouchers are being targeted to homeless households with the greatest housing barriers, if such targeting policies are not already in place. The Administrative Plan of each PHA spells out the eligibility criteria and administrative policies and procedures for all vouchers.

In communities without set-aside programs, providers, advocates, and planners should engage their state and local PHAs in efforts to combat homelessness. HUD permits every PHA to establish “needs-based” preferences for their waiting lists. PHAs can be asked to adopt such preferences for high-risk, high-barrier homeless populations in both their Public Housing Agency Plans as well as their Administrative Plans. To counter the common argument about “robbing Peter to pay Paul,” homeless advocates and planners can advocate that PHAs implement pilot

Summary of Program Strategies to Overcome Housing Attainment Barriers

Develop Marketing Tools

- Program brochures
- Flyers/fact sheets
- “Dear Landlord” letters
- Client success stories
- Program or agency media coverage
- Letters of recommendation from partnering landlords

Strategically Target Outreach to the Landlord Community

- Present at local apartment owner association meetings
- Recruit owners at association conferences or trade shows
- Host landlord orientation sessions

Emphasize Core Program Benefits

- Home-based case management
- Financial assistance for move-in costs
- Landlord backup
- Free tenant screening
- Speedy tenant referrals to reduce turnover time in rental units
- Reduced advertising costs

Utilize Creative Advocacy Approaches

- Character letters from trusted or respected third parties
- Advocacy letters explaining past rental, credit, or criminal problems

Offer Individualized Landlord Incentives and Protections As Needed

- Master leasing or co-leasing (time-limited and/or ongoing)
- Protective payee services
- Increased security deposits

Summary of Community Strategies to Overcome Housing Attainment Barriers

Develop Marketing Tools

- Web-based, affordable housing locators
- Certificated tenant education programs
- Targeted advertisements in local papers or apartment owner association publications

Address Financial Barriers Due to Rental Start-Up Costs

- Utilize mainstream resources (EFSP, ESG, HOME, TANF EA)
- Create alternative, non-traditional funding sources for security deposits and other move-in costs

Offer Individualized Landlord Incentives and Protections As Needed

- Master leasing or co-leasing (time-limited and/or ongoing)
- Paid broker's/realtor's fees
- Landlord bonuses
- Advance rent payments
- Quarterly payments
- Rent guarantees (time-limited)
- Wear and tear guarantees (time-limited)
- Eviction/unlawful detainer guarantees (time-limited)

Provide Temporary Rental Assistance

- Maximize mainstream resources like HOME and TANF
- Reallocate existing resources
- Leverage resources from community stakeholders
- Engage faith communities
- Create new public revenue streams through new or existing taxes and fees

Target Permanent Housing Resources

- Identify the highest risk, highest barrier households
- De-link shelter/housing status and permanent subsidies
- Adopt "progressive engagement" approaches

Maintaining Relationships & Facilitating Housing Stability

Once a homeless individual or family is re-housed, the real work begins, not just in terms of assisting the client to stabilize in their new housing but also in terms of meeting the needs of the landlord. The commitments made while outreaching and recruiting property owners need to be maintained after lease signing and move-in. Check-in calls to landlords and property managers, home visits to clients, and other promised services must occur within stated time frames. When providers keep their commitments not just to individual clients, but also to landlords, tenancies and relationships are more likely to remain stable and positive.

It is important to establish two-way communication with landlords early on so that trust can develop and deepen over time. Checking in with property owners during good times, and not just when issues emerge, helps to build rapport and reinforces the view of the landlord as a customer whose needs are being attended to. In addition, open, consistent communication makes it more likely that landlords will call upon the provider when problems arise and before they escalate to the point of jeopardizing a client's housing.

Some rapid re-housing providers go so far as to establish formal protocols and tools with property owners for early warning systems. In these systems, certain events, such as a client's falling behind on rent payments, trigger calls to

case managers for intervention purposes.²¹ These warning systems are not unlike the successful model of property management and resident services that often exists in permanent supportive housing and other types of affordable housing for homeless and low-income populations.

Recognizing Landlord Contributions

Integral to relationship maintenance with landlords is recognizing their contributions to the program. Recognition can be as simple as sending thank you or birthday cards from staff and clients to more elaborate measures as hosting owner appreciation breakfasts at which partners receive plaques or other types of recognition.

Another way to recognize landlords is to have a landlord spotlight in monthly or quarterly community newsletters or emails, not unlike client "success stories" often featured in these communications. Or, programs can identify a "landlord of the year" and acknowledge those individuals during annual fundraisers, community newsletters, and/or annual reports. Remember, friendly competition among peers can provide good motivation!

A little schmoozing can also go a long way towards ensuring positive

²¹ For sample communication tools and protocols, see http://www.hudhre.info/housingsearch/Landlord-Tenant-Case%20Manager%20Communication%20Agreementv2_Aug06.doc OR <http://www.pahousingchoices.org/wp/wp-content/uploads/2009/12/pdf-of-Dauphin-protocol.pdf>.

relationships. Beyond Shelter's and HomeStart's housing specialists have been known on occasion to take their favorite landlords to lunch!

recognize the invaluable contributions of community partners to the program.

One final piece of relationship maintenance involves eliciting feedback from community partners for quality assurance purposes. Just as many retail and other for-profit businesses conduct customer service surveys, it is important for re-housing providers to seek feedback from landlords on their experiences with the program.

On a semi-annual or annual basis, service providers and/or lead agencies for Continuums can survey landlords via mail, telephone, or email questionnaire, or in-person focus groups, to find out what is working and what could be improved. More established re-housing programs may only need to conduct such surveys every two years or so.

This feedback loop not only provides valuable information for program refinement purposes, but it also signals to landlord partners the value the program places on ensuring their needs are being heard and met.

As one veteran housing specialist at Beyond Shelter once said, landlords are like elephants. They never forget the good or the bad. Since memories do not fade and word travels fast, it is incumbent upon re-housing providers to continually provide a personal touch at all times, whether following up after a client moves in to their new home, intervening to address concerns raised by landlords, or searching for ways to

Building Upon Success: Expanding the Role of Partnering Landlords

While continuing to recruit new landlords, successful rapid re-housing providers always seek to expand the role of property owners and management companies already partnering with the program.

At a minimum, these partners should be approached about providing additional housing opportunities to clients. Many landlords own multiple properties and are often open to making additional units available to the program. Management companies, by definition, also have control over numerous properties.

It is important to keep in mind that property owners and managers who have had positive experiences with the program are often amenable to renting to households with greater barriers. Be aware, however, that over-concentrating clients in individual buildings generally leads to various problems and should be avoided.

Landlords who have demonstrated a significant investment in or support of the program can be approached about contributing in other ways. For example, they could sit on program advisory boards to provide input on new initiatives, such as the development of a certificated tenant education program. Or they could help to organize, and participate in, landlord focus groups. Both information-gathering strategies can be particularly helpful during the early stages of program development and implementation, or when programs

are considering expanding their services to households with greater housing barriers. Landlords who are influential or prominent community members can also be approached about serving on agency boards.

In addition, landlord partners can serve as a valuable referral source to the program. Property owners always know other owners, whether through membership in local associations or other means. Housing specialists should notify these partners that the program is continually looking for new landlord referrals and rental opportunities. Just as many jobs are found through word of mouth, the same is true for housing opportunities.

There are other, more formal ways to involve landlord partners in recruitment efforts, including as follows:

- 1) They can be involved in supporting orientations for fellow owners at the program's offices (perhaps over breakfast or lunch). For starters, partners can be asked to help turn out prospects for these events. During the events, they can play an active role, including by offering first-hand testimony about the benefits of the program for owners and their positive experiences. Peer testimonials can be a very powerful "sales" tool, particularly when coming

from landlords who had at first been skeptical of the program.

- 2) They can write a “Dear Colleague” letter to prospective owners and/or serve as a listed reference in a “Dear Landlord” letter from the re-housing provider. Both letters can then be used for marketing and outreach efforts in general as well as for those targeted specifically to partnering landlords’ personal networks.
- 3) Landlord partners can also host house parties. Rather than raising funds for a cause, the purpose of this type of house party is to inform fellow property owners about the program, and enlist their participation.
- 4) To the extent that local landlord associations are not aware of, or are not actively involved in, supporting the re-housing program, partner landlords, particularly those who are association members, can help to spread the word. This could include co-presenting with program representatives at association meetings.

Since landlord recruitment is ultimately about relationship building, re-housing providers should always view participating landlords as a valuable resource for facilitating and expanding networking and outreach opportunities.

Conclusion

Recent reforms to federal homelessness policy through the HEARTH Act represent fundamental changes in how individual service providers and entire Continuums of Care will be expected to serve homeless populations. Rapid re-housing – one of the most significant of these changes – will require providers to more quickly assist homeless households to access rental housing, primarily in the private market.

The agencies and communities at the vanguard of systems change over the last 10-15 years have developed and refined tools, practices, and policies aimed squarely at addressing the housing barriers of homeless individuals and families and facilitating partnerships with private-market landlords and management companies. Providers and localities new to rapid re-housing can consider incorporating and adapting the approaches outlined in this brief as they refocus and redesign their efforts to end and prevent homelessness.

RELATED READING

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ABOUT THE CONTRIBUTING ORGANIZATIONS

Beyond Shelter – Founded in 1988, the mission of Beyond Shelter is to develop systemic approaches to combat poverty and homelessness among families with children and enhance family economic security and well-being. Beyond Shelter pioneered the Housing First approach for homeless families as a response to rising family homelessness in the late 1980s and the inherent limitation of shelter-based approaches to address the fundamental need of homeless families for affordable, permanent housing. Since 1998, the agency's Housing First Program has re-housed more than 5,000 homeless families, with an estimated 85% housing retention rate. The agency's programs in Southern California serve as a "laboratory" for demonstration, research and evaluation, with information disseminated through the Institute for Research, Training and Technical Assistance.

Partnering for Change: The National Institute for Innovative Strategies to Combat Family Homelessness & Poverty – Founded in 2010, the mission of Partnering for Change is to collaborate with practitioners and researchers to develop and test innovative program models in order to improve the social and economic well-being of vulnerable families, and promote the dissemination of evidence-based approaches through education, training, advocacy and consulting to nonprofit organizations, public agencies, and grant makers. The organization provides a formal mechanism to bring research and practice together in order to test and refine new or existing program models and systems change approaches, fill knowledge gaps, and arm service providers, systems planners, grant makers, and policy makers with the tools and know-how to more effectively address family homelessness and poverty.

HomeStart, Inc. – Founded in 1994, the mission of HomeStart is to end and prevent homelessness in Greater Boston by assisting individuals in obtaining permanent housing and settling into the community, and by developing strategies to address systemic barriers to housing placement. The agency began in 1994 as a pilot project to provide housing search and placement assistance for homeless individuals staying in Boston area shelters; then it added follow-up services to assist people to retain housing; and next it initiated housing services to prevent homelessness. Along the way, the agency has taken on the challenge of securing and managing an array of housing tools from flexible rental funds to long-term housing subsidies that facilitate ending and preventing homelessness. One of the early pioneers of Housing First for homeless single adults, the agency has expanded its services over time to include other populations, including families with children and chronically homeless-disabled persons who have lived on the streets for years. Since 1994, HomeStart's Housing First services have assisted more than 4,000 homeless people to move to their own homes, with over 95% of participants remaining stably housed one year after placement.

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ENDNOTES

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HUD Office of Multifamily

Notice H 2013-21

Implementation and Approval of Owner-Adopted Admission Preferences for Individuals or Families Experiencing Homelessness

<http://portal.hud.gov/hudportal/documents/huddoc?id=13-21hsgn.pdf>



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

Special Attention of:

Multifamily Hub Directors
Multifamily Program Center Directors
Rural Housing Services (RHS) Directors
Supervisory Housing Project Managers
Housing Project Managers
Contract Administrators
Multifamily Owners and Management Agents

NOTICE: H 2013-21

Issued: July 25, 2013

Expires: This notice remains in effect
until amended, revoked, or
superseded.

Subject: Implementation and approval of owner-adopted admissions preferences for individuals or families experiencing homelessness

- I. Purpose:** This Notice provides guidance to HUD field offices, contract administrators, and property owners on the circumstances under which owners of assisted properties may adopt admissions preferences. This notice clarifies 24 CFR §5.655(c)(1) - (c)(5) to allow for owners to adopt, with HUD approval, admissions preferences not specified there, in particular, preferences to house homeless families.
- II. Background:** The Office of Multifamily Housing Programs (Multifamily Housing) had strictly interpreted 24 CFR §5.655(c)(1) - (c)(5) *Section 8 project-based assistance programs: Owner preferences in selection for a project or unit*, to mean that owners were limited in adopting preferences in the selection of residents to those preferences specifically cited in the regulation. That interpretation did not allow for an owner to adopt a preference for homeless families, as owners could not adopt preferences outside of 5.655(c)(1) – (c)(5). However, in consultation with the Office of General Counsel, Multifamily Housing has revisited this issue and has broadened its interpretation to allow that silence within the provision does not preclude owners from adopting preferences outside of those cited.
- III. Applicability:** All Multifamily rental assistance programs.
- IV. Definition of Homeless:** The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revised the definition of homeless for HUD's

homeless assistance programs, and on December 5, 2011, HUD published its final rule implementing this definition. HUD will use this definition to track the number of homeless persons served in its programs starting in September 2013, after changes to the HUD form 50059 have been completed.

The definition of homeless under the HEARTH Act, however, does not prohibit an owner from establishing an alternative definition of homeless for the purpose of a waiting list preference based on local need. Owners may elect to adopt a more narrow definition specific to the homeless needs in their community or a broader version that would serve more of the population. Because of the specificity of this definition, owners must go to the HUD field office for approval. Owners are reminded that any preference must comply with civil rights requirements.

- V. **Implementing a Homeless Preference:** Multifamily Housing owners can significantly increase program access for individuals and families experiencing homelessness by establishing an owner-adopted preference in admissions policies. Owners must consider the following when adopting an admissions preference.
- a. **Eligibility and Requirements.** Preferences affect only the order in which applicants are selected from the waiting list. They do not make anyone eligible who was not otherwise eligible, and they do not change an owner's right to adopt and enforce tenant screening criteria. In addition, owners must inform all applicants about available preferences and give all applicants an opportunity to show that they qualify for available preferences including all applicants currently on a waiting list.
 - b. **Tenant Selection Plan and Affirmative Fair Housing Marketing Plan.** All owner adopted preferences must be included in the Tenant Selection Plan (TSP) and, if required, the Affirmative Fair Housing Marketing Plan for the associated property including any referral policy in the preference, if applicable. In addition, for preferences other than those specifically cited at 24 CFR §5.655(c), owner-adopted preferences must be approved by the local HUD office to confirm conformance with applicable regulatory and statutory requirements. Owners may remove their owner-adopted preference at any time without HUD approval. Any changes in preferences, however, must be updated in the owner's TSP.
 - c. **Using a Homelessness Definition.** Owners may create a preference for homeless families using the HUD definition of homelessness or a definition that better suits the property in question. The definition cannot exclude any protected classes, e.g., the definition cannot exclude families with children.
 - d. **Limiting preferences to people referred by a partnering organization.** Owners may create a preference or limited preference specifically for individuals or families who are referred by a partnering homeless service organization or consortium of organizations (for example, an organization that refers people

transitioning out of a shelter or temporary housing program). When partnering with a referring agency, an owner may elect to place the preference on the entire property or accept a referral for a defined percentage of units. No units may be set-aside or held off-line, but owners can fill vacancies by alternating selections from the existing project waiting lists with referrals from their partnering organization of eligible applicants who meet the preference criteria. For instance, in filling the next four vacancies, an owner may select three applicants for occupancy from the property waiting list followed by one applicant referred by the partnering organization. To allow for maximum flexibility, HUD is not prescribing the ratio of admissions. **Note:** Although a partnering organization may refer applicants, owners must screen those applicants in the required manner as they would for any other applicants on the waiting list. In addition, the source of referrals cannot be limited to an agency, organization, or consortia that exclusively provide services restricted to people with specific disabilities or diagnoses. Referrals also cannot be limited to an agency, organization, or consortia that deny services to members of any Federally protected class under fair housing laws, *i.e.*, race, color, religion, national origin, sex, disability, or familial status.

- e. **Use of Alternating Selection.** Even if not partnering with a referral agency, owners may fill vacancies in the property by alternating their selections of non-homeless applicants on the waiting list with applicants who meet the criteria for the preference. This method of selection of residents must be clearly defined in the Tenant Selection Plan.
- f. **Identifying preference-qualified applicants currently on the project's waiting list.** When adopting a new preference, owners must notify all applicants on the current waiting list to determine if any are eligible under the preference (24 CFR §5.655(c)). The owner must specify on any public notice of a waiting list opening that current waiting list applicants may qualify for the preference. The notice must also include any other information new applicants and current applicants on the waiting list will need to know about how to successfully apply and establish their preference status, including any partnering agencies with whom the owner may be working to receive referrals or determine preference eligibility.
- g. **Verifying preference eligibility.** If an owner adopts a preference or limited preference for individuals or families experiencing homelessness, the owner may require the individual or family to provide documentation to prove that they qualify for the preference, or may rely on a partnering homeless service organization to verify that the individual or family qualifies for the preference. When an owner establishes a partnership for referrals from a homeless service organization, he/she may allow the partnering organization to verify the individual's or family's preference qualification before the individual or family is referred to the owner.

- h. **Property Designations.** If the owner has a property designation of elderly or disabled on all or some of HUD assisted units, this designation remains in effect despite the adoption of the new preference. For example, if the property is 100 percent elderly, then the homeless preference would not supersede this designation. Any qualified applicants benefiting from the homeless preference would need to meet both criteria, i.e. homeless and elderly. If the property has 10 units properly designated for individuals with disabilities, then an owner could not fill any of the 10 units with persons who met the criteria for the homeless preference unless they also met the eligibility requirements of the units.
- i. **Ensuring Fair Housing compliance.** When adopting a preference or limited preference for people experiencing homelessness, an owner must ensure that the preference would not have the purpose or effect of excluding other eligible families from the program on the basis of race, color, national origin, religion, sex, disability, or familial status, or would create or perpetuate segregation. An owner must comply with all fair housing and civil rights law in the adoption of a homeless preference and the opening of the waiting list to homeless families that qualify for the preference. For example, an owner adopting a homeless preference cannot deny access to families with children. The owner must also ensure that programs or activities are administered in the most integrated setting appropriate to the needs of qualified individuals with disabilities. The owner should analyze demographic data of the waiting list population and of the population in the community and compare this to the demographic characteristics of those who would qualify for the preference to ensure that the preference does not create a disparate impact on a particular protected class from accessing the program. In addition, the owner must fully document his/her marketing practices in the Affirmative Fair Housing Marketing Plan if the owner chooses to market the preference. This HUD-approved plan can include referrals from shelters and other organizations that serve the homeless, but should be designed specifically for the community in which the property is located.

For more guidance on the Affirmative Fair Housing Marketing Plan, please reference the HUD Handbook 4350.3 REV-1, Chapter 4.

VI. Submission and Approval of Preference Requests: Owners must receive HUD approval in order to adopt an admissions preference not specified under 24 CFR §5.655(c)(1) - (c)(5). Owners must submit a written request to their local HUD Field Office specifying the type of preference with a full description of the preference and how it will be implemented. Criteria set forth in this Notice including a description of the notification process for those on the waiting list, tenant selection process and any changes to the AFHMP must also be included. HUD will approve an owner-adopted preference if it does not result in discrimination, violate civil rights or equal opportunity requirements, or conflict with statutory, regulatory, or program requirements. Subsequent occupancy reviews will ensure that the property has updated its Tenant Selection Plan and, if required, the Affirmative Fair Housing Marketing

Plan. Please see Chapter 4 of HUD Handbook 4350.3 for more details about the submission and approval of preference requests.

VII. Admissions Policies Regarding Criminal Activity and Substance Use/Abuse: Under federal laws and HUD regulations, there are certain policies for admission to a housing program which are mandatory for all Multifamily property owners, and others which the owners have authority/discretion to adopt, but are not required.

Owners must establish standards that prohibit admission of:

1. Any household containing a member(s) who was evicted in the last three years from federally assisted housing for drug-related criminal activity. The owner may, but is not required to, consider two exceptions to this provision:
 - a. The evicted household member has successfully completed an approved, supervised drug rehabilitation program; or
 - b. The circumstances leading to the eviction no longer exist (e.g., the household member no longer resides with the applicant household)
2. A household in which any member is currently engaged in illegal use of drugs or for which the owner has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents;
3. Any household member who is subject to a state sex offender lifetime registration requirement; and
4. Any household member if there is reasonable cause to believe that member's behavior from abuse or pattern of abuse of alcohol may interfere with the health, safety, and rights to peaceful enjoyment by other residents. The screening standards must be based on behavior, not the condition of alcoholism or alcohol abuse.

Owners may also establish additional screening criteria, as outlined in HUD Handbook 4350.3. However, owners should bear in mind the length of their waiting lists and the cost to applicants for screening when considering additional criteria. In addition, some of these criteria can be a barrier for vulnerable populations, including people who are homeless, to accessing the programs. For example, an owner may have strict policies related to criminal backgrounds, and previous rental housing history which can have the effect of screening out the most vulnerable people experiencing homelessness who are more likely to have past convictions, past evictions, or previous debts, due to a variety of reasons, including mental illness and substance use disorders.

An owner wishing to serve more people experiencing homelessness should consider reviewing his/her discretionary admission policies to determine if any changes can be made to remove barriers. It is important to note that all discretionary admission (and program termination) policies must be applied to all applicants uniformly. In other words, an owner cannot have a certain set of admission/termination policies that apply specifically to a certain

population, such as the homeless population, which are different from the admission/termination policies for all other applicants.

VIII. Consideration of Circumstances Regarding Admissions and Terminations/Evictions:

An owner cannot establish separate admissions/termination policies for a certain population, such as the homeless population, which are different from the admissions/termination policies than for all other applicants.

In the event of receipt of unfavorable information about an applicant, consideration may be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). Consideration may also be given to factors which might indicate a reasonable probability of favorable future conduct, including: evidence of rehabilitation, and applicant's willingness to participate in social services.

IX. Service Provider as a Resource in Continued Occupancy: Service providers are important resources in ensuring that persons and families experiencing homelessness admitted to the property (and those in the property but at risk of homelessness) are provided the services necessary to remain stably housed and compliant with program requirements.

HUD field offices, contract administrators, and owners should establish working relationships or consider service agreements with the service providers to ensure that all parties stay committed to the family through their participation in the program.

X. Information Contact: Inquiries about this Notice should be directed to Yvette Viviani at Yvette.M.Viviani@hud.gov or Jonathan Kinsey at David.J.Kinsey@hud.gov.

Carol J. Galante
Assistant Secretary for Housing -
Federal Housing Commissioner

Information Collection

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2502-0204. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to a collection of information unless the collection displays a currently valid OMB control number.

HUD Office of Public & Indian Housing

Notice 2013-15 (HA)

Guidance on Housing Individuals and Families Experiencing Homelessness through the Public Housing and Housing Choice Voucher Program

<http://portal.hud.gov/hudportal/documents/huddoc?id=pih2013-15.pdf>



**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

Special Attention:

NOTICE PIH 2013-15 (HA)

Public Housing Agencies administering the
Housing Choice Voucher and/or Public
Housing Programs; Public Housing Field Office
Directors

Issued: June 10, 2013

Expires: Effective until amended
superseded, or rescinded

Cross References:

PIH Notice 2012-34 (HA)

Subject: Guidance on housing individuals and families experiencing homelessness through the Public Housing and Housing Choice Voucher programs¹

1. **Applicability:** This Notice applies to public housing agencies (PHAs) that administer the Public Housing and/or Housing Choice Voucher (HCV) programs.
2. **Purpose:** The purpose of this Notice is to provide strategies that PHAs can pursue to expand housing opportunities for individuals and families experiencing homelessness through the Public Housing and HCV programs. This Notice clarifies the definition of homelessness for the purpose of IMS/PIC reporting, and provides guidance on HUD policies and program regulations related to the following topics: waiting list management and preferences; admissions policies regarding criminal activity, substance use/abuse, and rental history; program termination and eviction policies; and project-basing vouchers for Permanent Supportive Housing (PSH).
3. **Background:** On June 22, 2010, the United States Interagency Council on Homelessness (USICH) presented the nation's first comprehensive strategy to prevent and end homelessness titled, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (Opening Doors), to the Office of the President and Congress. Opening Doors is focused on four key goals:
 - a. Finish the job of ending chronic homelessness by 2015;
 - b. Prevent and end homelessness among Veterans by 2015;
 - c. Prevent and end homelessness for families, youth, and children by 2020; and
 - d. Set a path to ending all types of homelessness.

¹ Throughout this Notice, when referring to people experiencing homelessness, the term 'individuals and families' is used to indicate both individual persons who are experiencing homelessness, as well as homeless families, which may include children. When referring to HCV or Public Housing applicants or participants, the following terms are used intentionally based on their definition and the relevant statute, regulation or rule being referenced: 1. Family – A person or group of persons with or without children approved by a PHA to reside in a unit with assistance under the HCV or Public Housing program. The number of family members is used to calculate subsidies and payments. 2. Household – includes everyone who lives in the unit, including foster children/adults and live-in aides. Household members are used to determine unit size.

The Office of Public and Indian Housing (PIH) is committed to working with our PHA partners to expand opportunities for individuals and families to access quality affordable rental homes, thereby achieving HUD's goal of utilizing housing as a platform for improving quality of life. PIH, in cooperation with the Office of Community Planning and Development (CPD) and USICH hosted two national convenings of PHAs and Continuums of Care (CoCs) titled, *Opening Doors: Expanding PHA Opportunities to House People Experiencing Homelessness*, one in Los Angeles on February 8, 2012, and the other in Washington, DC on May 24, 2012. These convenings allowed participants to: share best practices; identify barriers that PHAs encounter in meeting the needs of this population; and allow PHAs and Continuums of Care to provide feedback and ask questions of HUD.

This Notice builds on the lessons learned from the two convenings and seeks to provide guidance on issues related to serving individuals and families experiencing homelessness.

4. **Reporting Homelessness in IMS/PIC:** The HUD Form 50058 module in the IMS/PIC data system allows HUD to obtain information about participants in the Public Housing and HCV programs, including the homeless status of persons entering the program. The accuracy and reliability of this information is critical to tracking the collective progress in ending homelessness.

Based on a review of PIC reporting on 4C (homeless at admission), many PHAs are not reporting in this field accurately, or are reporting "no" for all applicants, whether homeless or not. For all new admissions, PHAs **must** determine whether an individual or family was homeless at admissions. This information **must** be reported at question 4C on HUD Form 50058. PHAs may need to verify that their IMS/PIC software is compliant with this reporting requirement. The following section provides guidance on how to determine whether an applicant is homeless at the time of admission, including questions that a PHA may ask an applicant in order to determine their homelessness status. For additional information on the Form 50058, please see the Form HUD 50058 Instruction Booklet at <http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf>

5. **Definition of Homeless for the Purpose of Completing Question 4C on Form 50058:** The definition of a homeless family currently provided in the Appendix of the Form HUD 50058 Instruction Booklet reflects the original McKinney-Vento Homeless Assistance Act definition. The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revised the definition of homeless for HUD's homeless assistance programs, and on December 5, 2011, HUD published its final rule implementing this definition. This rule applies specifically to the Emergency Solutions Grants program, the Shelter Plus Care program, the Supportive Housing program and was incorporated into the Continuum of Care (CoC) Program interim rule, which HUD published on July 31, 2012; however, PIH is adopting only a portion of this new definition to apply to question 4C of the Form 50058 as well. While the HUD regulations maintain four categories for defining people who are homeless, the PIH definition for IMS-PIC reporting (Form 50058) is narrowed to the following two categories:

Category 1: An individual or family who ***lacks a fixed, regular, and adequate nighttime residence***, meaning:

- a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; ***or***

- b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); **or**
- c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Category 4: Any individual or family who:

- i. Is ***fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking***, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; ***and***
- ii. Has no other residence; ***and***
- iii. Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing

This definition shall be effective as of this Notice, and the Form HUD 50058 Instruction Booklet will be updated accordingly. **Note:** A PHA is permitted to adopt an alternative or narrower definition of homeless for the purpose of a waiting list preference based on local need. PHA's that do this, however, will still be required to use the definition cited above for purposes of reporting homeless of new admissions on the Form HUD 50058.

In order for PHAs to accurately report a new admission's homelessness status on line 4c of the Form HUD 50058, the PHA may find the following list of questions helpful in determining the appropriate response. If the answer to any of the following questions is yes, the PHA would mark "Y" for yes in field 4C of the Form HUD 50058 (homeless at admission).

1. Are you currently living in a car, on the street, or another place not meant for human habitation?
2. Are you currently living in an emergency shelter, transitional housing, Safe Haven², or a hotel/motel paid for by a charitable organization or by federal, state or local government programs for low-income individuals?
3. Are you exiting an institution, including a hospital, substance abuse or mental health treatment facility, or jail/prison, where you stayed for 90 days or less? If so, were you living in an emergency shelter or place not meant for human habitation immediately before entering that institution?
4. Are you fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions for you or a family member, including a child, that has either taken place within your family's primary nighttime residence or has made the you afraid to return to your primary nighttime residence? If yes, do you currently have nowhere else to live and also lack the resources or support networks,

² A Safe Haven is a form of supportive housing that serves hard-to-reach homeless persons with severe mental illness who are on the street and have been unable or unwilling to participate in housing or supportive services

including family, friends, faith-based, or other social networks, to obtain other permanent housing?

Example 1: A family that was evicted from the home they owned because they were no longer able to make the mortgage payments and is living in their car **would** qualify as homeless.

Example 2: An individual that had previously lived in an emergency shelter and was admitted to the hospital for a 5-day stay **would** qualify as homeless.

Example 3: An individual being released from prison after a 3-year incarceration **would not** qualify as homeless based on the length of incarceration.

HUD does **not** require PHAs to collect documentation or third-party verification of any kind in order to verify an applicant's homelessness status for purposes of reporting in 4C of the 50058. Verbal self-verification by the applicant that any of the above criteria are true is sufficient. However, in order to verify homelessness status for a preference, PHAs must follow the verification requirements they establish in their written policies.

6. **Waiting List Management:** PHAs' waiting lists can be a barrier to individuals and families experiencing homelessness having access to the Public Housing and HCV programs. When waiting lists are long, an individual or family who lacks stable housing and reliable contact information may not be able to be reached when they come to the top of the waiting list or when waiting lists are purged, especially if it has been months or years after the application was submitted. Also, when PHAs reopen waiting lists for short periods of time, people experiencing homelessness can be left out of the application process due to a lack of information about the opportunity to apply.

PHAs can take a variety of actions to allow homeless populations better access to their programs, including establishing a strong outreach strategy through service providers, strengthening their process for contacting applicants on their waiting list (e.g., contacting applicants via email or phone), establishing flexible intake and briefing schedules (e.g., provide a window of time for appointments), and establishing nondiscriminatory preferences in their admissions policies for persons experiencing homelessness, or a subset of such persons (e.g., chronically homeless, homeless veterans, homeless identified as most vulnerable through community-based assessment strategies, etc.). All actions taken must be in compliance with all applicable fair housing and civil rights laws. See 24 CFR 5.105(a).

7. **Homeless Admissions Preference:** A PHA's greatest tool for increasing program access for individuals and families experiencing homelessness is establishing a preference in their admissions policies. This section describes the criteria that may be considered when setting preferences based on local housing needs and priorities, as well as the process for establishing preferences.

a) Assessing local housing needs. A PHA's system of local preferences must be based on local housing needs and priorities by using generally accepted data sources and information obtained through the PHA Plan public comment process³. HUD encourages PHAs to work collaboratively with health care providers, social service providers,

³ 24 CFR 960.206(a)(1) for Public Housing and 24 CFR 982.207 (a)(2) for the HCV program.

homeless services providers, Continuums of Care (CoCs), and local offices of government and community organizations to establish a system of preferences based on local housing needs collectively identified by the community. HUD recommends that a PHA's local housing needs assessment specifically include people experiencing homelessness. For example, PHAs may look to their Community Plan to End Homelessness, Consolidated Plans, HIV/AIDS Housing Plan (if available) and/or data from their jurisdiction's Continuum of Care (CoC) Homeless Management Information Systems (HMIS) and Point in Time (PIT) Counts to identify whether and to what extent there is need for a homeless preference.

b) Applying and limiting preferences. PHAs may apply preferences for admission to the HCV, Project-based Voucher (PBV), and/or Public Housing programs, or to a particular public housing or project-based voucher development (or set number of units within a development). PHAs may limit the number of applicants that may qualify for a particular preference. PHAs must incorporate such a preference into their HCV program Administrative Plan and/or their Public Housing program Admission and Continued Occupancy Policy (ACOP). If adopting the preference constitutes a significant amendment to the PHA Plan as defined by the PHA, the PHA must comply with the amendment provisions of 24 CFR 903.21, including soliciting public comment and consulting with the resident advisory board.

c) Opening waiting lists and public notice. All recipients of public housing or HCV assistance must be selected from the PHA's waiting list(s). If a PHA does not have enough applicants on its waiting list who qualify for a preference, the PHA may open its waiting list strictly to people to whom the preference applies. When opening a waiting list, PHAs must give public notice. See Section 12 for more information on opening separate waiting lists for project-based voucher units.

Any public notice announcing a waiting list opening and application procedure should be simple, direct, and clear but with sufficient detail to inform applicants of the processes through which they can apply, any limitations on who may apply, and any other information the applicant may need to successfully submit the application. The notification process, as well as the preferences themselves, must also comply with HUD fair housing requirements, such as adopting suitable means to assure that the notice reaches eligible individuals with disabilities and those with limited-English proficiency. HCV program regulations require the public notice to appear in a local newspaper of general circulation, minority media, and other suitable means (24 CFR 982.206). These practices are strongly encouraged in the Public Housing program.

When trying to reach people experiencing homelessness to apply to the program(s), PHAs could consider reaching out to shelters, homeless service providers, agencies that work closely with people experiencing homelessness and homeless consumer advocacy groups to assist with advertising the opening of the waiting list, to seek referrals, and/or to provide assistance with application processes. The CoC Program interim rule requires Continuums of Care to establish and operate a centralized or coordinated assessment system that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services with the intention of matching the homeless individual or family with the most appropriate resources. PHAs are strongly encouraged to participate in the coordinated assessment system that covers the PHA's geographic location in order to establish a means for referrals once the coordinated assessment has been established.

Once an adequate number of persons experiencing homelessness meeting the preference have been placed on the waiting list, the PHA may choose to close the waiting list. A PHA may leave the waiting list open only for the population qualified for the preference (i.e., continue to accept applications only from applicants that qualify for the preference), while keeping it closed for all other applicants. HUD recommends the PHAs maintain up-to-date information on the PHA's website as to whether the waiting list is open or closed, who may currently apply for assistance, and specific information regarding the application process.

d) Identifying preference-qualified applicants currently on the waiting list. When adopting a new preference in the Public Housing program, PHAs must offer the opportunity for current applicants on the waiting list who qualify for the preference to receive the benefit of the preference and move up on the waiting list accordingly. This practice is strongly encouraged in the HCV program. The PHA should specify on any public notice of a waiting list opening that current waiting list applicants will also be given the benefit of the preference. The notice should also include any other information new applicants and current applicants on the waiting list will need to know about how to successfully apply and establish their preference status, including any partnering agencies with whom the PHA may be working to receive referrals or determine preference eligibility. PHAs and partnering referral agencies may consider sharing waiting list data in order to cross-check for eligible applicants, if allowed under applicable program requirements and privacy laws.

e) Limiting preferences to people referred by a partnering organization. PHAs may create a preference or limited preference specifically for people who are referred by a partnering homeless service organization or consortia of organizations (for example, an organization that refers people transitioning out of a shelter, transitional housing program, or rapid re-housing program). The PHA may not limit the source of referrals to an agency, organization, or consortia that denies its services to members of any Federally protected class under fair housing laws, i.e., race, color, religion, national origin, sex, disability, or familial status. See section 12 of this Notice for information on preferences in the PBV program.

A PHA may also have a preference for individuals and families transitioning, or "moving up," from Permanent Supportive Housing (PSH) units. These are persons that were previously homeless prior to entry into the PSH program but who no longer need that level of supportive services. While these persons would not be considered homeless for reporting purposes on the Form HUD 50058, creating such a "move up" preference will contribute significantly to the community's overall efforts to end homelessness by freeing up units for currently homeless families and individuals with disabilities who need housing combined with services.

Example of a homeless limited preference process: A PHA limits the number of families that qualify for a homeless preference to 100 families. The PHA administrative plan/ACOP clearly states the criteria to qualify for the preference, including any partnering service agencies from whom the PHA will be taking referrals, and whether the preference is restricted to those referrals. The PHA opens the waiting list and provides public notice, but restricts who can apply to those that meet the preference criteria. Once the PHA is serving 100 families under the preference, and one family leaves the program, the next family on the waiting list who meets the preference criteria will be served. If there is no one on the waiting list that meets the preference criteria, the PHA would issue the voucher to the next family on the waiting list. The PHA reaches out to local partners for referrals, and the waiting list is kept open (or re-opened for applicants that qualify for the preference) in order to accept

these new referrals. If the PHA has not limited the preference to only people referred by certain organizations or agencies, then the PHA also accepts applications from anyone who self-identifies as qualified to meet the preference criteria.

f) Verifying preference eligibility. If a PHA adopts a preference or limited preference for people experiencing homelessness, or for a particular subset of this population, the PHA may require the individual or family to provide documentation to prove that they qualify for the preference, or may rely on a partnering homeless service organization (for example, the Continuum of Care designated collaborative applicant) to verify that the individual or family qualifies for the preference. When a PHA establishes a partnership for referrals from a homeless service organization, they may allow the partnering organization to verify the individual's or family's preference qualification, before the individual or family is referred to the PHA.

g) Ensuring Fair Housing compliance. When adopting a preference or limited preference for people experiencing homelessness, and opening the waiting list only for families and individuals that qualify for the preference, a PHA must ensure that the preference would not have the purpose or effect of excluding other eligible families from the program on the basis of race, color, national origin, religion, sex, disability, or familial status, or would have the effect of creating, increasing, or perpetuating segregation. A PHA must ensure that the adoption of a homeless preference and the opening of the waiting list, including site-based waiting lists, only to homeless families and individuals that qualify for the preference is done in a manner that is consistent with all fair housing and civil rights laws and affirmatively furthers fair housing.

h) Residency preference. PHAs that have a residency preference as allowed under the regulations at 24 CFR 960.206(b) and 24 CFR 982.207(b) may include in their definition of the term, "residence," shelters and other dwelling places where homeless people may be living or sleeping. PHAs may also consider the circumstances leading to a family's current dwelling place when defining residency for homeless applicants. For example, in some communities, there may be a lack of suitable shelters in the community covered by the PHA's residency preference forcing the family or individual to seek shelter in another community. If an applicant family or individual is residing in a shelter located outside of the area covered by the PHA's residency preference, the PHA may establish policies considering the applicant's previous residency and circumstances. PHAs with a residency preference may need to change their definition of residency in their Administrative Plan and ACOP for the purpose of allowing such flexibility.

For additional guidance related to waiting list administration, please see Notice PIH 2012-34 *Waiting List Administration*.

8. Admissions Policies Regarding Criminal Activity, Substance Use/Abuse, and Rental

History: Under federal laws and HUD regulations, there are certain policies for admission to a PHA's HCV or Public Housing program which are mandatory for all PHAs, and other policies which the PHAs have authority/discretion to adopt, but are not required.

The following is a complete list of statutorily mandated prohibitions of admissions regarding criminal activity and substance use/abuse to the HCV and PH programs:

1. ***Lifetime sex offender registrant.*** A PHA **must** prohibit admission for any household that includes a person subject to a lifetime registration requirement under a State sex offender registration program.⁴
2. ***Methamphetamine production in federally assisted housing.*** A PHA **must** prohibit admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.⁵
3. ***Within 3 years of federally assisted housing eviction for drug-related crime.*** A PHA **must** prohibit admission for three years from date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity (the PHA **may** admit if the PHA determines the member successfully completed a supervised drug rehabilitation program approved by the PHA, or the circumstances leading to the eviction no longer exist).⁶
4. ***Currently engaged in illegal drug use or threatening activity.*** A PHA **must** prohibit admission of households with a member who:
 - a. The PHA determines is currently engaging in illegal use of a drug,⁷ or
 - b. The PHA determines that it has reasonable cause to believe that a household member's illegal drug use, pattern of illegal drug use, abuse of alcohol, or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.⁸

Where the HCV or public housing applicants' conduct or activities falls outside the scope of the statutorily mandated prohibitions, PHAs have wide discretion whether to admit or deny admissions to these individuals. Unfortunately, PHAs' discretionary admissions policies can sometimes be a barrier for vulnerable populations, including people who are homeless, to accessing the programs. For example, a PHA may have strict policies related to criminal backgrounds and previous rental housing history which can have the effect of screening out the most vulnerable people experiencing homelessness who are more likely to have past convictions, past evictions, or previous debts, due to a variety of reasons, including mental illness and substance use disorders.

In June 2011, Secretary Donovan wrote a letter to PHAs⁹ across the country to encourage more flexible, reasonable admissions policies for people re-entering communities following incarceration. Incarceration and homelessness are highly interrelated as the difficulties in reintegrating into the community increase the risk of homelessness for released prisoners, and homelessness in turn increases the risk for subsequent re-incarceration. PHAs wishing to serve more people experiencing homelessness may consider amending their discretionary admissions policies regarding criminal activity and substance use/abuse to be more inclusive of vulnerable

⁴ 42 U.S.C § 13663 (a); 24 CFR 982.553(a)(2)(i) for HCV, and 960.204(a)(4) for public housing

⁵ 42 U.S.C § 1437n (f)(1); 24 CFR 982.553(a)(1)(ii)(C) for HCV, and 960.204(a)(3) for public housing

⁶ 42 U.S.C § 13661 (a); 24 CFR 982.553(a)(1)(i) for HCV, and 960.204(a)(1) for public housing

⁷ 42 U.S.C § 13661 (b)(1); 24 CFR 982.553(a)(1)(ii)(A) for HCV, and 960.204(a)(2)(i) for public housing

⁸ 42 U.S.C § 13661 (b)(1); 24 CFR 982.553(a)(1)(ii)(B) and 24 CFR 982.553(a)(3) for HCV; 960.204(a)(2)(ii) and 960.204(b) for public housing

⁹ <http://portal.hud.gov/hudportal/documents/huddoc?id=sohudreentryltr.pdf>

populations who may have criminal backgrounds or histories of incarceration. PHAs are encouraged to establish strong partnerships with homeless service providers to ensure that those vulnerable individuals and families admitted to the program are provided the services necessary to remain stably housed and compliant with the family obligations and other requirements of the program.

A PHA wishing to serve more people experiencing homelessness may consider reviewing their discretionary admission policies to determine if any changes can be made to remove barriers. It is important to note that all discretionary admission (and program termination) policies must be applied to all applicants broadly. In other words, a PHA cannot have a certain set of admission/termination policies that apply specifically to a certain population, such as the homeless population, which are different than the admission/termination policies for all other applicants, unless there is express legal authority to do so (e.g. HUD-VASH program). Therefore, if a PHA is not comfortable or willing to revise its general discretionary policies, the PHA is strongly encouraged to consider relevant circumstances as described in Section 10 of this Notice.

9. **Program Termination and Eviction Policies:** Federal law and HUD regulations provide only limited instances where a PHA must terminate assistance or evict a family¹⁰. Outside of those limited instances, PHAs or owners may terminate program assistance or evict a family only for serious or repeated violations of material terms of the lease. Many of the policies for termination of assistance and eviction are in fact at the discretion of the PHA or owner. A PHA or owner's discretionary policies for termination of assistance and eviction for lease violations is an important consideration in the effort to prevent homelessness.

HUD encourages PHAs to review their termination and eviction policies in light of their discretionary authority. HUD recommends that PHAs work with homeless service providers to establish discretionary termination and eviction policies best suited to the community and to develop partnerships that can implement effective eviction prevention strategies.

Additionally, PHAs should be aware of protections for victims of domestic violence, dating violence, or stalking to ensure that they do not face eviction because of the lease violations of their abusers. 24 CFR 5.2005 (c) states that an incident of actual or threatened domestic violence, dating violence or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of the domestic violence, dating violence, or stalking, or as good cause to terminate the tenancy or, occupancy rights of, or assistance to the victim.

As mentioned in Section 7 of this Notice, PHAs are encouraged to establish strong partnerships with healthcare, supportive services, and homeless service providers to make services available to vulnerable individuals and families admitted to the program. PHAs are also strongly encouraged to consider relevant circumstances when considering the termination or eviction of any family, as described in Section 10 of this Notice.

10. **Consideration of Circumstances Regarding Admissions and Terminations/Evictions:** As discussed in Section 7 of this notice, a PHA cannot establish separate admissions/termination

¹⁰ 24 CFR 982.553(a)(2)(i), 24 CFR 982.553(b)(1)(ii) and 24 CFR.553(e) for HCV, and 24 CFR 960.204(a)(3) and 960.204(a)(4) for Public Housing

policies for a certain population, such as the homeless population, which are different from the admissions/termination policies for all other applicants, unless there is express legal authority to do so (e.g. HUD-VASH program). However, the public housing regulation at 24 C.F.R. 960.203(a) (Standards for PHA tenant selection criteria) and the HCV program regulation at 24 C.F.R. 982.552(c)(2) (Consideration of circumstances) imply that **individual consideration of factors** should be a basis for a PHA's decision to deny or terminate assistance. For example, in the HCV program, in determining whether to deny admission or terminate assistance because of an action of a family member that would normally screen the family out or cause the family to lose their assistance, under the PHA's policy, the following **may** be considered:

- All relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action.¹¹
- The PHA **may** impose, as a condition of admittance or continued assistance for other family members, a requirement that family members who participated in or were culpable for the action will not reside in the unit. The PHA **may** permit the other members of a participant family to receive or continue receiving assistance.¹²

In public housing, in the event of receipt of unfavorable information about an applicant, consideration **must** be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). Consideration **may** be given to factors which might indicate a reasonable probability of favorable future conduct, including: evidence of rehabilitation, and applicant's willingness to participate in social services.¹³

For both the HCV and Public Housing program, in determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA **may** consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully.¹⁴

For both the HCV and Public Housing program, if the family includes a person with disabilities, the PHA decision regarding denial of admission or termination of assistance is subject to reasonable accommodation requirements in accordance with Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act, Title II of the Americans with Disabilities Act, and their implementing regulations at 24 CFR part 8, 24 CFR part 100, and 28 CFR part 35, respectively.

11. Service Provider as a Resource in Continued Occupancy: Service providers are important resources in ensuring housing stability, including compliance with program and family obligations and other program requirements, for homeless individuals and families newly admitted to the program.

¹¹ 24 CFR 982.552(c)(2)(i) for HCV

¹² 24 CFR 982.552(c)(2)(ii) for HCV, and 960.203(c)(3)(i) for public housing

¹³ 24 CFR 960.203(d)

¹⁴ 42 U.S.C § 13661 (b)(2); 24 CFR 982.552(c)(2)(iii)

PHAs may establish working relationships or consider service agreements with the service providers to provide greater access to services for tenants. The PHA may consider making available an empty office space or community space for the service provider to offer voluntary services to the residents.

12. **Project-Based Vouchers:** Under the HCV program, PHAs are allowed to project-base up to 20 percent of their budget authority. Project-based vouchers (PBVs) are a useful tool in the development of affordable housing, because the guaranteed rental income provided by the vouchers helps to finance project operating costs and secure capital investments. PBVs are also important in the development of projects that pair services for people who are formerly homeless with housing assistance. PHAs looking to increase the supply of affordable housing for people experiencing homelessness or other low-income families may consider project-basing. PHAs interested in working with a homeless service provider to develop housing for people experiencing homelessness may also consider project-basing for this purpose.

PHAs must select applicants for PBV units from the waiting list in accordance with the policies in the PHA administrative plan. The PHA may use a separate waiting list for its PBV units, or for PBV units in individual projects or buildings, or for sets of such units. The PHA may also adopt a different set of admissions preferences for each separate waiting list. A PHA that wishes to partner with a homeless service provider to project-base vouchers may consider creating a separate waiting list for this project and adopting a preference for people who are homeless. PHAs may also adopt a preference for services offered for families with disabilities that need services at a particular project. However, such a preference is limited to those individuals and families with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing; who without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and for whom such services cannot be provided in a non-segregated setting. See 24 CFR 983.251(d).

If a PHA opens a site-based waiting list for PBV units, all new applicants and families or individuals currently on the PHA's tenant-based waiting list must be provided with the option to have their names placed on this list as well. As described in Notice PIH 2011-54, *Guidance on the Project-Based Voucher Program*, PHAs do not have to notify each family on the tenant-based waiting list by individual notice. A PHA could notify these applicants by the same means it would use in opening its waiting list under 24 CFR 982.206(a), including advertising through local and minority newspapers and the internet, posting at local post offices, libraries, and community center, and outreach to social service organizations, such as homeless shelters.

Normally, PHAs may not provide project-based assistance to more than 25 percent of the number of units (assisted or unassisted) in a project. See 24 CFR 983.56(a). However, a PHA that makes units in a project available specifically to elderly or families with disabilities or families receiving supportive services ("excepted units") may exceed this 25 percent cap with these excepted units only. In these circumstances a PHA may place project-based vouchers in up to 100 percent of the units in the project.

For units that are excepted because they are made available to elderly or disabled families, the PHA may not require participation in any type of services as a condition of tenancy, although services may be offered. For units that are excepted because they are made available to families receiving supportive services, a PHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit; however, other supportive services as defined by the PHA, including Family Self-

Sufficiency (FSS) services, may be required as a condition of tenancy. The PHA Administrative Plan must describe the type of services offered to these families or individuals for a project to qualify for the exception to the 25 percent cap and the extent to which the services will be provided. See 24 CFR 983.56(b).

Note: PHAs are reminded that PBV projects with up to 100 percent of the units committed to people with disabilities continue to be allowed under federal statute at 42 U.S.C. 1437(f)(o)(13)(D)(ii) and the HUD regulations cited above. On the services side, policy direction related to health reform implementation, behavioral health care integration, and state *Olmstead* planning will shape how services are defined, delivered, and financed for different populations. HUD recommends that PHAs establish strong relationships with state and county Medicaid authorities and health services agencies to discuss how Medicaid services might work in different housing settings and for different population groups going forward.

For more details related to Project-based Vouchers, please see Notice PIH 2011-54, *Guidance on the Project Based Voucher Program*.

13. **Paperwork Reduction Act:** The information collection requirements contained in this document have been submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0083. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.
14. **Information Contact:** Inquiries about this Notice should be directed to Ryan Jones at Ryan.E.Jones@hud.gov for Public Housing or Amaris.Rodriguez@hud.gov for Housing Choice Vouchers.

/s/
Sandra B. Henriquez, Assistant Secretary for
Public and Indian Housing