# Rapid Re-Housing Policy Manual Version 1.0

A publication of the Sacramento Countywide Rapid Re-Housing Funders Group: Sacramento County Department of Human Assistance, City of Sacramento, & Sacramento Housing and Redevelopment Agency in partnership with Sacramento Steps Forward

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Commissioned by Sacramento County Department of Human Assistance on behalf of the Sacramento Countywide Rapid Re-Housing Funders Group

# **Rapid Re-Housing Funders Group**

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# Rapid Re-Housing/HSP Funders Policy Group

# RAPID RE-HOUSING POLICY MANUAL VERSION 1.0 Revised June 8, 2016

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#### I. Introduction/Overview

### A. Purpose of This Manual

Federal, state and local funders of Rapid Re-Housing (RRH) all have different requirements relating to how funding recipients should determine the amount and duration of rental subsidies for program participants. This has resulted in the different RRH programs in Sacramento adopting different policies, procedures, and tools. A client who enrolls in one program might receive a different monthly amount and total amount of subsidy than if that same client enrolled in another program. From a funder perspective, this means that the system's resources are not being used in a consistent way and likely are not yielding the greatest possible results. This manual is designed to provide an overarching set of polices to ensure that, to the maximum extent possible, all programs operate in a consistent manner.

The overall goal of these general policies and procedures are to:

- Align RRH funding to maximize reductions in homelessness in Sacramento County
- Ensure all clients who receive rapid re-housing assistance have the same experience, regardless of funding source
- Attempt to deeply target RRH assistance to highest needs households as much as possible

The policies outlined in this manual are designed to provide a high level framework that the individual funders and programs will align to. Each program or funder will develop their own specific policies and procedures that are consistent with this umbrella set of policies. In some cases, specific funding regulations require a particular standard or approach that may not be in alignment. In these instances, the program policies will note the reason for inconsistencies.

Appendix 1: Matrix of RRH Programs identifies key funding source requirements and where they differ from each other.

Program Name	Funding Source	Local Funder
Housing Support Program (HSP)	State CalWORKs	DHA
RRH – Coordinated Exit	Sacramento County General Funds, City of Sacramento General Funds, private funding	DHA; City of Sacramento; Sutter
CoC Rapid Re-Housing	HUD-CoC	Sacramento Steps Forward (SSF)
ESG Rapid Re-Housing	HUD-ESG	SHRA
SSVF	VA	None, awarded directly to providers by VA

# <u>B List of Funders/Sources/Programs Covered by this Manual</u>

### II. Policies

#### A. Overall Program Philosophy and Design

The National Alliance to End Homelessness (NAEH) has published a Solutions Brief outlining *Rapid Re-Housing Performance Benchmarks and Program Standards* (February 15, 2016).<sup>1</sup> The standards are based on what is currently considered promising practice by the NAEH, the U.S. Department of Veteran Affairs (VA); the U.S. Department of Housing and Urban Development (HUD); U.S. Interagency Council on Homelessness (USICH), Abt Associates and other federal technical assistance providers; and nationally recognized, high-performing rapid re-housing providers. RRH funders in Sacramento have used these standards to guide the development of the policies in this document.

The NAEH Solutions Brief provides the following general description of Rapid Re-Housing:

Rapid re-housing is a program model designed to aid individuals and family households who are literally homeless make quick exits from homelessness and return to permanent housing within the community – usually within the private market. The program does so by offering targeted services and financial assistance to enable a household to move into housing, with the goal of preventing served people from becoming homeless again in the near future. Rapid re-housing has proven to be an effective practice in ending homelessness within communities, limiting the duration households remain homeless, and mitigating the rate that people reenter into homelessness. RRH is a **Housing First** intervention, therefore its programs should not screen out individuals or families based on measures assumed to be associated with successful outcomes. Such measures include income, employment, criminal history, mental health history, medical history, or evidence of "motivation."

Housing identification, move-in and rental assistance, in addition to optional case management and services, are core elements of rapid re-housing intervention. Communities adopting a rapid re-housing program should consider providing optional services including assistance in the housing search and application process; flexible financial aid for housing-related expenses, such as deposits and utilities; some housing-focused support, including housing stability planning; and linkage to community-based supportive programs, including child care, employment training and health services. Although not every household served will require all four service components, they should be made available. Because rapid re-housing is considered a short-term crisis intervention, an overarching goal of case management is to assist household in navigating barriers to tenancy and support households in building community support systems, including family/friend networks, services and mainstream resources.<sup>2</sup>

Rapid re-housing is an intervention that is appropriate for all subpopulations of homeless people, including single adults, families with children and youth/young adults. There is little data available on the effectiveness of rapid re-housing for specific populations such as youth, as these programs are relatively new and have not been broadly studied.

<sup>&</sup>lt;sup>1</sup> <u>http://www.endhomelessness.org/library/entry/rapid-re-housing-performance-benchmarks-and-program-</u> <u>standards</u>

<sup>&</sup>lt;sup>2</sup> Adapted from NAEH Rapid Re-Housing Performance Benchmarks and Programs Standards, page 1-2, 18-19.

# B. Program Targeting, Eligibility and Screening

Rapid re-housing programs in Sacramento will be targeted to the highest need households that can be served by this intervention. Evidence suggests that this intervention is appropriate for most homeless families and single individuals. As noted in the NAEH Solutions Brief:

"National data shows that rapid re-housing allows a very high percentage of homeless households with the highest barriers to secure permanent housing and not re-enter homelessness. Studies have not found any factors that reliably predict RRH program participants' success or failure in maintaining permanent housing after the subsidy has ended. Therefore, assessing for assumed client success in maintaining permanent housing should not be a part of pre-intake screening or admission to a RRH program.<sup>3</sup>

All Sacramento RRH programs will adopt policies and procedures that "**screen in**" households with higher barriers to housing, including:

- Single individuals and families who are unsheltered (living outdoors or in vehicles);
- Households with no, low or fixed income;
- Adults with disabilities, including behavioral health issues (mental illness, substance use);
- People with limited or no employment history; and
- People with criminal records and/or evictions.

As noted below, RRH providers shall take referrals from SSF's Coordinated Entry system according to the policies in place governing coordinated entry. Providers shall not impose additional targeting or screening criteria designed to identify whether a household is "housing ready," such as:

- Sobriety
- Employability or employment readiness
- "Motivation" or willingness to participate in services

To the extent possible, RRH should target those households who are already homeless (living outdoors, in vehicles or in emergency shelter). Those who are still housed but at-risk of losing their housing will be assisted through shelter diversion.

Some funding sources have specific eligibility restrictions related to maximum income levels, the definition of homelessness that a household must meet, and other factors. In all cases, programs must comply with funding-source requirements relating to household eligibility. The main requirements are detailed in Appendix 1: RRH Program Matrix.

According to recent HUD guidance, clients participating rapid re-housing programs are considered homeless for the purpose of determining eligibility to enter other housing programs. A household does not lose its homeless or chronically homeless status until they are successfully exited from the program. If a household is not successful in RRH, they can transition to other more deeply subsidized programs such as permanent supportive housing.

# C. Referral Process and Connection to Coordinated Entry

Under Sacramento's Coordinated Entry System (CES), all RRH Programs must accept referrals from the SSF Community Queue, which prioritizes households for RRH based on their score on the VI-SPDAT.

Developing a community-wide approach to prioritize homeless individuals is an essential step in the development of CES. The purpose of prioritization is to recognize those who are most in-need of housing and then act to provide housing access accordingly. Individual programs and providers may not have their own outreach and referral procedures, and must accept clients directly from the CES, eliminating "side doors" into the homeless system.

Sacramento has adopted a decentralized CES model for service delivery with the intended goal of broadening points of access into CES. CES is designed to be consumer-centered and includes access into the system for unsheltered and sheltered households by conducting the VI-SPDAT through two channels, Outreach Navigators and shelters identified as designated points of entry.

Once the consumer has completed the VI-SPDAT they are referred to the Community Queue. All RRH eligible households, whether sheltered or unsheltered, receive a referral to the RRH program based on the general eligibility requirements described above (in Section II.B.) and the unique eligibility requirements for each program (see Program Matrix). Each household is prioritized by date of entrance into to the Community Queue and corresponding RRH score range.

# D. Allowable Uses of Funds

Allowable uses of RRH funds vary amongst funding sources and the program(s) they fund. Examples of allowable expenses include rental assistance, security deposits, utility arrears, application fees, housing search and placement, and case management. As a general policy, programs should aim to be flexible in determining what expenses are allowed in order to do "whatever it takes" to ensure its clients are securely and rapidly housed. Programs, however, are not expected to deviate from restrictions set by their given funding source by approving expenses not allowable by that source.

Whenever feasible, funders will attempt to "blend" or "braid" funding with the goal of maximizing the use of resources and using more flexible sources to fill gaps that are not covered by more restrictive sources. For example, one source might pay for a client's pet deposit, another source for rental assistance, and another source for case management. All this should be managed on the "back end" so the client experience is of one seamless program. Braiding of multiple funding sources can present administrative challenges for providers and funders, particularly in the areas of financial and data management.

# E. Housing Identification and Selection

Maximum unit rent is set under all the federal funding program regulations. CoC and SSVF regulations require that units must be rent reasonable, meaning they may not be above the cost of comparable units in the same neighborhood. ESG requires that units must also be rent reasonable and within the federal Fair Market Rent (FMR).

To ensure maximum flexibility for clients and standardization across programs, all RRH programs will require that clients may not rent units that are above the applicable Fair Market Rent for their unit size. Programs where the funding source also requires that rents meet the rent reasonableness standard must document rent reasonableness.

# 2. Housing Quality

Under federal regulation, rapid re-housing units must meet Habitability Standards and/or Housing Quality Standards (HQS) as set by HUD, which ensure that a given unit meets a minimum level of safety and decency. ESG and SSVF funds cannot be utilized to help participants remain in or move into units that are not in compliance with minimum standards for habitability. The CoC program, on the other hand, requires that units meet the higher HQS standard.

To facilitate and accelerate the unit inspection process and move households into safe and decent units as quickly as possible, Sacramento's RRH programs will use the HUD habitability standard rather than HQS, unless HQS is required by the funding source. Programs will document unit habitability using a standard checklist. All programs will use the habitability checklist developed by SHRA's ESG program.

Units must also comply with HUD's lead-based paint requirements. All programs will use SHRA's lead-based paint visual checklist.

# 3. Unit Size/Occupancy

To determine what size unit a household may lease, all programs will align with the standard most commonly used by Housing Authorities:

- Maximum occupancy of a unit is restricted to two people per bedroom, plus one person for the living room.
- Minimum occupancy is one person per bedroom. In the case of a head of household and spouse/partner, one bedroom will be assigned to the head of household and spouse/partner and one bedroom will be assigned for each additional two persons.

Adjustments to this policy may be made at the discretion of the RRH provider.

The maximum and minimum number of people who may occupy each unit size is summarized in the table below:

Unit Size	Minimum Occupancy	Maximum Occupancy
	1	2
1 Bedroom	1	3
2 Bedroom	2	5
3 Bedroom	3	7
4 Bedroom	4	9

A household that consists of a pregnant woman (with no other persons in her household) must be treated as a two-person family. The unit size for any family consisting of a single person must be either a zero or a one-bedroom unit (except in instances of shared housing arrangements, see section 4).

The standards are intended to identify the allowable unit size, not to impose rules about who may or may not share a bedroom/sleeping room. The RRH program shall not impose rules regarding the household's actual sleeping or living arrangements.

Occupancy of any housing unit must comply with City and County building codes. The City of Sacramento does not specify the number of people who may live in a unit, but Building Code Section CBC 1004.1.2 specifies that the required minimum square feet per person is 200 square feet.

#### 4. Shared Housing

Shared housing amongst rapid re-housing participants is allowable and will be an important strategy for many households in the current rental market. Households should be offered the option of shared housing if they are interested and/or if this is the most financially sustainable option given their income.

Program staff will work with landlords to create and execute separate lease agreements for each household to ensure all households maintain housing for the longest duration possible. However, exceptions may be made on a case-by-case basis for households who need one lease in order to secure housing.

Under the circumstance that one household moves out, RRH programs must establish policies that ensure the remaining household(s) will maintain housing and have some level of choice over who moves in. Additionally, programs should offer optional services to assist in providing mediation, counseling, problem-solving strategies, and communication methods for households in shared living situations.

# 5. Lease Terms and Requirements

A legally binding, written lease for a rental unit is required between households who receive rental assistance through the RRH program and the owner or property manager. The program should assist clients with negotiating lease agreements and ensure clients are not signing leases with illegal or otherwise inappropriate terms.

Programs shall not impose requirement relating to the initial lease term, unless there is a funding-source requirement (CoC and ESG regulations require an initial term of one year). Leases must conform to any other specific requirements set for by a particular funding source.

Client choice is a key component of a Housing First approach and should be integrated into all RRH programs. Clients should be encouraged to conduct their own housing search in order to identify desired housing options independently. A program should utilize housing and budgeting planning to aid participants in understanding their ability to pay rent and meet lease requirements by the end of their rental assistance, however it is ultimately up to clients to choose their own housing. In the event clients are not able to identify housing on their own, the RRH provider should offer assistance with housing search (see section below) and offer clients an opportunity to choose between several options. Although a program should seek to promote client choice whenever possible, clients are limited to decline only two housing units in order to remain in a RRH program. If clients decline their third housing option, they may be asked to exit the program.

# 7. Housing Location/Navigation

Clients should be encouraged to independently search for and locate desired housing when possible. Program staff should continually check in on the household's progress and offer support, including advice or direct assistance, throughout the process. Program staff should also aid clients in negotiating appropriate and manageable lease agreements with landlords, acting as an intermediary on clients' behalf.

Effective RRH programs will also offer clients assistance in locating and accessing housing in a timely manner. Housing location efforts should be focused on the critical element of recruiting and maintaining landlord and housing management partners, who are willing to rent to clients that may not otherwise pass tenant screening criteria. Successful housing navigation requires that a program designates specific staff members who are responsible for and committed to identifying housing within the community, recruiting and negotiating with landlords, and educating clients. Currently, most RRH programs in Sacramento do not have dedicated housing location/navigation staff. Funders will explore options for adding this capacity for those programs that do not currently have it.

A RRH program must offer its clients education on basic landlord-tenant rights and responsibilities, as well as specific lease requirements and prohibitions. Clients should also be informed of landlords' minimum expectations in caring for housing units.

# 8. Landlord Relations (recruitment, ongoing relationships)

Access to and positive relationships between landlords and program staff are a critical element to any functional, effective rapid re-housing program. As previously noted, recognizing the landlord as a vital partner and increasing the number of landlord-program relationships will increase opportunities for housing future RRH clients. Programs should be understanding of landlord rights and responsibilities and offer a standard level of support to those who lease to RRH clients, which should be detailed in written policy format and given to landlord partners. Effective RRH programs also respond to landlord calls regarding crucial tenancy problems in a timely manner (within one business day), and offer support to both clients and landlords in settling issues and disputes that may occur.<sup>4</sup>

In exchange for landlord cooperation in housing individuals and families who may otherwise struggle to pass typical rent eligibility, some programs offer limited vacancy periods between tenancies and/or increased securities deposits. In Sacramento, the goal is to provide landlords with incentives that are innovative, flexible and responsive, with the goal of maximizing access to housing units amidst the challenges of an oversaturated rental market.

Sacramento Steps Forward (SSF) has been charged with establishing a system-wide program for marketing to and incentivizing landlords. SSF also has a landlord mediator position attached to its housing hotline. As much as possible, individual programs should refrain from developing exclusive relationships with landlords for the sake of their own clients, and instead view landlord-program relations on a systems-level.

<sup>4</sup> Adapted from NAEH Rapid Re-Housing Performance Benchmarks and Programs Standards, pages 6-7.

Alternatively, a program must be aware of landlord responsibility to protect RRH client households and should not deliberately place clients with negligent landlords. A program should maintain written policies and procedures regarding landlord recruitment, which involves screening out potential landlord partners with a poor record of complying with legal responsibilities and fair housing practices. Again, it is vital to aid households in understanding proper tenant-landlord relations, as well as both parties' rights and responsibilities.

# F. Rental Assistance

As a general policy, rental assistance should be structured to:

- Allow households to move immediately out of homelessness and into rental housing, including those households with high housing barriers (e.g. zero income).
- Allow for flexibility and tailoring to the varying and changing needs of each household.
- Maximize the number of households that can be served by providing only the assistance necessary to stabilize in permanent housing and then increase such assistance if necessary (progressive approach).
- Assume that all households, even those with high barriers, will succeed with a minimal subsidy.
- Reflect realistic expectations about the household's rent burden when subsidies end. Most people who live in poverty pay more than 30% of their income for rent.

# 1. Amount of Subsidy

There are a number of different approaches to calculating rent subsidy amounts, which have been used in both Sacramento RRH programs and programs throughout the United States. The approach that will be used by all Sacramento programs moving forward is the one originally developed for the ESG program, as it best aligns with the principles articulated above.

Clients will receive a maximum monthly subsidy amount based on their household size, household composition, income, and the current FMR. Lower incomes receive higher subsidies (e.g. if 0-9% of AMI, subsidy is 80% of FMR). The Calculation is determined by an Excel-based tool and is updated annually based on changes in FMR and median income.

Using this tool, staff will inform each household of the maximum amount they may spend in their search for housing. Having a fixed maximum upfront helps incentive households to locate lower cost units. Calculating the maximum subsidy based on household size and income also creates a mechanism to avoid over- or under-subsidizing. Other approaches (e.g. all must pay 40% of income; or all receive 100% for first three months) don't offer the same flexibility.

Under this policy, all households will have an income re-certification and subsidy re-calculation at the end of each three months of program participation.

Exceptions to the maximum subsidy calculation may be made under extraordinary circumstances and must be approved by a designated representative of the local funder(s) of the program.

# 2. Duration of Subsidy

For all RRH programs, the initial term of assistance lasts 3 months. Participants may receive subsidy for an additional three months and a final three months (up to a maximum of 9 months). Any additional months of subsidy beyond the first three months may be provided on a month-by-month basis (with reassessment each month), or in larger increments.

The determination of whether to extend assistance after the initial 3 months, as well as criteria for determining whether a household will be exited from the program are covered in Section H. Exceptions to the maximum 9 month limit may be made at the discretion of the Program Manager, but in no case may exceed the maximum allowed under applicable regulations (maximum of 24 months for CoC and ESG-funded programs). If a household is still not stabilized after nine months, the RRH can serve as bridge housing while the program provider identifies a more permanent, subsidized option. Households in RRH programs are still considered homeless and therefore are eligible to access housing units restricted to serving homeless populations.

When serving households with high barriers to housing access, particularly those with zero income and limited rental history, a program may need to provide more than three months of assistance at the outset in order to secure a unit. Making an initial commitment of six months of subsidy is acceptable in these cases.

RRH programs in Sacramento are designed using a progressive engagement approach and, as such, shall not impose "once in a lifetime" participation restrictions. As part of the CES development process, funders will determine a general policy on the number of times a household may receive RRH assistance before that household is determined to need a higher level housing intervention.

# 3. Progressive Engagement

A nationally recognized best practice in RRH, Progressive Engagement provides a tailored level of assistance to households, reserving the most intensive interventions for individuals and families with high barriers to housing success. After initially entering a program, clients are met with a fitting level of services, typically beginning with low-intensity services and progressively increasing service intensity if needed. Clients should be continually reassessed throughout the program's duration to ensure they are receiving an appropriate, beneficial level of service. Services can be increased or decreased according to reassessment findings. The goal of this approach is that RRH provider services and financial aid effectively target and adjust to households' wide spectrum of need levels. <sup>5</sup>

Another goal of Progressive Engagement is to build a foundation for client independence and permanent housing maintenance by creating connections to needed support and services networks within the community. By the time rental assistance ceases, clients will ideally have built a support system to help address and overcome future hurdles, including access to childcare, transportation, health care, or employment.

<sup>5</sup> Adapted Sacramento Emergency Solutions Grant RRH Program Desk Guide, pages 3-4.

# G. Case Management and Supportive Services

The NAEH RRH Performance Benchmarks and Program Standards identifies four key principles for case management:

- Rapid re-housing case management should be client-driven. Case managers should actively engage participants in voluntary case management and service participation by creating an environment in which the participant is driving the case planning and goal-setting based on what they want from the program and services, rather than on what the case manager decides they need to do to be successful.
- Rapid re-housing case management should be flexible in intensity—offering only essential assistance until or unless the participant demonstrates the need for or requests additional help. The intensity and duration of case management is based on the needs of individual households and may lessen or increase over time.
- Rapid re-housing case management uses a strengths-based approach to empower clients. Case managers identify the inherent strengths of a person or family instead of diagnoses or deficits, then build on those strengths to empower the household to succeed.
- Rapid re-housing program case management reflects the short-term nature of the rapid rehousing assistance. It focuses on housing retention and helping a household build a support network outside of the program. It connects the participant with community resources and service options, such as legal services, health care, vocational assistance, transportation, child care, and other forms of assistance, that continue beyond participation in the rapid re-housing program.

All RRH programs in Sacramento will align their case management policies and practices to these principles. Examples of program policies that implement these principles include<sup>6</sup>:

- Job descriptions for case managers that include requirements that they focus activities on obtaining housing and housing stabilization and conduct case management in participants' homes and other locations outside the office and that they have the ability to get to and from those meetings.
- Having a case/housing plan templates that limit the number of goals and action steps to be included in a single plan, and focus attention on housing and income related goals.
- Having a case review process to help staff problem-solve around case/housing plans.
- Supporting participants to draw on their existing support networks, and help participants identify people already in their lives who can help with specific things, such as transportation or child care.
- Offering budgeting assistance when desired by participants.

- Coaching participants in conflict avoidance or de-escalation, adequate care of the housing unit, lease compliance, etc.
- Collecting, maintaining, and updating records of available mainstream and community resources for program participants. This includes community resources that can reduce burdens on income, including employment opportunities, food banks, clothing consignment stores, low-income utility programs, and others.

As a general matter, supportive services in RRH programs are offered and encouraged, however participation is not mandatory. Currently, clients of some Sacramento RRH programs are offered the opportunity to particulate in the Ready to Rent Program, designed by the Portland Housing Center. This curriculum educates high-barrier renters on housing readiness. While the program is encouraged, it is not mandatory for RRH clients. Similarly, some RRH programs offer employment services, but participation is not mandatory as a condition of receiving assistance.

# H. Program Exit

All RRH programs in Sacramento shall align to a single standard for determining when a household's rental assistance should be ended. The subsidy ends when the household has sufficient income to pay their rent, defining as: the household's rent plus utilities is not more than 80% of their monthly household income. If the specific funding source has other requirements relating to program exit, then these must also be followed. For example, the ESG program requires that household must exit if their income exceeds 30% of AMI.

# I. Financial Management

RRH programs require a high level of financial management capacity and sophistication to manage. Further policies regarding financial management requirements for RRH programs are forthcoming.