U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Continuums of Care for States

COC

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Table of Contents

1. Introduction

Continuums of Care for States

The goal of a state Continuum of Care (CoC) is to develop strategies to coordinate homeless assistance programs in areas not covered by other Continuums. State CoCs typically include non-metropolitan areas and may include some or all of the state's smaller cities. While these planning efforts ensure critical coverage for communities that may not be linked to the networks of service providers found in larger cities, implementing the CoC planning approach is challenging. States and participating localities must come up with efficient organizational structures that allow participatory involvement in all aspects of the CoC process, from forming local planning groups to soliciting applications to setting priorities. In addition, the local/state partnerships need to find ways to assemble data on the housing and service needs of homeless people in what are often non-contiguous parts of the state. Finally, for states that are using this process to address homelessness in largely rural areas, the CoC process and priorities must acknowledge and address the fact that the needs and resources of rural areas may be different from those of metropolitan areas or even of more populous non-metropolitan areas.

This brochure provides an introduction to the particular challenges facing states implementing a Continuum of Care approach and offers examples of how some states have successfully addressed these challenges. It is best used in conjunction with HUD's ***Guide to Continuum of Care Planning and Implementation***, which provides detailed, step-by-step advice on how to organize and implement a CoC plan.

The brochure begins with an overview of the Continuum of Care approach and a brief discussion of the benefits of state CoCs. The next sections look more closely at the following topics:

- Developing Effective and Inclusive Organizational Structures;
- Assessing Needs and Service Gaps;
- Setting Priorities Across the State; and
- Maintaining Communication and Assessing Progress.

2. Why a State Continuum of Care?

What is the Continuum of Care Approach?

The US Department of Housing and Urban Development (HUD) initiated the Continuum of Care process in 1994 to encourage a coordinated, strategic approach to planning for programs that assist individuals and families who are homeless. The CoC approach fundamentally reorganized the mechanism by which McKinney homeless assistance funds were awarded. HUD homeless assistance program funds for Shelter Plus Care, Supportive Housing Program, and Section 8 Moderate Rehabilitation for SRO were consolidated into a single competitive grant process. This change was made to encourage communities to develop comprehensive systems to address the range of needs of different homeless populations. To apply for these funds, jurisdictions must submit a Continuum of Care Plan that demonstrates broad participation of community stakeholders and that identifies the resources and gaps in the community's approach to providing the range of homeless services. These services include: outreach; emergency, transitional, and permanent housing; and related services for people who are homeless.[1] Community stakeholders must also determine local priorities for funding.

Key elements of the Continuum of Care approach include:

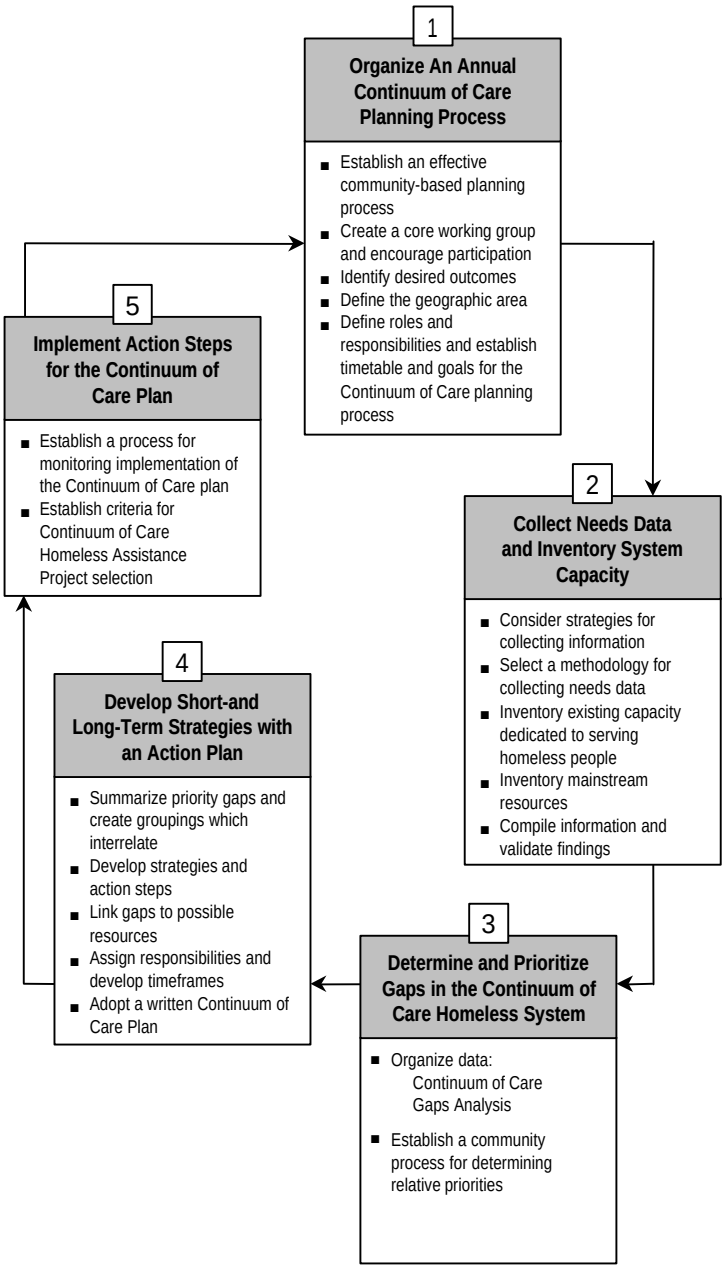
- ***Strategic planning*** to assess available housing, services and identify gaps;
- ***Data collection systems*** to document the characteristics and needs of people who are homeless and to track people served; and

[1] HUD's Emergency Shelter Grant Program (ESG) is a formula-based funding source for providing emergency shelter and services to homeless individuals and families. Although ESG funding is not one of the programs funded through the CoC, ESG-funded providers participate in CoC planning activities.

- ***Inclusive processes*** that draw upon system- and client-level sources of information to establish priorities.

The steps in the CoC planning process are highlighted in the diagram below.

Continuum of Care Planning Cycle



Why is a State CoC Useful?

Continuum planning efforts may be organized at a number of geographic levels: a single city, a city and surrounding county, a region, or a state. However, funds are allocated in large part based on the pro rata share of homeless assistance needs of the CoC jurisdiction. This approach tends to favor continuums with large population centers where the homeless population is larger and the pro rata share of need is greater.

Since the inception of the CoC process in 1994, the preponderance of CoC planning entities have been of geographic limited scope, favoring areas of high population density. For example, in 1998, of the 342 continuums funded, just 20 plans were submitted by states and another 18 were submitted on behalf of regional continuums. Nevertheless, the need for homeless services in non-metropolitan areas is increasingly acknowledged. The numbers of homeless persons relative to metropolitan areas may be small, but the needs are critical and resources scarce. It is also clear from a strategic point of view that combining the homeless assistance needs of most or all of a state's non-metropolitan areas creates a "critical mass" that boosts funding prospects.

As a result, the number of states coordinating state CoC efforts is growing, and planners, advocates, and consumers are thinking creatively about how to organize state planning efforts effectively. While states may have different opinions about the role of state CoCs based on their own goals and experiences, there are a number of commonly cited advantages to state continuum planning. These include:

- Increased visibility for the needs of homeless people in non-metropolitan areas;
- Attention to and validation of strategies and approaches that work in rural areas;
- Greater participation of people and agencies not previously involved in planning efforts;
- Stronger statewide advocacy efforts; and
- Coordination of support for critical statewide needs (such as migrant workers or homeless youth).

In addition to their advocacy for rural areas, state governments can provide a valuable partnership to bring additional resources to homeless assistance programs throughout the state. For example, the state of Colorado has a check box on the state's income tax form where taxpayers may designate some or all of their tax refund to homelessness assistance. In Michigan, the Michigan State Housing Development Agency (MSHDA) and a consortium of community foundations have created a Prevention Services Challenge Grant. MSHDA has pledged $500,000 for 14 communities where local community foundations are matching MSHDA grants to create endowments for emergency or prevention services.

What Areas Do State CoCs Cover?

The geographic coverage of state CoCs varies. Small states—such as Rhode Island and Delaware—have truly statewide CoCs that include the urban centers of the state as well as the more rural areas. However, in larger states this is often not practical and may not even be particularly desirable because of substantial differences in the needs and resources of urban and rural areas. In larger states, the state continuum typically covers the so-called "balance of state"—that is, the areas that are not covered by other continuums. There may still be parts of the state that have not yet organized CoC planning, but states typically encourage broad participation and help localities to set up local planning groups if they are interested in joining the state CoC process.

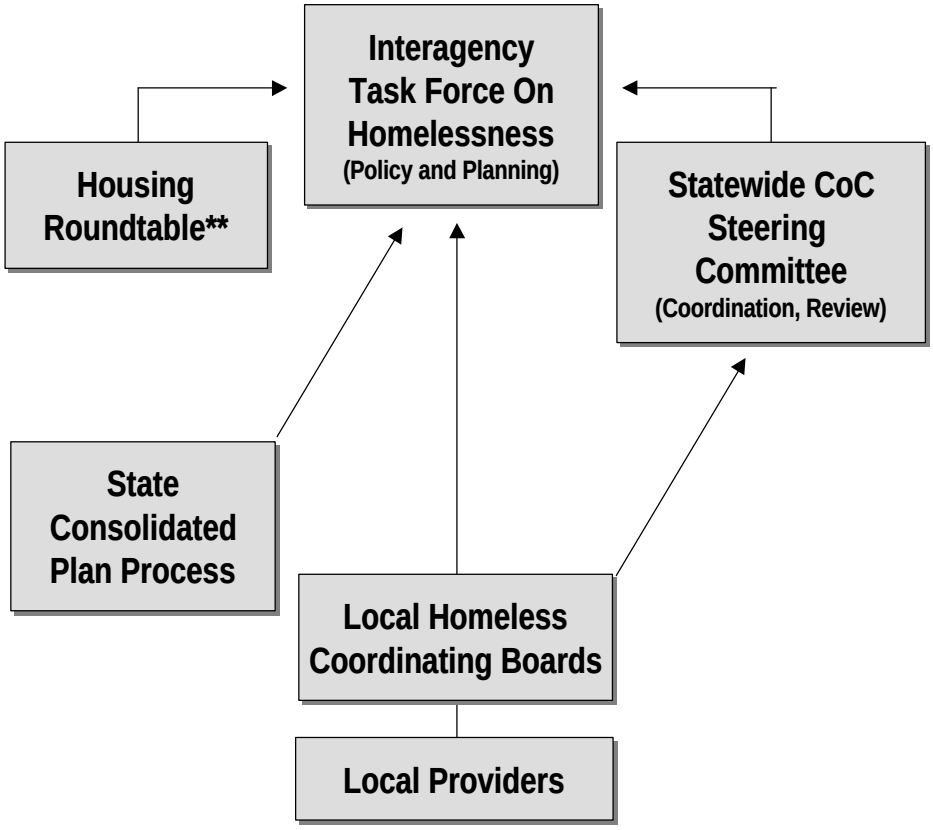
3. Developing Effective and Inclusive Organizational Structures

Who is Involved in a State CoC?

States have adopted a variety of organizing structures for state CoC planning. Typically, there is a ***state-level entity*** that includes representatives of state agencies that serve homeless people, such as agencies administering housing, mental health, community development, health care, human services, and veterans services programs. A key advantage to this structure is that each agency brings resources to the table, and the variety of programs can be better coordinated through an organized planning effort.

These state-level committees may also include representatives of statewide advocacy organizations or nonprofit organizations such as the Salvation Army or Traveler's Aid. Delegates from local or regional CoCs (including agency representatives as well as consumers) are encouraged to participate. In several states, a statewide Coalition for the Homeless is actively involved. Examples of the composition of state planning structures in Iowa and Michigan are shown below.

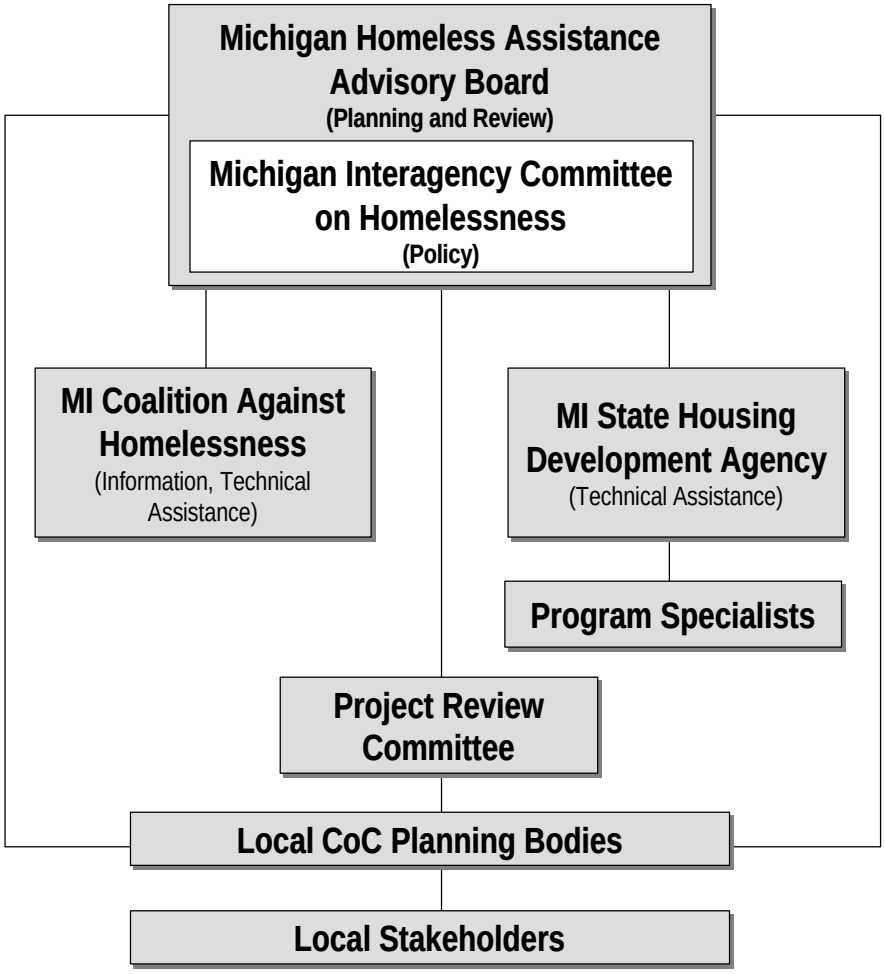
State Continuum of Care
Organizational Planning Structure
IOWA[A]



[A] Adapted from Iowa's 2000 CoC plan
** Includes representatives of agencies that provide housing assistance to homeless people

State Continuum of Care
Organizational Planning Structure

MICHIGAN[A]



[A] Adapted from Michigan's 2000 CoC plan

What is a State's Role in the CoC Process?

States can play a number of roles in the CoC planning process. Most importantly, states lend credibility and context to CoC planning. Beyond giving the "seal of approval," states may serve as the convener of the CoC planning effort, the applicant and/or funding conduit for homeless assistance grants, the supplier of data, and/or a funding source. Some states are very active in shaping all aspects of the CoC plan, while others limit their roles to technical support and assistance in compiling the state plan. This section offers approaches from several states that illustrate the range of possible roles for state and local actors in state CoC planning.

Technical Support

In Kentucky, the state's role is primarily to provide technical support to local CoC groups. The state CoC plan covers the entire state except three urban areas, and is coordinated by two staff members at the Kentucky Housing Corporation. The state serves as the applicant and state staff play a key role in providing technical assistance to the 15 planning groups that participate in the CoC plan. State staff have established an annual timetable for planning activities and issue regular reminders (by fax and telephone) to local conveners to make sure planning efforts are on schedule. The state staff attend at least two meetings per year in each planning area and provide technical materials to local planners. Priorities and rankings are established locally and reviewed by the state staff who provide feedback before the final plan and applications are compiled. The state then finalizes the CoC plan and converts the individual applications into HUD's required format.

Kentucky's Annual CoC Schedule

1st Quarter: CoC participants evaluate the previous year's statewide process.

2nd Quarter: Planning and process improvement based on review of the previous year's process.

3rd Quarter: Local groups evaluate their service delivery systems.

4th Quarter: Preparation of proposals.

Planning and Program Development

In Michigan, a state-level entity plays a central role in CoC planning for the 44 local CoC structures covered by the state plan. The Michigan Homeless Assistance Advisory Board—a committee of state

agency representatives, service providers, advocates, developers, and consumers—takes responsibility for all the key aspects of CoC planning. The Board is chaired by a Homeless Programs Coordinator under the auspices of the Michigan State Housing Development Agency (MSHDA). MSHDA also has a staff of 20 program specialists who serve on the Board and provide technical assistance to the local CoC groups. The state also coordinates a "best practices" information exchange, an annual conference on homelessness, and a statewide homelessness awareness week.

Technical Assistance and Financial Strategy

In Arizona, the Department of Commerce, in collaboration with the Homeless Coordination Office of the Arizona Department of Economic Security (DES), provides technical assistance and financial strategy development to each of the state's local planning councils. Two staff members at each of the state agencies support the state's role as coordinating entity for the development of statewide strategies and funding solutions and for the actual preparation of the HUD CoC application. The state agency staff have also organized efforts to integrate homeless assistance planning and programs with other programs administered by the state—such as Temporary Assistance to Needy Families (TANF), Medicaid, Mental Health and Substance Abuse Block Grants, and Workforce Investment Act—and to ensure linkage to mainstream resources such as CDBG, HOME, and public and assisted housing.

Building Consensus for Creating a State CoC

The momentum for a state CoC may come from the "top down" or from the "bottom up." In some cases, homeless assistance providers from non-metropolitan areas brought the idea to the state's attention. For example, rural service providers in Oregon contacted staff at the Oregon Department of Housing and Community Services because they had been unsuccessful in their efforts to secure competitive grant funding. These rural service providers were interested in enlisting the state's aid as well as coordinating with other rural areas to improve their chances for funding.

In other cases, the initiative has come from commissions of state agencies that provide services to homeless people, or from coalitions that include public agencies as well as nonprofit providers, consumers, and others. Typically, these

state-level coalitions or commissions include members from throughout the state CoC planning area and may already play an active role in coordinating statewide efforts. In Arizona, state agency representatives took the lead in identifying rural needs and coordinating communication among rural service providers. Consensus building grew out of these state-initiated outreach efforts.

According to one state official, it is helpful if some regional identification is already in place, so that people are "thinking regionally." The same official cautioned that consensus building is an on-going process. The state continuum is an easy idea to sell initially, when "no one has anything to lose," but can become more competitive as renewals come due and concern grows over the programs and initiatives they have established.

Ensuring Local Participation

Establishing inclusive local CoC planning structures is a fundamental goal of the CoC approach.[2] It is important that all the elements of the homeless assistance continuum—outreach, emergency shelter, transitional housing, and permanent supportive housing—be represented. Further, for state continuums, it is important that the varied resources and needs of all the planning areas covered by the state continuum be acknowledged and included in the state's strategies and plan.

The size of local planning areas for state CoCs tends to vary according to the state's geography and the presence of other continuums. In general, local planning areas are made up of one or more counties. Typically, states do not determine local planning structures on their own, but consult with local communities about the level and structure of representation that best meets their needs. (In some cases, local planners may decide not to participate in the state CoC because local networks are already strong and they have been successful in competing for funds.)

Ohio's State CoC: 49 planning structures covering 80 of the state's 88 counties not covered by other continuums.

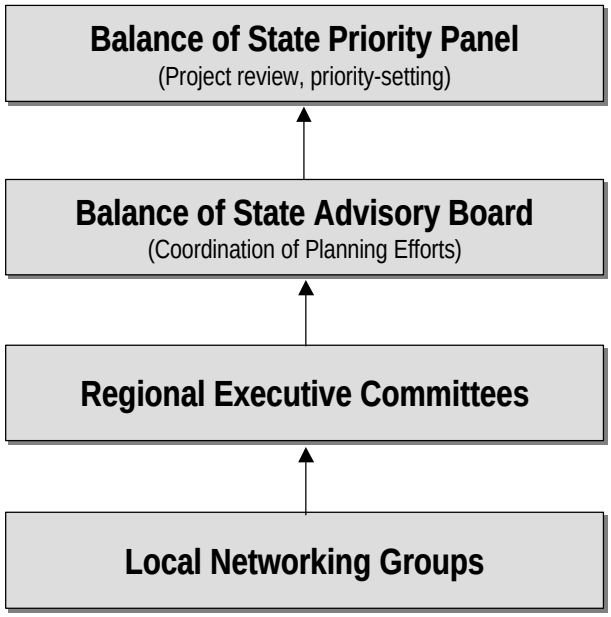
Oregon's State CoC: Covers 11 regions across the state, each made up of one to four counties. Each region has a designated lead agency that serves on the state's CoC committee.

[2] See HUD's ***Guide to Continuum of Care Planning and Implementation*** for more guidance on who should be involved in CoC planning.

An important role for the state is ensuring that local groups are aware of the types of organizations and entities that should be participating in their planning efforts. State officials may also help local groups identify appropriate partners in their areas. In Iowa, state planners recognized that some local planning areas were not including representatives of all constituencies in their planning processes. In some areas, for example, advocates for the needs of homeless people with mental illnesses or substance abuse problems were not included in the planning groups. State staff helped local communities reach out to providers and advocates representing interests that had not previously been included in homeless assistance programming.

States may also choose to develop a more formal structure to ensure broad representation among local groups. In Colorado for example, human services councils, ministerial alliances, and task forces form Local Networking Groups that meet monthly and focus on particular aspects of the continuum of care. These groups are represented by ten Regional Executive Committees. These Regional Committees send delegates to the Balance of State Advisory Board, which is responsible for the overall coordination of Colorado's Balance of State continuum. A Balance of State Priority Panel sets project priorities, and the Colorado Coalition for the Homeless serves as the applicant. This structure is shown graphically below.

COLORADO[A]



[A] Adapted from Colorado's 2000 CoC plan

Some state continuums have also created committees to work on particular issues. Oregon, for example, has established several committees to address topics such as linking data sources, rural transportation, reaching underserved populations, and reaching out to isolated areas.

Almost all state CoC planners find that the process must be fine-tuned from year to year. New areas of the state join the process, new training and technical assistance needs are identified, and funding priorities evolve. It is important to build in opportunities for local planners to help improve the state process so that it effectively brings homeless assistance resources to non-metropolitan areas.

4. Assessing Needs and Service Gaps

Documenting the needs, existing resources, and gaps in homeless services is a critical and challenging exercise for all CoC groups. Those involved in state CoCs face the additional challenge of assembling and documenting this information for non-contiguous areas within the state. States have developed varied approaches to the gaps analysis process, some more standardized and centralized than others.

In Michigan, each local planning group uses its own system to document needs and gaps, usually involving several methods such as point-in-time surveys, telephone surveys, or meetings with advocates and service providers.[3] (According to most observers, street counts are usually not practical or accurate in rural areas, so other methods are used.) Planners apply national prevalence rates to local population figures to approximate the size of different homeless sub-populations (e.g., people with mental illnesses, substance abuse issues, or AIDS). State staff also incorporate data from state agencies and statewide service providers, such as the TANF administering agency and the Salvation Army, and point-in-time shelter data collected by the state. In addition, the Michigan State Housing Development Agency (MSHDA) contracted with the Michigan Coalition Against Homelessness to conduct telephone and fax surveys of shelter providers, as a check on other sources. Finally, MSHDA always incorporates input from providers and consumers.

Some states also coordinate CoC planning with other planning efforts, yielding the dual benefits of more comprehensive planning and economies in data collection. The states of Ohio and Massachusetts both have mechanisms for

[3] HUD's ***Guide to Continuum of Care Planning and Implementation*** provides sample surveys and worksheets for assembling and compiling required information.

linking the Consolidated Plan process to CoC planning.[4] In addition, in Massachusetts, the Inter-agency Task Force on Housing and Homelessness coordinates CoC efforts and includes members who are also involved in other homeless-related planning efforts, such as substance abuse and veterans services. Their participation in both sets of planning efforts helps ensure that the unique needs of sub-populations of homeless persons are documented and addressed.

[4] States and localities eligible for HUD's block grant programs (including the ESG, CDBG, HOPWA, and HOME programs) must prepare Consolidated Plans that detail housing, community and economic development, and homeless assistance resources and needs in the jurisdiction and outline plans for addressing unmet needs.

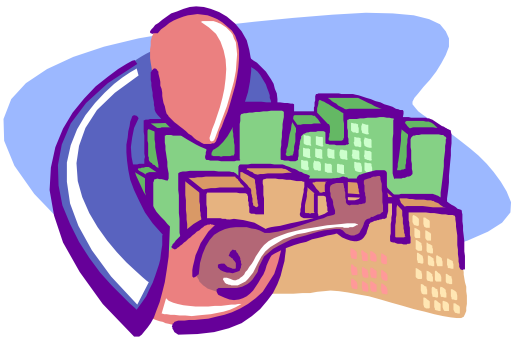
5. Setting Priorities across the State

Establishing Priorities

In a local continuum planning exercise, priorities are identified and ranked locally by those participating in the planning process. In the case of state CoCs, statewide priorities should also be established. States take a variety of approaches to balancing state and local priorities.

In many cases, the statewide priorities "filter up" from local priority-setting. In Ohio, each of the 49 local CoC structures conducts a local gaps analysis and assigns relative priorities. State staff then compile the local priorities, as a first step in developing priorities for the state gaps analysis. The state then assigns higher priorities based on criteria developed by a CoC Advisory Committee. In the most recent funding round, for example, the Advisory Committee assigned high priority to long-term housing solutions, housing and services for underserved or vulnerable populations, and initiatives designed to address needs where there were relatively big gaps or small resource inventories. Medium priority was assigned to transitional housing and housing and services for which there was a moderate gap or inventory. Low priority was given to short-term solutions, and housing and services for which there were small sub-populations or smaller gaps and/or larger inventory.

Ohio planners acknowledge that there may be inconsistencies—or even conflicts—between local and state priorities. The emphasis on permanent housing and services for hard-to-serve populations gives a higher priority to projects that have traditionally been challenging and that some local groups may have avoided. The state's active involvement in setting priorities ensures that projects meeting these critical needs receive serious local consideration.



Colorado takes a similar approach, using state priorities to encourage local applicants to address urgent needs. Projects are solicited through the state's ten Regional Executive Committees (RECs)

and through mailings to provider agencies across the state. Each REC develops a local priority-setting process before submitting its projects to the Balance of State Priority Panel. The Panel holds two half-day conferences to review the applications and assign state priorities. In Colorado's most recent plan, projects that involved permanent housing approaches or were renewals of existing grants received bonus points, as did projects identified as top priorities by a regional committee. In addition, projects were scored on likelihood of success, service to underserved areas or populations, collaboration, sponsor capacity, and leveraging.

Priority-Setting in Colorado's Most Recent CoC Plan

Bonus Points:
- Permanent housing approaches
- Renewals of existing grants
- Regional "top priorities"

Other Criteria:
- Likelihood of success
- Serving underserved areas
- Collaboration, sponsor capacity, leveraging

Selecting Projects

In most states, the priority-setting process results in the selection of specific local projects from the jurisdictions participating in the process. That is, particular programs run by local organizations are targeted for funding. Massachusetts has a somewhat different approach. Most of the projects receiving high priority in Massachusetts are multi-site initiatives run by state agencies such as the Department of Mental Health or the Massachusetts Rehabilitation Commission. These projects are not distributed through the entire area covered by the state continuum, but are often regional in scope. According to a state official, this approach maximizes the leveraging of resources from state agencies and allows regional targeting of homeless assistance programs. (Like other states, however, Massachusetts also supports some local projects that fall within the state's continuum jurisdiction.)

Rating criteria can also be used to encourage the development of state CoC systems. In Iowa, state officials acknowledge that many communities are still in the early stages of developing local continuums and some groups are not as broad-based as they need to be. Thus, the rating criteria for project applications include a possible 45 points (out of 100) for the local CoC model, including its inclusiveness, scope, gaps analysis, and strategy.

6. Maintaining Communication and Assessing Progress

State CoC conveners need to assess the progress of local communities and evaluate whether changes in the state's process or priorities are needed, just as local homeless assistance grant recipients have a responsibility to monitor the outcomes of their efforts. States with continuums in place offer several approaches to monitoring progress and outcomes. Some approaches to monitoring include:

- In Arizona, the state Department of Commerce and Homeless Coordination Office of the Department of Economic Security monitor the work of local homeless planning committees.
- In Ohio, the Department of Development administers and monitors more than 400 grants through the Emergency Shelter Grant, Supportive Housing, Housing Opportunities for People with AIDS, and state Housing Trust Fund programs. All of these grants are monitored at least once per year, including on-site file reviews for all projects that are up for renewal. The state also provides guidance to the local CoC planning groups to ensure that local processes are inclusive.
- In Oregon, the Housing and Community Services Department sends a monitor to each of the state's 11 regional CoC lead agencies to review the CoC process and individual programs.

It is also important to facilitate communication among CoC planning groups. State conveners have found a number of ways to encourage networking across the state. For example, most states sponsor some type of training workshop or conference to assist CoC participants with their local efforts. These events may be coordinated by a state agency, a CoC planning committee, a statewide advocacy organization, or an outside contractor. In Arizona, statewide meetings

are held two to three times annually so that the most critical information can be disseminated in person. Like many states, Arizona uses electronic mail and conventional mailings for updates as needed, with the state serving as a clearinghouse for information.

States also play a role in on-going efforts to assess progress and collect information about needs, resources, and gaps. In Massachusetts, the Inter-agency Task Force on Housing and Homelessness includes representatives from universities that assist with data collection and evaluation activities for the state continuum. In Kentucky, the state funded a survey of homeless services providers in 1993. The survey results provided important data for the CoC planning process. A contractor has recently been selected to conduct a new survey in the next year.

Other Ways to Maintain Communication and Encourage Networking

Create a Resource Guide: Kentucky State staff compiled a resource guide for homeless services, organized by region. AmeriCorps volunteers update the resource guide annually to make sure the information is current and accurate.

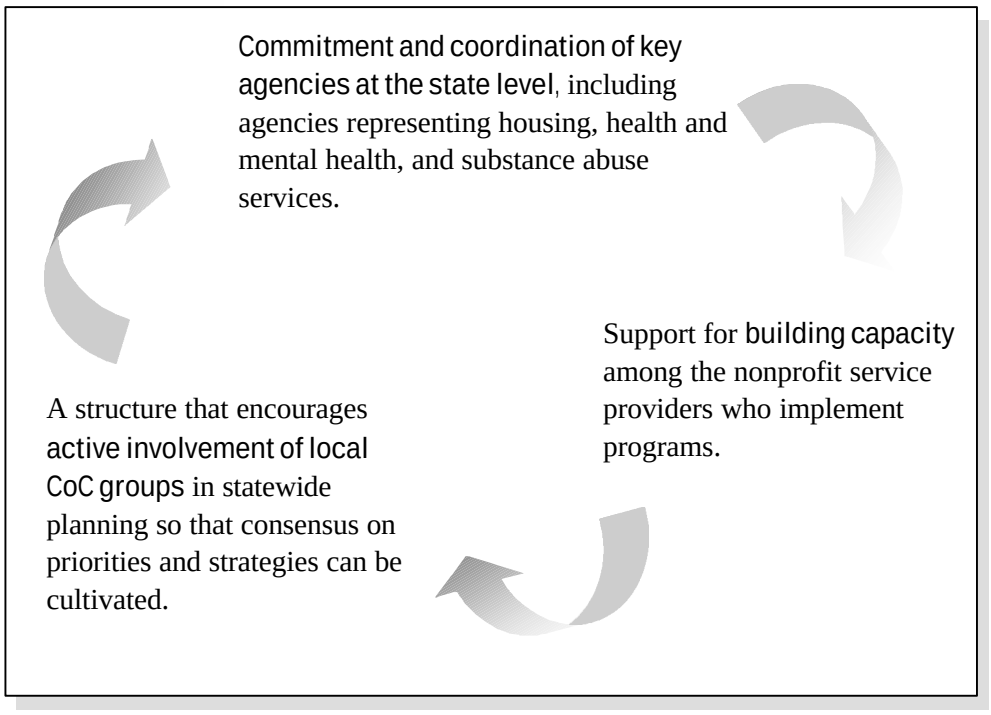
Construct a Web Site: Several states use web sites to disseminate information, technical guidance, and advice about CoC planning. Michigan is developing a "Best Practice Information Exchange."

Make Use of Video Conferencing Technology: Local planning boards in Iowa use the state-funded video conferencing system for periodic meetings to share information. The system is also used by state agency staff to provide local planners with training, technical assistance, and application assistance without costly and time-consuming travel.

7. Summary

As shown in the examples cited in this brochure, state Continuums of Care can bring attention and much-needed resources to the homeless assistance needs of non-metropolitan areas. Rural communities that may have limited success competing for funds with larger metropolitan areas benefit from combining their efforts. State agencies and statewide organizations can provide critical support, technical assistance, and leveraged resources to support and build capacity for local CoC planning efforts.

Although the structures that states devise for organizing CoC efforts vary, state administrators point to several factors they think are important to ensuring success:



Although the process of coordinating planning efforts over dispersed areas can be challenging, it is well worth the effort. In 1998, 20 of the 23 state continuums that applied for funding received competitive homeless assistance grants totaling almost $67 million. These resources are bringing critical assistance to meet the needs of non-metropolitan areas.

For more information on the state initiatives cited in this brochure, please contact the following state administrators:

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