COORDINATED ENTRY AND VACANCY IN SUPPORTIVE HOUSING

March 2025

Hearth Connection

Minnesota Housing Stability Coalition

The Minnesota Housing Stability Coalition assembled in the fall of 2023 to address the significant threats to low-income residents, rent-restricted properties, and entire affordable housing portfolios due to dramatic increases in costs and reductions in revenue in recent years. During the 2024 legislative session, the Coalition met weekly to receive updates about legislative progress and advise on strategy and priorities. More than 70 people from 36 organizations statewide contributed to this effort. In 2025, the Coalition is again taking a leading role to guide policy efforts to assist regulated housing in Minnesota.

 One of the specific challenges identified was a high level of vacancy in supportive housing due, at least in part, to problems with the Coordinated Entry system. To support the Coalition, the Family Housing Fund (FHFund) and the Greater Minnesota Housing Fund (GMHF) contracted with Hearth Connection to research and provide recommendations to address the impact of the coordinated entry system on vacancy in supportive housing. This report and the recommendations herein represent Hearth Connection's research findings and proposed solutions.

Table of Contents

Executive Summary

Providing affordable, supportive housing is critical to tackling homelessness and, right now, organizations dedicated to serving Minnesotans experiencing homelessness are threatened by a harsh reality: available supportive housing units connected to public program funding are going unfilled despite an intensifying homelessness crisis. Each vacant unit of homeless-dedicated housing results in an individual or family remaining unhoused, wasting limited resources and disincentivizing the development of further housing designed to serve unhoused Minnesotans.

Toward that end, the Minnesota Housing Stability Coalition – comprised of affordable housing owners and operators with 100 percent supportive housing units as well as integrated supportive housing units – engaged Hearth Connection in Spring 2024 to conduct a statewide analysis of coordinated entry systems' role in homeless-dedicated Permanent Supportive Housing (PSH) unit vacancies. Across the state, coalition members' supportive housing portfolios are experiencing persistent vacancies in their PSH units. The PSH model (i.e., affordable housing combined with support services) is and remains a proven evidence-based best practice; however, supportive housing providers continue to experience unsustainable vacancy loss.

To further define the challenges and identify actionable solutions, Hearth Connection engaged multiple stakeholders across the state, including affordable housing owners, property managers, service providers, Continuums of Care (CoCs), and state agency staff. Additionally, Hearth Connection conducted a national landscape analysis, researching alternative coordinated entry models and interviewing individuals involved in innovative approaches to coordinated entry (see Appendix A: Stakeholder Interviews and Community Conversations).

Statewide engagement and analysis found that prolonged vacancy loss cannot be solely attributed to the performance of a coordinated entry system; addressing vacancy loss also requires attention to the systemic challenges with complex program eligibility criteria, redundant requirements, lack of PSH unit-vacancy tracking data, increasing levels of acuity among residents, rising costs for services and operations, as well as the need to combine multiple funding streams for housing and support services programs to sustain PSH projects over time.

It is important to acknowledge the efforts of many individuals within Minnesota CoCs who are working hard to streamline processes, innovate ways to connect individuals more expeditiously to housing, and collaborate more effectively with partners. There are no simple solutions – housing systems are complex, the needs of unhoused Minnesotans have intensified, and resources and funding are inadequate.

However, the themes surfaced, and challenges identified within this report reflect the urgent needs expressed by all stakeholders. This report's solutions are well-informed and actionable through a combination of administrative and legislative changes, clarification of existing policies, and implementation of new initiatives.

Coordinated Entry in Context

The United States Department of Housing and Urban Development (HUD) Coordinated Entry is a federally mandated centralized referral process governing access to HUD Homeless Assistance programs. Continuums of Care (CoCs) receiving these funds are required to develop a centralized approach to prioritize referrals to HUD homeless assistance resources, including Permanent Supportive Housing (PSH). In Minnesota, many state and local funding programs have also adopted HUD coordinated entry to centralize referrals for homeless-dedicated units and funding.

HUD provides funding to support CoC activities. These limited resources rarely cover the full cost of executing their federally mandated responsibilities and duties related to management of state or local homelessness programs of which CoCs are also typically responsible for directing within their communities.

HEARTH Act and the Continuum of Care

The federal Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, signed into law in 2009, consolidated three programs into the Continuum of Care Program (CoC) (24 CFR part 578). The HEARTH Act amended and reauthorized the McKinney-Vento Act, introducing new definitions, funding match requirements, and an increased emphasis on outcomes.

HUD's mandate in the HEARTH Act outlines the CoC structure and tasks each CoC with oversight of the application for and management of federal homelessness response funding in their communities through the establishment of a community-driven, multi-stakeholder consortium of housing providers, people with lived experience of homelessness, counties, and CoC staff.

In federal law, the CoC program was designed to:

- Promote community-wide commitment to the goal of ending homelessness;
- Provide funding for efforts by nonprofit providers, states, and local governments to quickly rehouse homeless individuals (including unaccompanied youth) and families, while minimizing the trauma and dislocation caused by homelessness;
- Promote access to and effective utilization of mainstream programs by homeless individuals and families; and
- Optimize self-sufficiency among individuals and families experiencing homelessness[1].

Each CoC sets its own rules, processes, and data requirements and the number of CoCs varies by state. Some states have fewer CoCs covering larger geographic areas (e.g., South Dakota has one CoC) while others have more CoCs to focus more specifically on unique local needs (e.g., Virginia has 16 CoCs). There are advantages and disadvantages to both approaches. Fewer CoCs are likely to have clearer eligibility criteria and a consistent set of practices. More CoCs within a state are likely to have different eligibility criteria and practices specific to their local needs.

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[1] U.S. Department of Housing and Urban Development. (2024). *Continuum of Care Program (24 CFR part 578)*. (https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578).

Minnesota has 10 regional CoCs, ranging from one county to up to 20 counties. Since 2021, the federal Consolidated Appropriations Act has allowed Tribes and Tribally Designated Housing Entities to join the CoC program[2]. The Minnesota Tribal Collaborative participates under this jurisdiction; however, the Tribal Collaborative is exempt from participating in coordinated entry. Minnesota Housing's Housing Stability Division acts as the main state liaison for the CoCs and Tribal Collaborative, with support from the Department of Human Services (DHS) and Minnesota Interagency Council on Homelessness staff.

Although the state does not govern the CoCs, the state's homeless-dedicated funding links state agencies to the efforts of CoCs and coordinated entry systems.
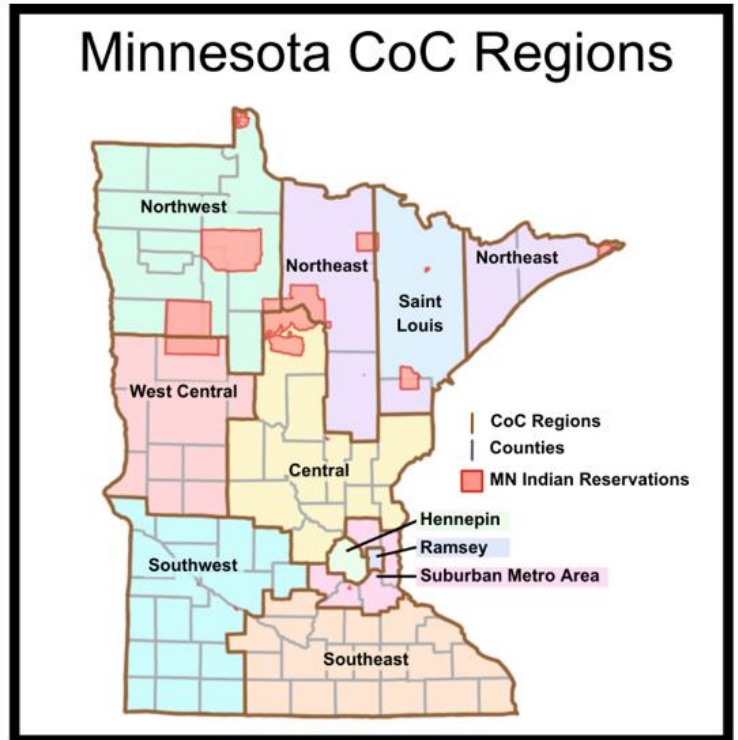
Coordinated Entry

HUD transitioned to a coordinated entry model in 2015 with the aim to increase efficiency of local crisis response systems and improve fairness of access to resources, including mainstream resources[3]. The model was intended to help communities prioritize people who are most in need of assistance, strategically allocate their current resources, and identify the need for additional resources. Previously, HUD allowed each CoC project to set its own referral processes and manage waiting lists independently. This led to confusion among individuals experiencing homelessness, outreach workers, and case managers about where to apply and which projects would best meet individual needs. As a result, support levels varied: some received too much help, others too little, and some none at all.

HUD's four core elements required of any coordinated entry system are:

1. **Access**: Points of engagement for individuals in a housing crisis, which vary by community (e.g., crisis hotline, emergency shelter, designated facility, and outreach efforts).
2. **Assessment**: Designated entities assess housing needs, preferences, and vulnerability through an information-gathering process by one or more staff.

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[2] U.S. Department of Housing and Urban Development. (n.d.). *CoC Program - Tribal Consultation Session*. (https://www.hud.gov/sites/dfiles/PIH/images/CoC%20Program%20-%20Tribal%20Consultation%20Session.pdf).

[3] U.S. Department of Housing and Urban Development. (2017). *Notice Establishing Additional Requirements for a Continuum of Care Centralized or Coordinated Assessment System (Notice CPD-17-01)*. (https://www.hud.gov/sites/documents/17-01CPDN.PDF).

3. **Prioritization**: Documented needs and vulnerability are then used by the CoC to manage housing and service referrals to ensure those with the highest needs receive support.
4. **Referral**: Individuals are referred to available CoC housing and service resources based on prioritization guidelines.[4]
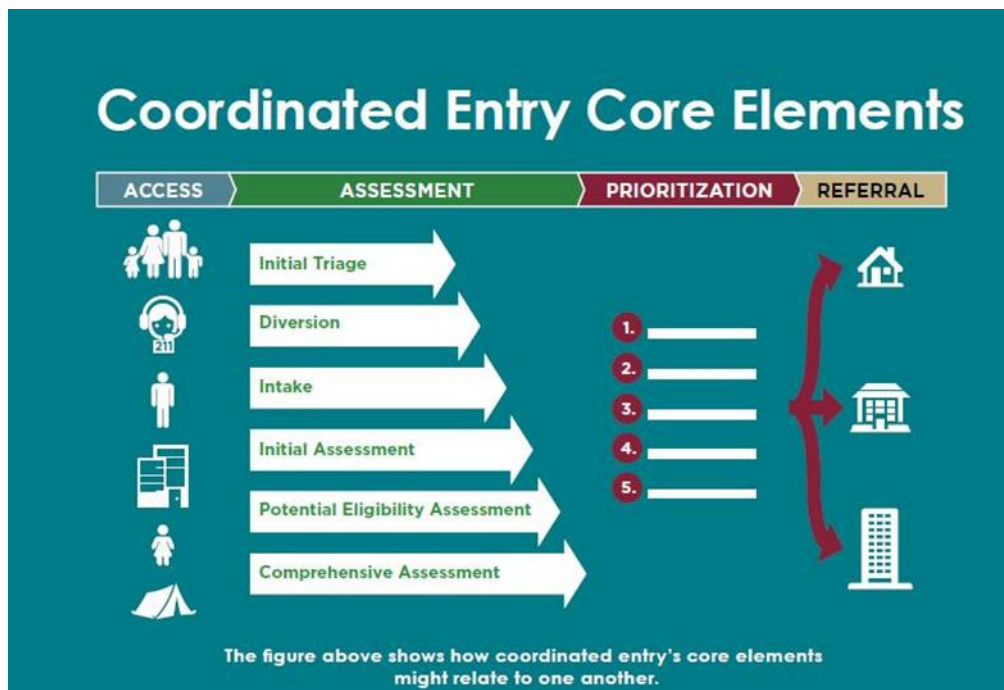
HUD Exchange: Coordinated Entry Core Elements

Each Minnesota CoC adheres to these core elements differently, based on local priorities, staffing and capacity, funding, and respective CoC members' perspectives and preferences.

While HUD and Minnesota Housing provide general principles for coordinated entry systems, individual CoCs have significant autonomy in their coordinated entry design. This flexibility is a strength but also leads to wide variances across the state, which is challenging for stakeholders engaged with or navigating these systems.

Challenges

This report identifies challenges within coordinated entry systems linked to persistent supportive housing vacancies. These interconnected issues highlight the system's complexity. Challenges identified and explored in greater depth include:

- Unclear Roles and Missing Vacancy Data
- Lack of Effective Collaboration within the PSH Development Process
- Unsuccessful Referrals
- Acuity of Coordinated Entry Referrals

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[4] U.S. Department of Housing and Urban Development. (2017). *Coordinated Entry Core Elements*. (https://files.hudexchange.info/resources/documents/Coordinated-Entry-Core-Elements.pdf).

- Underfunded and Unclear Coordinated Entry Requirements
- Provider Operations and Staffing Turnover

Unclear Roles and Missing Vacancy Data

Various definitions of coordinated entry and its role in solving homelessness

It is essential to differentiate the role of coordinated entry systems, which act as the source of referrals, from the role of housing and service providers – who are held accountable by funders to ensure that each household meets the specific eligibility criteria determined by funding sources.

While coordinated entry systems typically refer individuals to housing programs, they do not usually directly assist in securing housing. Core elements of coordinated entry are distinct from the process of filling units designated for individuals experiencing homelessness. This process is referred to as "lease up." Each organization determines how best to assign tasks to complete the lease up process based on their staffing and project design. Individuals responsible may include a service provider, navigator, property manager, or a combination of these individuals representing multiple organizations.

The graphic below identifies the tasks involved in the lease up process. The uniqueness of each organization's staffing, individual project design, and partnerships determines roles and responsibilities. This reality contributes to the confusion and lack of shared understanding of who is responsible for quickly filling vacant homeless-dedicated units. For example, in a project involving a property management organization and, separately, a service provider organization, each organization believed it was the other's responsibility to request a referral from coordinated entry. This misunderstanding led to a prolonged vacancy period.
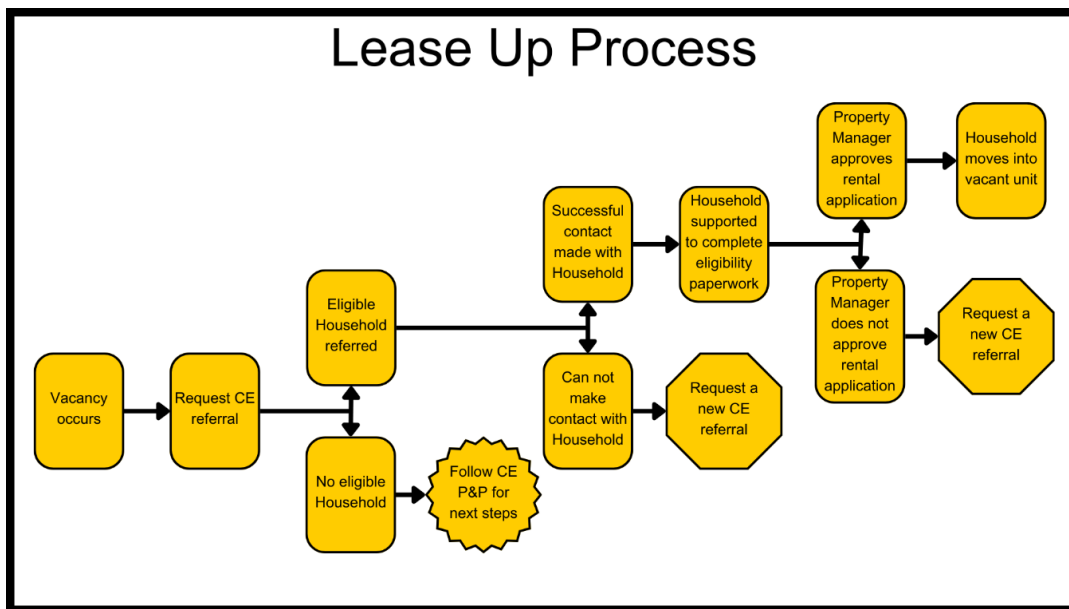
Tasks associated with the lease up process

In many Minnesota CoCs, coordinated entry is designed to send referrals based on coordinated entry prioritization and an initial screening for eligibility criteria prioritized in that CoC (e.g.,

homeless status or disability). Most coordinated entry systems do not track or complete the multiple verifications and paperwork required for project eligibility as part of the lease-up process; rather case managers, housing navigators, or property managers complete these tasks.

There is a lack of consensus across the state about the role of coordinated entry systems in filling vacant homeless-dedicated units, and how it fits within the prioritization of referrals. Generally, two trains of thought regarding coordinated entry's purpose were identified during this analysis:

- **Individual Need.** Coordinated entry focuses on addressing the needs of unhoused individuals by prioritizing referrals based on their vulnerability, and those households with the highest levels of vulnerability are housed before considering other priorities. Sustainability of organizations providing housing and services is secondary because managing vacancies in dedicated housing units does not fall under the responsibilities of coordinated entry. Existing funding should be directed towards new housing and service providers unless they adapt their models to better accommodate and meet CoC priorities.
- **Systems Responsibility.** Coordinated entry ensures the effectiveness of the entire homelessness response system. This involves housing people based on their vulnerability and needs, minimizing vacancies, and collaborating with organizations to track openings in supportive housing. Coordinated entry is part of a larger integrated response system, requiring collaboration to end homelessness. Maintaining community housing developers and service organizations is crucial for long-term resource sustainability.

> *"Every component of the system must feel accountable to filling units. Every occupied unit is a person no longer living outdoors."*
>
> - Christopher Block, City of San Francisco Department of Homelessness and Supportive Housing

Each vacant homeless-dedicated unit keeps a household homeless, wastes resources, and discourages new development in the financially strained affordable housing community – a community comprised of organizations already in crisis.

Lack of PSH vacancy-tracking data

There are no centralized data tools tracking homeless-dedicated PSH unit vacancies in Minnesota. The state's Homeless Management Information System (HMIS) does not track vacant units, or the number of referrals needed to fill a vacant unit (i.e., HMIS tracks data by households). Multiple referrals are often needed to lease one homeless-dedicated unit, with each failed referral representing an unoccupied unit and lost rent for the housing provider. In Minnesota, available data on dedicated and vacant housing units come from staff self-reports. In these instances, staff work with CoCs when referrals are needed from coordinated entry.

Hearth Connection connected with national stakeholders – including the City of San Francisco's Department of Homelessness and Supportive Housing and All Chicago – who developed unique approaches to prioritizing and tracking PSH unit vacancies.

In San Francisco, the Department of Homelessness and Supportive Housing employs technology to monitor vacancies in real-time, facilitating daily tracking and prioritization. Staff ensure all vacant

units are promptly addressed by implementing low-barrier documentation, maintaining effective communication with providers, and providing comprehensive navigation support to expedite unit occupancy. This initiative successfully reduced the vacancy rate of PSH units for unhoused individuals from 14.5 percent to 9 percent between January 2023 and July 2024.

Similarly, All Chicago adopted a low-tech, cost-effective approach to accelerate the tracking of PSH unit vacancies. Utilizing robust communication methods and spreadsheets, this strategy necessitated efficient collaboration among pilot partners – and it also reduced PSH unit vacancies.

Accurate information and a centralized approach are important for addressing vacancy loss effectively. Although HMIS does not monitor homeless-dedicated housing PSH units, developing a technological solution with sufficient funding would go a long way in addressing vacancy loss.

Lack of Effective Collaboration within the PSH Development Process

Intentional facilitation needed to avoid missed opportunities, mitigate frustrations

A lack of affordable and supportive housing options is a nationwide struggle. The issue is particularly acute in Greater Minnesota where coordinated entry staff struggle to identify PSH dedicated units for individuals who meet CoC eligibility criteria, compelling them to connect individuals with acute needs to dedicated units in housing programs even if those units do not serve prioritized populations. This often forces housing providers into situations to respond to the needs of these individuals for which they lack the capacity or know-how to manage.

Central to these conditions is a lack of effective collaboration between CoCs and affordable housing developers. As a result, there is misunderstanding among CoCs about the development process and its requirements set by Minnesota Housing and other capital, rental assistance, and support services funders. This leads to missed opportunities for developers to incorporate community needs and CoC coordinated entry prioritization within their project design, resulting in a failure of coordinated entry referrals meeting project eligibility requirements and threatening funding. There is, however, no requirement for CoCs and developers to collaborate and, therefore, a lack of effective collaboration within the affordable housing development process. For example, Minnesota Housing facilitates a post-selection meeting with developers, property managers, and service providers. However, this meeting does not include CoC staff.

Specific stakeholder concerns resulting from this collaboration gap include:

- Developer frustrations with CoC communication related to tenant selection challenges that is too late in the process and can complicate their capital financing obligations
- Additional barriers due to CoC hesitation to conduct extra eligibility screenings or refer multiple candidates for new projects
- Reluctance by developers to include coordinated entry requirements in new project development and hesitation to develop affordable housing in CoC regions considered to have less flexible coordinated entry policies

- Reliance on Minnesota Housing staff to relay information between CoCs and developers, and troubleshoot unforeseen, preventable problems in the development process that threaten project integrity
- Developer sentiment that integrated PSH units are not sustainable
- Provider attempts to represent developer needs and requirements in CoC meetings

Statewide analysis identified the need for intentional, effective communication between affordable housing developers and CoCs in the development process to mitigate frustrations and, more importantly, prevent project delays or failures. Ultimately, successful projects must align community need, coordinated entry prioritization, and project design based on funding eligibility requirements.

Unsuccessful Referrals

Difficulties locating referred individuals is driving unsuccessful coordinated entry referrals

The graphic below depicts HMIS data from 2020 to 2024. All coordinated entry referral data is tracked by the unhoused individual or household, not by vacant units. The data shows that the highest percentage of unsuccessful referrals for unhoused individuals is due to the inability to locate the referred unhoused individual.
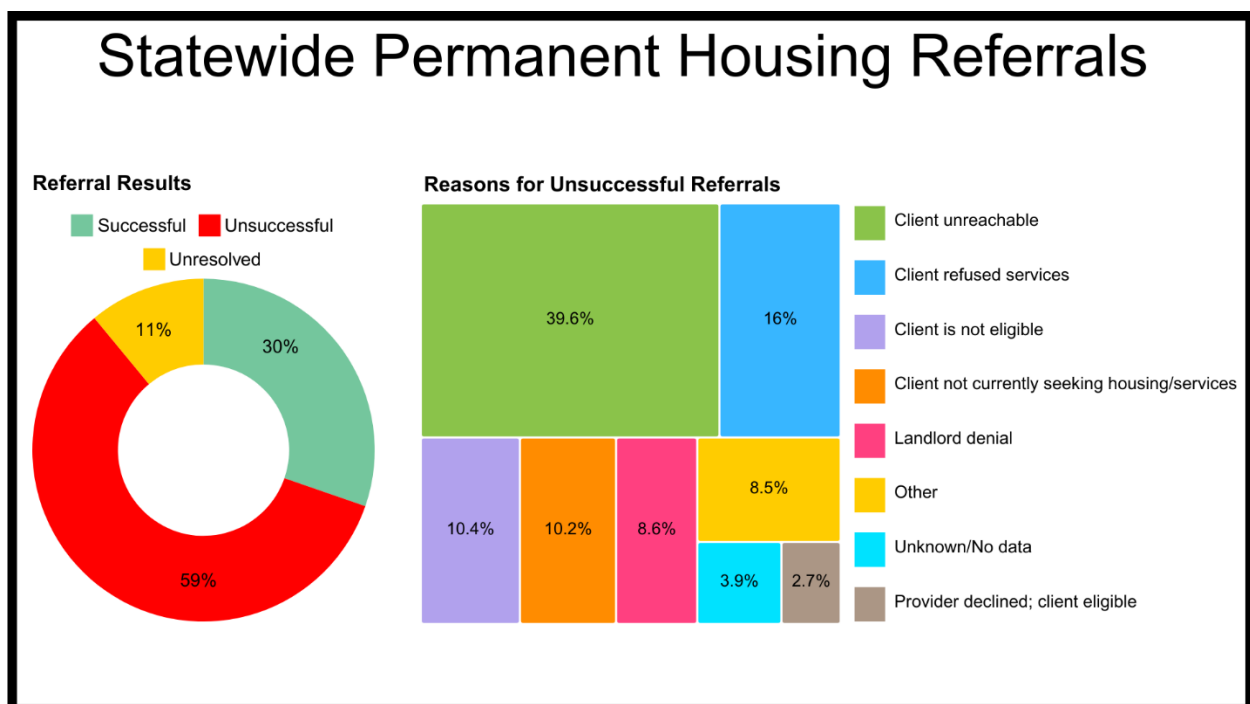
HMIS Report "MIN-00-CES-266 - CE Monitoring - v2024.1" from 3/23/20-6/30/24 for PSH

Over half of Minnesota's coordinated entry referrals are unsuccessful according to the data. Specifically, 59 percent of unsuccessful coordinated entry referrals in Minnesota and nearly 40 percent of unsuccessful referrals are due to "client unreachable."

Multiple reasons contribute to this challenge; however, feedback identified that frequent relocation of unhoused individuals seeking to meet basic needs or difficulties maintaining contact over long periods of time with limited technology are substantial contributing factors.

Acuity of Coordinated Entry Referrals

Housing and service providers are facing unprecedented challenges with increased acuity

Across the United States, housing and service providers are experiencing an unprecedented crisis of need among unhoused individuals that has been exacerbated by both the pandemic and opioid epidemic. Evidence of the acuity of need among adults in data shared with Hearth Connection from 29 supportive housing programs across the state is available in HMIS where providers document disability data for all recipients of homeless-dedicated resources at program entry. 2023 data shows that 90 percent of adults served live with at least one disability, 56 percent of adults live with two disabilities, and 29 percent of adults struggle with three or more documented disabilities at program entry. Additionally, a notable factor contributing to the increase in acuity is that behaviors associated with mental illness and substance use are more challenging to manage in a residential setting. Mental health and substance use disorders represent a majority of acuity issues as identified in the data below.

The documented disabilities do not represent all households currently using substances, which were reported to be a significant number of referrals. Instead, they are based on information that could be documented with the household's permission from accredited professionals. It is reasonable to assume that acuity is higher, as this data does not include unknown or undocumented disabilities at the time of initial program entry.

Acuity of Need in 29 PSH Providers
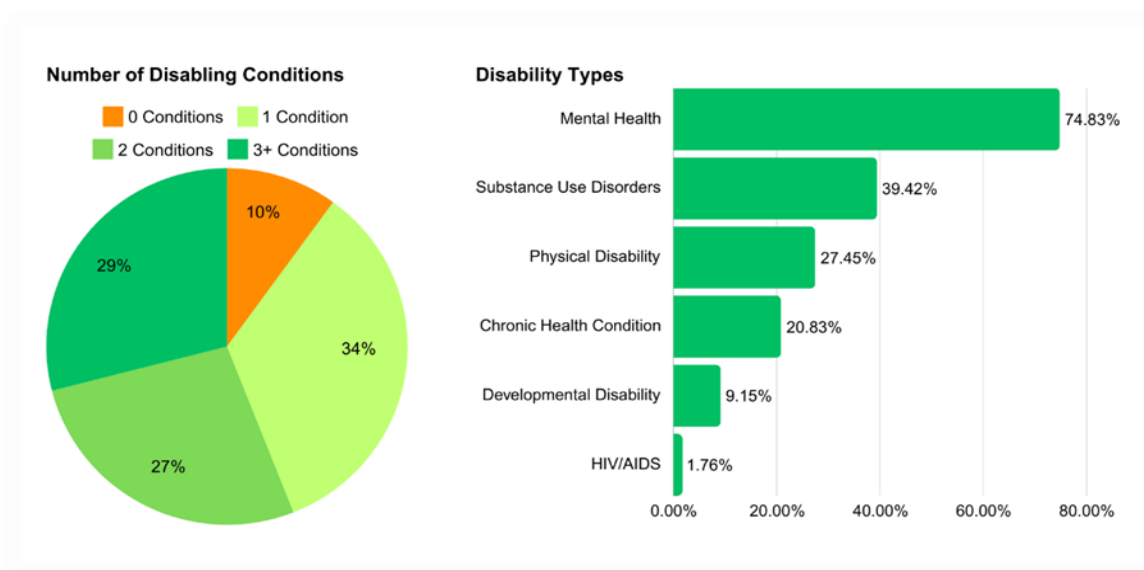
Historically, PSH models served a diverse population with varied needs that required low to high touch services – and housing developments, supportive services, and funding were designed for mixed acuity populations. High acuity places strain on housing and service providers, who must allocate substantial resources to support these individuals. Furthermore, high acuity in referrals is rendering buildings, staffing, and funding insufficient to meet the needs of unhoused Minnesotans.

In Minnesota, coordinated entry prioritizes households meeting HUD Chronic Homeless criteria, which represents a population with higher acuity. This negatively affects site-based projects and integrated units intended to serve a mix of populations. This can make providing adequate support challenging.

Increasingly, the influx of residents experiencing acute behavioral health needs is linked to an uptick in property damage occurring in units and buildings. More vulnerable individuals with high acuity in PSH units often allow entry to non-residents who cause damage and the residents themselves are contributing to unit damage. These occurrences can lead to additional repairs required by other impacted units depending on the severity of damage. Damaged units require repairs that can take weeks or months, leaving these units vacant.

> "The key takeaway from the resident engagement is that the demands placed upon nonprofit housing providers have increased extensively as the needs of residents have grown more acute. Funding levels, however, have not increased to cover the additional costs incurred – more staff, more highly trained staff, more security, more insurance, more maintenance, etc. The result is that organizations are being handed 'a recipe for failure" in which they cannot possible deliver well. It has become clear that residents are paying the price.'"
>
> -Resident Perspectives on Distressed Multifamily Properties Report. MN Housing Stability Coalition. December 2024.

The increase in acuity is threatening the sustainability of existing supportive housing and PSH programs for both 100 percent PSH and integrated PSH models. It is also intensifying service requirements and placing additional demands on frontline workers and residents alike.

As previously identified, high acuity also leads to additional challenges in locating individuals and completing paperwork. Frequent relocations and limited access to technology make it hard for providers to connect with and support these high-acuity individuals. This challenge combined with unit damage results in a cycle where available housing goes unoccupied for extended periods.

Underfunded and Unclear Coordinated Entry Requirements

Coordinated entry is inadequately funded to manage both HUD and state-funded resources

Mandates from various entities require increased funding to support housing, programs, and people within Minnesota's coordinated entry systems. Many CoCs struggle to secure enough funds to meet community needs while complying with HUD requirements and managing state and local program referrals. All the while, CoCs must also develop systems for complex program eligibility, integrating multiple funding sources for projects, operations, rental assistance, and supportive services. CoC staff in some regions have developed effective problem-solving techniques despite these underfunded mandates; however, current funding levels are insufficient.

Minnesota Housing is the lone source of state funding for coordinated entry. In Fiscal Year 2024, the agency in partnership with Greater Minnesota Housing Fund allocated $290,000 to six Greater Minnesota CoCs to support CoC planning in collaboration with state agencies to prevent and end homelessness, which could include coordinated entry activities.

State-funded programs' coordinated entry requirements are unclear

While not required by federal or state law, many Minnesota state programs have adopted HUD coordinated entry as the required or preferred referral method. For example, some state contracts and funding applications mention coordinated entry, suggesting its use without explicitly requiring it. Some contracts allow alternatives or exceptions to coordinated entry, which vary across the state. Decisions to use coordinated entry also vary through counties and tribes.

Consequently, there is confusion among government staff, housing and service providers, and those with lived experience about where mandates exist. Although not an exhaustive list, and subject to change based on local preferences, the table below identifies some of the programs that require coordinated entry referrals and programs that may use coordinated entry for referrals:

Requirement	Programs
Require coordinated entry referral	HUD: Continuum of Care, Emergency Solutions Grant Minnesota Housing: Capital Funding, Housing Trust Fund
May require coordinated entry referral	DHS: Housing Support Long-Term Homeless, Long-Term Homeless Support Service Fund, Housing Supports for Adults with Serious Mental Illness, Homeless Youth Act, Transitional Housing Program Minnesota Housing: Family Homeless Prevention and Assistance Program Local Government: State and Local Affordable Housing Aid, Tax Levies, Other Funds

This lack of clarity impacts housing and service providers as well as CoC stakeholders. For example, CoC staff note state-approved exceptions to coordinated entry guidelines cause inconsistencies, while providers face operational problems before issues are addressed. State staff, on the other hand, often aim to support both CoC staff and housing programs but struggle with oversight and negotiation that does not fully meet the needs of both CoC staff and state agency staff. Lack of clarity with coordinated entry and state programs is a clear cause of concern.

Varied definitions and documentation for homeless eligibility in state programs

Housing and service providers often use multiple funding sources like capital, rental assistance, and service funding for a single homeless-dedicated unit. Eligibility criteria can sometimes conflict or complicate this resource utilization. Below are two common examples of braided funding scenarios for homeless-dedicated PSH units:

	Capital	Rental Assistance	Support Services
Unit A	Minnesota Housing: homeless-designated unit (High Priority Homeless)	DHS: Housing Support (Long-Term Homeless)	DHS: Housing Support (Long-Term Homeless)
Unit B	Minnesota Housing: homeless-designated unit (High Priority Homeless)	Minnesota Housing: Housing Trust Fund (High Priority Homeless)	DHS: Long-Term Homeless Supportive Services Fund (Long-Term Homeless)

The administrative burden for PSH projects is real. Completing complex paperwork extends the timeframe to move a person into housing, which is particularly important for individuals experiencing the challenges of being unhoused. Housing and service providers emphasized the administrative burden and complexity of managing multiple funding sources, along with the different processes for applications, eligibility, data management, financial tracking, and reporting as significant barriers to mitigating vacancy loss. Moreover, coordinated entry staff noted that additional eligibility requirements from braided funding add to this complexity, making it more challenging to find successful referrals.

The lack of clarity and complexity described above also leads to real and perceived risk. Housing operators and service providers expressed that they often interpret eligibility policies conservatively to mitigate potential risk. Perception is reality for many, and this perceived risk due to unclear guidance from HUD or state programs was an identified source of vacancy loss.

Provider Operations and Staffing Turnover

Rising operational costs and difficulties retaining and recruiting staff

Finally, another theme surfaced was the financial pressures on multifamily affordable housing units designated for homeless households, as well as other units. Affordable housing organizations report that increased acuity of coordinated entry referrals and wider community instability are contributing to severe property damage and escalating security expenses.

These challenges are further compounded by increased daily operational costs; costs related to aging properties, higher insurance rates, rapid inflation, and recent shortages of building materials; staffing shortages impacting leasing processes and unit turnovers; and a lack of affordable and reliable contracted services (e.g., security, maintenance, and property management).

Moreover, housing and service providers report their staff are experiencing increasing trauma, personal safety concerns, more complex paperwork requirements, and limited resources, which have contributed to frontline staff turnover. Interviews indicated that qualified staff often leave for higher paying public service positions, transition to philanthropy and advocacy organizations, or leave the sector entirely. Providers acknowledge the need for staff with more experience and behavioral health skills, but current funding levels are insufficient to hire and retain them. Relatedly, interviews also revealed that staffing challenges are worsening internal communication and causing operations issues. For instance, uncertainty about which staff member or organization should contact coordinated entry for a referral leads to unreported or underreported vacancies, directly contributing to vacancy loss.

As noted, for many organizations, departures in recent years of skilled staff include both frontline employees and seasoned managers and directors. While turnover can lead to program improvements and innovative approaches, departures also result in the loss of established relationships, regulatory knowledge, and deep understanding of existing programs and funding sources. Individuals interviewed for this report noted consistent challenges in regaining stability within the sector due to struggles retaining staff. Staff are a critical component in the referral and lease-up process: fewer staff to connect people to housing, more vacancies in PSH units.

Solutions

This report outlines key challenges and recommendations to address vacancy loss through improvements to coordinated entry systems not limited to coordinated entry itself. Most of these recommendations are interconnected, showing the complexity of these systems. The following solutions reflect these complex and interconnected realities contributing to vacancy loss.

Some solutions require deeper collaboration among stakeholders, administrative action by state agency staff, potential policy change through legislation, and additional funding. Alternatively, some solutions include changes in current policies and practices, clarification from federal and state agency staff, and simplification of existing program requirements. All these solutions are actionable, well-informed, and will lead to the reduction of PSH unit vacancies.

Solution: Permanent Supportive Housing Vacancy Pilot

Design and implement pilot focused on reducing vacancies in homeless-dedicated units in one metro and one Greater Minnesota CoC region

Stakeholders in Minnesota's coordinated entry systems should fully utilize all existing housing resources and adopt a system-oriented approach to fill persistently vacant PSH units. Toward that end, state agency leaders should move with urgency on the design and implementation of a pilot project focused intensely on addressing vacancy loss.

All Chicago and the Harvard Kennedy School Government Performance Lab launched a pilot program to address the underutilization of PSH units in Chicago. They analyzed processes and data, developing an action plan to identify issues causing vacancy despite high demand. Their findings revealed several key challenges, including:

- Limited data from Chicago HMIS assessments and housing providers
- Difficulties locating households after referrals
- Insufficient provider outreach capacity
- Lengthy and complex document collection processes
- Frequent household disengagement or refusal of PSH units

In close partnership with a select group of PSH providers experiencing persistent unit vacancies, the pilot program implemented the following strategies to improve unit utilization:

- Collected detailed project and eligibility data from providers and tracked vacancies weekly

- Assigned navigators to engage households prior to referral, gathering necessary documentation to determine eligibility and assess interest
- Referred only pre-engaged households to projects for which these households were eligible and interested
- Held weekly case conferencing with navigators and providers before and after referrals

We collect and organize project data	We proactively engage clients pre-referral	We case conference both before and after referrals

• We identify projects with persistent vacancies *(for PEP, mostly project-based "efficiency" SROs)*
• We create a **Project Information Sheet** for each of those projects that captures:
  • Eligibility criteria
  • Project details (e.g., location, services, rules, amenities, photos)
• Participating providers notify us of new vacancies weekly
	• We assign housing system navigators to support clients **before** referring them to housing. Navigators:
	  • Share **Project Information Sheets** and collect data on clients' eligibility and preferences
	  • Begin collecting key documents (e.g., ID, birth certificates, SSN card)
	• We only match clients to projects they are eligible for and interested in
		• We convene a weekly meeting for navigators to coordinate outreach to new clients, where we manage each navigator's caseload
		• Once a client is referred to a provider, their navigator attends a **specific** weekly case conferencing meeting for that provider, where providers and navigators work through application, intake, and move-in processes

All Chicago Pilot Process Overview

Preliminary pilot metrics from February 2024 through July 2024 indicated a reduction in time from "match to move-in" (i.e., 62 days to 41 days) and a decrease in unsuccessful referrals requiring "rematches" (i.e., 62 percent to 32 percent). Benefits included:

- Gathering project eligibility criteria early reduced tasks for providers
- Referring clients to projects they were interested in and eligible for increased the chances of a successful referral
- Beginning document collection upstream simplified the post-referral application process
- Dedicated navigation capacity alleviated post-referral provider workload

Many of Chicago's realities are similar to those reported by Minnesota's stakeholders and confirmed within HMIS data. While some Minnesota CoCs currently undertake some activities of the All Chicago pilot, such as navigation services and regular meetings, there is no focused effort on reducing vacancy loss through collaboration between CoCs and PSH providers. This report recommends the design and implementation of a pilot comprised of two CoCs, a group of PSH providers, and Minnesota Housing focused on the reduction of PSH unit vacancies. Strategies should include vacant unit tracking, dedicated navigation, selective referrals, early documentation collection, and regular communication. Funding will be needed, but existing navigation funds could be redirected towards the pilot (see Appendix B – Early Engagement and Navigation Services).

Solution: Fund and Manage State Program Referrals Separately to Align Acuity with Program Resources and Housing Model

Ensure sufficient capacity for active management of multiple priority lists that match state programs' eligibility and funding

CoCs manage HUD homeless assistance funding, which prioritizes individuals meeting HUD's definition of chronic homelessness. This creates challenges for state and local programs not designed for high acuity populations, leading to longer unit vacancies due to difficulty in locating eligible referrals and greater demands for high intensity services.

In Minnesota, individuals who are institutionalized, in temporary behavioral health settings, or doubled up meet the state's Long-Term Homeless definition. Given current CoC prioritization, they are not prioritized for referral under coordinated entry. It is generally easier to locate these individuals, and they often have diverse needs, barriers, and acuity levels that can align with many projects' resources. Before coordinated entry, these individuals had direct referral pathways, resulting in a more diverse population in PSH.

This report recommends separating HUD mandates from state programs in coordinated entry, managing different priority lists based on eligibility and funding. This approach would better align referrals with program resources.

To implement this approach, full funding for coordinated entry initiatives and clear guidelines for state programs currently using "preference" language in contracts are essential. If full funding is not possible, we suggest removing coordinated entry mandates in state-funded programs. Additionally, it should be clarified if coordinated entry requirements can be added for programs administered through local governments if they lack adequate financial support. This would reduce confusion and strain on CoCs and service providers – and more expeditiously fill vacant PSH units.

Solution: Statewide Coordinated Entry Governing Board

Establish statewide coordinated entry governing board to ensure consistent language, definitions, and statewide goals while maintaining local priorities

The current HUD CoC system, which coordinates federal homelessness funding, places oversight of coordinated entry systems under CoCs. In Minnesota, as it was developed for HUD programs, state agencies adopted coordinated entry as a referral pathway for some of their programs without having authority over its procedures and processes.

Minnesota's coordinated entry procedures and processes should balance local priorities with elements such as shared definitions, determination of required use by state-funded and other local programs, transferable assessment tools, and standardized forms. Households served by coordinated entry often move between CoC boundaries – streamlining differences in processes and paperwork would reduce confusion and burden for these participants. Affordable housing developers, owners and operators, and service providers spanning more than one CoC would also benefit from consistency across coordinated entry systems.

A Minnesota Coordinated Entry Governing Board would provide high-level guidance aligning federal mandates while respecting local control for state-funded resources. This board would serve as an appeals body for state-related programs, a function currently absent outside of local CoCs. During interviews, representatives from CoCs and providers highlighted the importance of not having state agencies develop a coordinated entry governing board. Instead, they advocated for an entity with equal representation and shared decision-making among CoCs, service providers, affordable housing developers, state agencies, and individuals with lived experience of homelessness.

Although some regional CoC staff expressed concerns about losing control over some aspects of coordinated entry if a statewide governing board were established, many CoC staff acknowledged that shared oversight could ultimately benefit their communities and individuals experiencing homelessness in Minnesota.

Solution: Align and Simplify State Program Eligibility

Streamline state program eligibility for homelessness-dedicated funding to accelerate the homeless to housing transition

Minnesota's homeless response systems include key programs like the Housing Trust Fund, Long-Term Homeless Supportive Services Fund, Housing with Supports for Adults with Serious Mental Illness, and Housing Support. These programs aid in outreach, case management, and rental assistance. Aligning definitions and documentation across state programs would streamline eligibility, reduce paperwork, and speed up moving individuals into vacant PSH units.

Minnesota Housing High Priority Homeless eligibility was launched in 2018 and provides greater flexibility and better referrals from coordinated entry systems. However, combining High Priority Homeless eligibility with DHS Long-Term Homeless requirements or other funding sources complicates documentation.

This issue could be resolved by DHS and Minnesota Housing agreeing on administrative changes. A new legislatively authorized Working Group on Simplifying Supportive Housing Resources is reviewing these processes, aiming to enhance equity, accessibility, and coordinated entry systems. The group is also working to simplify eligibility criteria, paperwork, and funding distribution to accelerate the transition from homelessness to long-term solutions.

Solution: Foster Collaboration in New Affordable Housing Projects

Minnesota Housing should facilitate meetings in the project development process to ensure shared understanding from project concept to lease-up

CoC staff and service providers identified that delays in filling PSH units and resulting vacancy loss could be reduced through earlier ongoing communication and collaboration between CoCs and affordable housing developers within the project development process. Minnesota Housing's process for new affordable housing project development should address this challenge by facilitating discussion between housing developers, property managers, service providers, and CoC staff in "pre-design" meetings, "post-selection" meetings," and "pre-lease-up" meetings to share

information about the population and proactively address tenant selection criteria while also ensuring shared understanding of project deliverables.

CoC staff and providers should collaborate and meet regularly during the lease-up phase of new housing developments. For example, the Hennepin County coordinated entry team initiated an effort to assign a dedicated coordinated entry staff member to partner on the initial lease-up process for new housing developments. The objective is to enhance collaboration and meet capital funding occupancy benchmarks. Coordinated entry staff work with owners, property managers, and service providers to understand unit eligibility, funding, tenant selection, and timelines. They conduct unit tours when possible and hold weekly check-ins to monitor referrals, review client data, provide consultations, and problem-solve. This approach has been reported as effective, with regular participation and communication from all stakeholders. Strong relationships, active partnerships, and frequent communication were identified as factors that are improving the speed and effectiveness of filling vacant PSH units.

Solution: Exercise Flexibility Allowed for in Current Programs, Policies, and Practices

Adopt low-barrier documentation policies and practices using the existing flexibility permitted by current program regulations

Most stakeholders interviewed cited complexity and lack of clear guidance in housing programs as impediments to connecting individuals to available PSH units. Housing operators and service providers often interpret eligibility policies conservatively, partly due to unclear guidance from HUD or state programs. However, flexibility within current policies and practices exists, and housing operators and service providers would benefit from explicit clarification and guidance from agencies to leverage this flexibility to move individuals from homelessness to housing quickly.

Adoption of flexible and low-barrier practices is an actionable solution that only requires reassurance from agencies – and there are examples in other regions of the country where it is working. For instance, San Francisco's Department of Homelessness and Supportive Housing implemented a "Low-Barrier Documentation for Permanent Supportive Housing Providers" policy to expedite housing for unhoused individuals (see Appendix E: HSH Low Barrier Documentation for Permanent Supportive Housing Providers). Interviews with department staff asserted this policy is connecting unhoused individuals with housing more expeditiously while minimizing vacancies.

Relatedly, HUD, DHS, and Minnesota Housing should provide clear guidelines for when self-certification of eligibility and other flexible practices are permissible.

Develop an "Active List Management" policy to avoid referral if no contact with the household has been made in last 30 days

Active list management helps reduce unsuccessful referrals by removing individuals from the active prioritization list if there is no contact with that individual within 30 days. This approach allows the individual to be re-added to the list if located without requiring a new assessment. Active list management expedites the process for connecting people who are unhoused to available PSH units, thereby reducing vacancy loss.

Fill vacant PSH units outside coordinated entry process when no appropriate referral is available for placement

The Ramsey CoC developed and implemented a formal policy requiring coordinated entry staff to identify a referral within five business days of a request, and to fill the opening if coordinated entry staff are unable to find an appropriate referral within that five-day span. Furthermore, Ramsey CoC's policy allows providers to locate individuals who are unhoused outside of Ramsey County under the same circumstances. This report recommends that CoCs develop and implement a similar policy to expedite the homeless to housed transition, a simple and actionable solution that would reduce persistent PSH unit vacancies.

Perform hyperlocal list management in Greater Minnesota CoCs

CoCs spanning large geographic areas face unique challenges managing prioritization lists that meet the need to fill available homeless-dedicated units. Ohio's COHIO CoC prioritization lists include sub-lists based on geographic location – a process commonly referred to as hyperlocal list management. This targeted approach increases the likelihood of a successful referral. Interviews identified that some Greater Minnesota CoCs practicing hyperlocal list management are achieving successful outcomes, including a northern subregion within the St. Louis County CoC and River Valleys CoC. It is recommended that all Greater Minnesota CoCs adopt hyperlocal list management.

Conclusion

The affordable housing and supportive housing communities are in financial crisis due, in part, to increasing vulnerabilities among those experiencing homelessness and overly complicated homeless response systems that are creating unnecessary, costly delays threatening to undermine the state's affordable and supportive housing infrastructure. Urgent, actionable solution-focused collaboration among housing developers, property owners and operators, housing service providers, Continuums of Care (CoCs), government staff, and community members is needed now.

This report surfaces key themes, including various understandings about coordinated entry and its role contributing to persistent PSH unit vacancies as well as uncertainty about the responsibilities of state agencies, nonprofit organizations, CoCs, and community stakeholders within supportive housing systems. Additionally, it reaffirms that relationships matter – and the quality of collaboration between CoCs, coordinated entry staff, housing developers and service providers, and state agencies will determine the stability of Minnesota's supportive housing infrastructure.

This report provides actionable solutions that will expedite housing placement and improve the efficiency of homelessness services. They will improve the lives of Minnesotans who are experiencing homelessness by connecting them with the affordable housing and support services they need to lead stable lives.

Moreover, if acted upon, these solutions will reduce persistent vacancies in PSH units and help to alleviate increasing financial pressure caused by vacancy loss.

Appendix A: Stakeholder Interviews and Community Conversations

Key: I = integrated setting; SB = site-based setting; SS = scattered-site setting

Housing Stability Coalition Members
Aeon (I, SB)
Alliance Housing (I, SB)
Beacon Interfaith Housing Collaborative (I, SB)
Catholic Charities Twin Cities (I, SB, SS)
Center City Housing (I, SB)
CommonBond Communities (I, SB)
Model Cities (SB)
RS Eden (I, SB)
Project for Pride in Living (I, SB, SS)
Trellis (I, SB)

Minnesota Continuums of Care (CoCs)
Central CoC
Hennepin County CoC
Northeast CoC
Northwest CoC
Ramsey County CoC
River Valley CoC
Suburban Metro Area (SMAC) CoC
St. Louis County CoC
Southwest CoC
West Central CoC

State and Federal Government
HUD Office of Community Planning and Development
US Interagency Council on Homelessness
Minnesota Department of Human Services
Minnesota Housing
Minnesota Department of Public Safety

Other Local and National Stakeholders
All Chicago
Affordable Housing Connections
Coalition on Homelessness and Housing in Ohio
Harvard Kennedy School Government Performance Lab
HousingLink
Los Angeles Homeless Services Administration
Julie McFarland Consulting/Southern Nevada CoC
King County Regional Homelessness Authority
Salt Lake City CoC
San Francisco Department of Homelessness and Supportive Housing

Community Conversations

People with Lived Experience Groups convened in community, permanent supportive housing, and shelter settings:

Northeast: Duluth, Grand Rapids
Central: Big Lake, Mora, St. Cloud
Southeast: Rochester
Northwest: Fargo-Moorhead
Twin Cities Metro: Two PSH groups, Two shelter groups

Providers (de-duplicated from above):

Arrowhead Economic Opportunity Agency (I, SS)
Avivo (I, SB, SS)
Blue Earth County (I, SS)
Bois Forte Human Services (I, SB, SS)
Breaking Free (SS)
Central Minnesota Mental Health Center (SS)
Clare Housing (I, SB, SS)
Fond du Lac Human Services (SB, SS)
Guild (I, SB, SS)
Handy Help LLC (SS)
Human Development Center (I, SS)
Lake and Pines Community Action Council (I, SS)
Lutheran Social Service of Minnesota (I, SB, SS)
New Pathways (SB)
Northland Counseling Center (I, SS)
People Incorporated (I, SS)
Simpson Housing (I, SB, SS)
Spero (I, SS)
Tri-County Community Action Program (I, SS)
Wilder Foundation (I, SS)
YouthLink (I, SB, SS)
Zumbro Valley Health Center (I, SS)

Appendix B: Early Engagement and Navigation

Example Strategy: Built for Zero

Hennepin County actively participates in the "Built for Zero" movement, which focuses on early engagement and housing strategies for specific populations, such as veterans, chronically homeless individuals, families, youth, and all singles. Communities involved in this movement aim to achieve functional zero, a milestone where homelessness is measurably rare and brief for a population.

Using the "Built for Zero" model, Hennepin County reached functional zero for veterans homelessness and is currently working toward functional zero for HUD Chronic Homelessness, with the possibility of reaching functional zero in 2025.

Providers do note that when the target population in a "Built for Zero" model uses HUD Chronic Homeless eligibility criteria, this can also affect the percentage of highest acuity households, and the sustainability of supportive housing programs that were funded and designed for a mixed population.

Example Strategy: Peer Navigator Pilot, Suburban Metro Area (SMAC) CoC (Minnesota)

The SMAC CoC is testing an innovative pilot program to support individuals who need navigation assistance. Using a portion of their HUD Coordinated Entry grant, the SMAC CoC employed Navigators, all of whom have experienced homelessness and are equipped to offer practical problem-solving and effective systems navigation. Hiring peers to provide navigation support may foster additional trust with referred households, increasing the likelihood of sustained engagement, which is crucial for reducing lease-up timelines. At the CoC's recent annual meeting, the Navigator team reported positive housing outcomes and received strong positive feedback from the individuals they served during the pilot.

> "Two months with [the navigator] was more support than I received in the last 3 years."
>
> "[The navigator's] experience of homelessness helped make me feel comfortable."
>
> - People with Lived Experience of Homelessness (SMAC)

Example Strategy: Domestic Violence and Trafficking Survivors Model, Los Angeles County CoC

A notable example of a promising practice that targets a HUD-approved priority population often underserved in CE systems can be found in Los Angeles County. The initiative, "Supporting Survivors Through Rapid Re-Housing and Navigation," specifically addresses the needs of individuals who experienced domestic violence or human trafficking. This model effectively aligns resources between victim service providers and the coordinated entry system to reduce homelessness among survivors.

The project utilizes both Transitional Housing and time-limited Permanent Supportive Housing (Rapid Re-Housing) to quickly house individuals and connect them to essential support services. Specialists trained to meet the unique needs of this population are integral to the LA model, helping traditional service providers understand the unique needs of survivors, while also educating domestic violence providers about available housing opportunities.

Example Strategy: Domestic Violence and Trafficking Survivors Model in River Valley CoC (Minnesota)

In Minnesota, the Office of Justice Programs in the Department of Public Safety spearheads efforts to ensure survivors have access to housing assessments and referrals. An example of a promising practice is found in the River Valley CoC, where three HUD-funded Navigators serve specific populations, including a dedicated navigator for Domestic Violence and Trafficking Survivors. Although these navigation services are often successful, they are constrained by HUD funding restrictions. Additional state funds in Minnesota could bolster staffing, training, and education for both domestic violence shelter providers and CoC staff, enhancing services in rural areas and expediting the filling of dedicated units.

Appendix C: Definitions of Homelessness

HUD Chronic Homeless
A homeless* individual with a disability, who:
- Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter, **and**

- Has been homeless and living as described for at least 12 months** or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described.

- An individual who has been residing in an institutional care facility, including jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all the criteria of this definition before entering that facility***, **or**

- A family with an adult head of household (or, if there is no adult in the family, a minor head of household) who meets all the criteria of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

*Must prove unhoused status the night before program entry
**A "break" in homeless is 7 or more nights
***An individual residing in an institutional care facility less than 90 days does not constitute a break in homelessness

HUD Homeless (Category: Literally Homeless)
Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
- Has a primary nighttime residence that is a public or private place not meant for human habitation; **or**

- Is living in a 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 and local government programs; **or**

- Is exiting an institution where they 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*.

*Must prove both the institutional stay <u>and</u> the street or shelter homelessness the day before

HUD Homeless (Category: Fleeing/Attempting to Flee Domestic Violence)
Any individual or family who:
- Is fleeing, or is attempting to flee, domestic violence*;

- Has no other residence; **and**

- Lacks the resources or support networks to obtain other permanent housing.

*Domestic violence including dating violence, sexual assault, stalking, and other dangerous or life-threatening conditions that relate to violence against the individual or family member that either takes place in, or they are afraid to return to, their primary nighttime residence (including human trafficking).

Minnesota Long-Term Homeless (DHS and Minnesota Housing)
Lacking a permanent place to live:
- Continuously for one year or more; **or**

- At least four times in the past three years.

Minnesota High Priority Homeless (Minnesota Housing)
Households prioritized for permanent supportive housing by the regional CoC's coordinated entry system.

Appendix D: Working Group on Simplifying Supportive Housing Resources

Sec. 4. **WORKING GROUP ON SIMPLIFYING SUPPORTIVE HOUSING RESOURCES.**
Subdivision 1. **Establishment**. A working group on simplifying supportive housing resources is established to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness.

Subd. 2. **Membership**.
(a) The working group must prioritize membership from individuals and organizations that use or administer state-funded supportive housing resources and must include the following:

> (1) the commissioner of the Minnesota Housing Finance Agency or designee;
> (2) the commissioner of human services or designee;
> (3) two representatives with lived experience from the Minnesota Coalition for the Homeless;
> (4) one representative from Hearth Connection;
> (5) one representative from the Metropolitan Urban Indian Directors network;
> (6) one representative from the Minnesota Housing Stability Coalition;
> (7) five representatives from organizations providing or administering state-funded supportive housing resources to people experiencing homelessness, including organizations that provide services to youth experiencing homelessness, veterans experiencing homelessness, populations that disproportionately experience homelessness, and a provider that participates in a coordinated entry system and demonstrates statewide geographic representation;
> (8) one representative from the Minnesota Tribal Collaborative;
> (9) one representative from Hennepin County;
> (10) one representative from St. Louis County;
> (11) two members from the house of representatives, one appointed by the speaker of the house and one appointed by the minority leader; and
> (12) two members from the senate appointed by the senate committee on committees, one representing the majority caucus and one representing the minority caucus.

(b) The members listed in paragraph (a), clauses (3) to (10), must be appointed by the commissioner of human services in collaboration with the commissioner of the Minnesota Housing Finance Agency.
(c) All appointing authorities must make their appointments to the working group by August 1, 2024.

Subd. 3. **Duties**.
(a) The working group must study supportive housing resources to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness, including the following programs:

> (1) the housing support program;
> (2) long-term homeless supportive services;
> (3) housing with supports for adults with serious mental illness;

      (4) the housing trust fund; and

      (5) other capital and operating funds administered by the Minnesota Housing Finance
          Agency.

(b) In studying supportive housing resources, the working group must identify the processes, procedures, and technological or personnel resources that would be necessary to enable the state, county or Tribal agencies, and providers responsible for administering public supportive housing funds to meet the following goals:

      (1) reduce administrative complexities;

      (2) enhance equity and accessibility, including coordinated entry;

      (3) streamline and simplify eligibility criteria, paperwork, and funding distribution; and

      (4) accelerate the transition of individuals from homelessness to sustainable long-term
      solutions.

Subd. 4. **Compensation**. Notwithstanding Minnesota Statutes, section 15.059, subdivision 3, members of the working group shall not be compensated, except for the members with lived experience of homelessness.

Subd. 5. **Meetings; facilitation**.

(a) The commissioner of human services may contract with a third-party vendor to facilitate the working group and convene the first meeting by January 15, 2025.

(b) The working group must meet at regular intervals as often as necessary to fulfill the duties under subdivision 3.

(c) Meetings of the working group are subject to the Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

Subd. 6. **Consultation**. The working group must consult with other individuals and organizations that have expertise and experience in providing supportive services that may assist the working group in fulfilling its responsibilities, including entities engaging in additional input from those with lived experience of homelessness and administrators of state-funded supportive housing not included on the working group.

Subd. 7. **Report required**. The working group shall submit a final report by January 15, 2026, to the chairs and ranking minority members of the legislative committees with jurisdiction over housing and homelessness finance and policy detailing the recommendations to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness. The report shall include draft legislation required to implement the proposed legislation.

Subd. 8. **Expiration**. The working group expires January 15, 2026.

EFFECTIVE DATE. This section is effective the day following final enactment.

Appendix E: HSH Low Barrier Documentation for PSH

DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Shireen McSpadden, Executive Director

London Breed, Mayor

HSH LOW BARRIER DOCUMENTATION FOR PERMANENT SUPPORTIVE HOUSING PROVIDERS

Revised 1/11/2024

- Updated to remove reference to Covid-19 pandemic programs
- Addition of earned income pay verification

BACKGROUND

During the Covid-19 pandemic, HSH implemented a low-barrier documentation policy for placement into site-based permanent supportive housing. Details of this policy are below but the principle is simple: Documentation requirements are a barrier to housing for our most vulnerable housing participants and a hindrance for all. PSH program participants may only be required to provide documentation that is strictly necessary to move in.

This revised policy maintains this principle and the basic contours of the previous policy ("SIP Rehousing Placement Documentation Policy"). It is updated to remove references to Covid-19 and the Shelter in Place Hotel program.

POLICY

Before move-in. PSH Providers will limit their pre-move in documentation requirements to include the following low barrier documents:

1. **Identification.**
    a. Traditional photo ID and social security card.
    b. If the client is unable to secure traditional photo ID or social security card, except in rare circumstances where funding requires government-issued ID, MEDS, CHANGES or a ONE profile with photo can be used in their place.
2. **Income verification.**
    a. MEDS/CalWIN/CalSaws/SSA income verification
    b. If the client has earned income, past 3 months' pay stubs
    c. Third party income verification may only be required prior to move-in in rare circumstances where it is a stipulation of the funding source.
3. **Asset verification.**
    a. Housing providers with TCAC units will complete the *Under $5,000 Asset Questionnaire* but will not require bank statements or other asset verification documentation prior to move-in, except in very limited circumstances in which it may be required by statute or regulation
    b. Asset verification is otherwise not required.

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After move-in

1. Permanent Supportive Housing staff will work with new tenants to secure their remaining required documents within 90 days of housing placement. Depending on what is required by the provider and on the form of verification provided by the Navigator prior to placement, PSH staff may need to work with the client to obtain traditional government identification or income verification.
2. If printouts are being used for a placement where the funder requires traditional ID, the housing provider may choose to execute a 90 day lease with the client, if allowed by the funding sources, and require the client to sign a self-certification of identity stating that they will obtain a government identification card within 90 days and acknowledging that failure to comply with this requirement may result in the lease not being renewed.
3. Clients placed in CoC and LIHTC units with a required minimum initial lease term may be asked to sign a self-certification acknowledging that failure to produce required documentation within 90 days may result in loss of eligibility for the unit and/or a rent increase to market rate as established by the Mayor's Office of Housing for the type of unit being occupied.
4. If the post-placement documents find that a guest is not eligible for the housing they have been placed into, or if the guest refuses to cooperate with the documentation process once placed, HSH will facilitate the client's move to another temporary or permanent housing option within the homeless response system for which they are eligible.
5. The lack of documentation cannot be grounds for eviction from HSH-funded PSH.