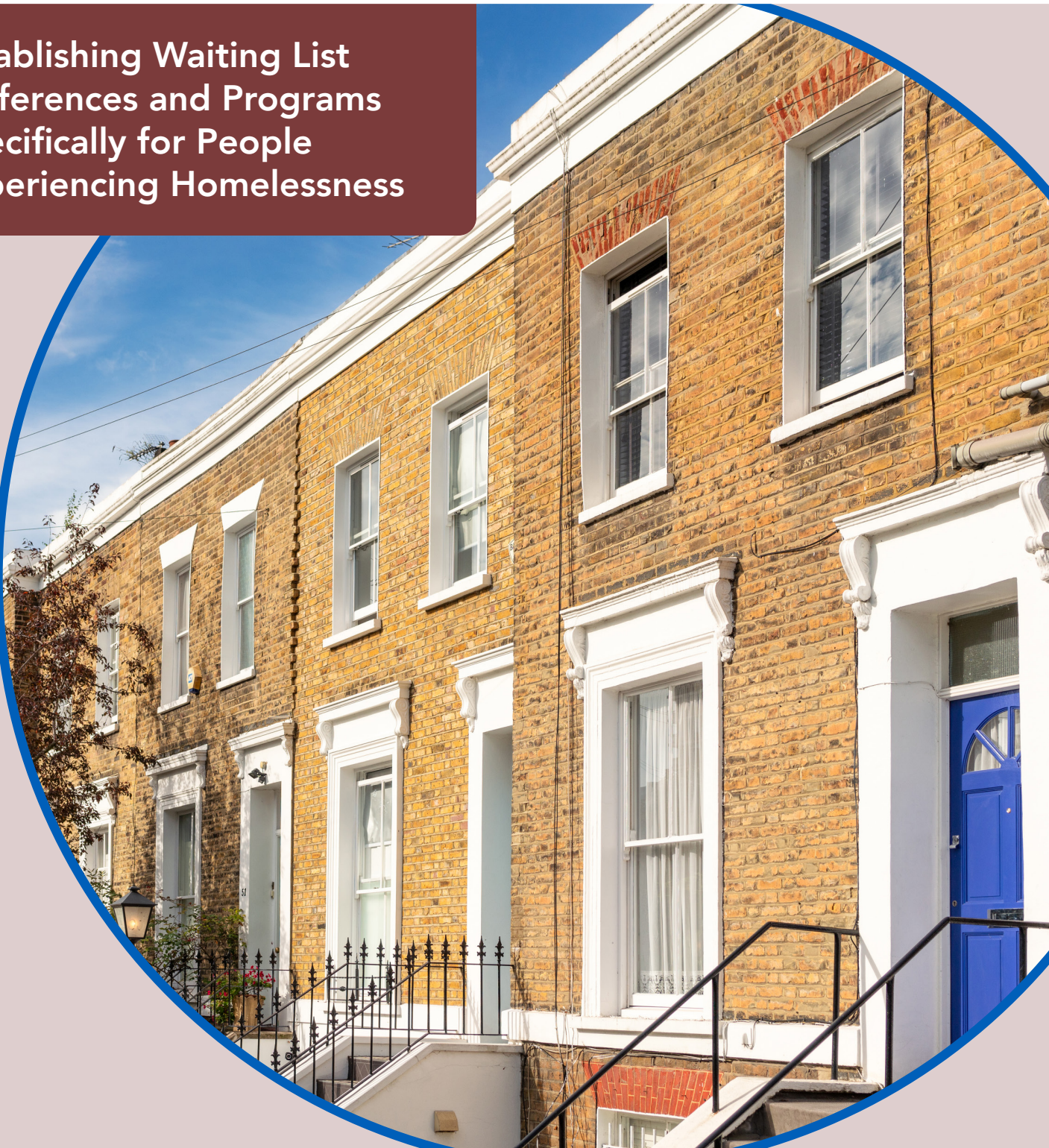


How PHAs Can Assist People Experiencing Homelessness

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Establishing Waiting List Preferences and Programs Specifically for People Experiencing Homelessness



INTRODUCTION

In many communities, PHAs have become an important part of the effort to reduce homelessness. Recognizing that homelessness is fundamentally a housing crisis, PHA leaders have developed policies for using their Housing Choice Voucher and public housing programs to help people leave homelessness and obtain permanent housing. A mechanism for implementing those policies is to establish a waiting list “preference” that prioritizes access to a PHA’s public housing units or its Housing Choice Voucher (HCV) program to serve people experiencing homelessness. HUD describes these preferences as either “general” or “limited.” A general preference puts anyone experiencing homelessness at or near the top of the waiting list. A limited preference provides a specified number of program slots to a group of households such as those referred from a partnering organization that works with people experiencing homelessness. Limited preferences carve out a defined number of vouchers or public housing units for the program, and PHAs sometimes characterize them in discussions with partners as set-asides. Both types of preferences are established in public-facing PHA documents: the Admission and Continued Occupancy Plan (ACOP) for public housing and the Administrative Plan for HCV. Preferences are optional. A PHA may choose to have no preferences but instead select households only by the date and time the household applied for assistance.

This guide provides examples of how PHAs are using waiting list preferences to support the community’s effort to reduce homelessness. Some PHAs provide an absolute preference for people experiencing homelessness, others specify the percentage of their HCV or public housing program dedicated to this purpose, while others support specific programs by offering a homeless service provider a defined number of units of housing assistance.

Background on Setting Priorities for the Use of Federal Housing Assistance

Because federal housing assistance has budget limitations that prevent it from serving all eligible households, the programs must operate through waiting lists that often are very long. To ensure that people with the greatest needs were served by housing programs, Congress established “federal” preferences in the early 1980s: households displaced by public action, paying more than half their income for rent, or in severely substandard housing were put at the top of waiting lists. People living in severely substandard housing included those with no housing—that is, people experiencing homelessness.

In the late 1990s, Congress eliminated federal preferences, narrowed income eligibility for the voucher and public housing programs,¹ and PHAs were given the authority to establish their own local preferences, with the proviso that those preferences are based on local housing needs and must not violate fair housing laws. With the crisis of homelessness becoming more evident, HUD encouraged PHAs to establish preferences that give priority to people experiencing homelessness. A survey of PHAs conducted in 2012 showed that 394 PHAs (10 percent) (with 10 percent of all HCV and public housing units nationwide) had strong general preferences for people experiencing homelessness—that is, preferences that were likely to put people meeting that criteria at or close to the top of their waiting lists. Nine percent of PHAs (338) used limited preferences, but they were among the largest PHAs and administered 36 percent of all PHA units (both HCV and public housing).² In the following years, an increasing number

¹ Minimum numbers of households were required to have extremely low incomes at admission. The changes to income targeting and preferences were part of the Quality Housing and Work Responsibility Act of 1998. https://www.hud.gov/sites/documents/DOC_8927.PDF

² Lauren Dunton et al., *Study of PHAs’ Efforts to Serve People Experiencing Homelessness*. (Washington, DC: U.S. Department of Housing and Urban Development, 2014). Accessed at: https://www.huduser.gov/portal/publications/pdf/pha_homelessness.pdf

of PHAs have changed their policies to help people experiencing homelessness. The following sections describe best practices that have evolved over time and provide some examples of PHAs that are implementing them.

PHAs received allocations of Emergency Housing Vouchers (EHVs) in May of 2021. These vouchers are targeted to addressing homelessness, and PHAs had to determine how to use these new vouchers strategically in combination with the resources they have already dedicated to helping their communities reduce homelessness. Because of the statutory restrictions on the households that may use EHVs, this new program did not require revisions to PHAs' preference systems. However, plans for the use of EHVs may help PHAs decide how to use their preference systems to address homelessness.

Some PHAs Put All People Experiencing Homelessness at the Top of Their Waiting Lists

Many PHAs use general preferences to provide some level of priority for people experiencing homelessness. The PHA's preferences may mirror the former federal preferences, giving people experiencing homelessness the same priority as housed households with severe rent burdens or in physically substandard units. Other PHAs have more narrowly focused general preferences that put people experiencing homelessness at the top of their waiting lists above those with severe rent burdens or in physically substandard units.

Best practice: Implement narrow preferences to assist people experiencing homelessness. If implementing a general preference, PHAs should make it narrow enough that it provides a real advantage to people experiencing homelessness. If people experiencing homelessness have the same priority as a large high-needs group, such as households with severe rent burdens, an individual or family experiencing homelessness may not gain access to housing assistance immediately. Alternatively, the preference can be exclusively for people experiencing homelessness or can be shared with a small group of other people in crisis such as those fleeing intimate partner violence, in which case the preference may be more meaningful.

Best practice: A community with a severe homelessness crisis should consider implementing an absolute preference for people experiencing homelessness. PHA leadership may be reluctant to provide a general preference for people experiencing homelessness that, in effect, may deny or significantly delay assistance to other people who are on long waiting lists. However, the crisis of homelessness is so severe in some communities that PHAs are willing to prioritize it above other populations. To overcome reluctance, PHAs should consider implementing a general preference for people experiencing homelessness for a set time period.

EXAMPLE: In 2016, the *Los Angeles County Development Agency (LACDA)*, a large PHA that operates across Los Angeles County decided to dedicate all of its turnover in the HCV program to addressing the homelessness crisis in the Los Angeles region. To qualify for the homelessness preference, the household must be referred by the CoC's coordinated entry system or one of the homeless services providers with which LACDA has a memorandum of understanding (MOU).³

BEST PRACTICE

Consider referrals from the CoC rather than self-identification of people on the waiting list to find people who qualify for a preference. Using the waiting list to identify people experiencing homelessness can be challenging. A household may become homeless or exit homelessness while they are on the waiting list. For households on the waiting list currently experiencing homelessness, their contact information may change while they are staying in different locations or have different phone numbers.



³ https://www.lacda.org/docs/librariesprovider25/public-documents/annual-plan-for-fiscal-year-2021-22.pdf?sfvrsn=934e67bc_0

EXAMPLE: At one point, *MaineHousing*, a statewide PHA, had a waiting list preference for people who identified themselves as homeless when they applied for assistance. People experiencing homelessness received points that gave them a higher priority on the waiting list. However, by the time admissions staff went through the process of documenting that the household qualified for a preference for a newly available voucher (by reaching out to the homeless services system and others in the community who might help locate the household), the household's situation might have changed, or the household could not be located. Therefore, MaineHousing moved away from a general preference and instead established a partnership with homeless service providers that gives waiting list priority for vouchers to people staying in emergency shelters that have been referred by the partnering service providers.

Other PHAs Specify the Portion of Their Programs They Have Committed to Servicing People Experiencing Homelessness

Some PHAs are willing to devote a substantial portion of their resources to addressing the crisis of homelessness but want to preserve some vouchers or public housing units for other families, people with disabilities, and elderly households. They can do that by specifying the percentage of newly issued vouchers or public housing vacancies that will be offered to people experiencing homelessness.

EXAMPLE: The *Housing Authority of the City of Austin (HACA)* has specified that 25 percent of its HCV program serve households experiencing homelessness and has opened its waiting list, otherwise closed since 2018, only for this group. HACA staff convinced their Board that this was a good policy, given the levels of homelessness in the community. When filling turnover vacancies in the HCV program, the voucher admissions director contacts the CoC, and the CoC looks at the list of those who have gone through the coordinated entry process and sends an appropriate number of households to the PHA (see [Using Coordinated Entry to Identify People Experiencing Homelessness for Housing Assistance](#) for more information on PHAs using the coordinated entry process). Initially, HACA had a cap of no more than 100 vouchers per year. When 25 percent of turnover rarely reached that cap, the PHA decided no cap was needed. Another change negotiated with the CoC is that the 25 percent ceiling applies to leased-up vouchers and not to issued vouchers (a smaller number, given that not every household succeeds in using a voucher). Vouchers used for HACA's Moving On program—that is, households issued regular vouchers because they no longer need the intensive services associated with permanent supportive housing—are part of the 25 percent preference.

BEST PRACTICE

PHA staff can meet with the local CoC and other stakeholders to explore how the HCV and public housing programs might help reduce homelessness in the community. The PHA may consider the other needs for affordable housing among people with extremely low incomes. For example, does the community have a substantial supply of senior housing as well as public housing designated for elderly residents? PHA staff can then discuss with their Board of Directors what percentage of the HCV or public housing program should be reserved for people experiencing homelessness.



EXAMPLE: *MaineHousing* has a statewide jurisdiction that overlaps with several local PHAs.⁴ MaineHousing has considered ending homelessness an important part of its mission since the early 1990s. After 2010, MaineHousing ended a point-based general preference for people experiencing homelessness and instead specified that 60 percent of the PHA's available vouchers will go to the clients in emergency shelters or to people who still cannot pay the rent after completing the state's rapid re-housing program. Each shelter that has a staff person charged with helping people find housing (a "housing navigator" funded through the state's Emergency Solutions Grant, ESG) is given application packages for four households at a time to begin the housing search process. MaineHousing also has agreements with some shelters that do not receive ESG funding. When a household staying in an emergency shelter finds a housing unit, the household completes the PHA application process and is issued a voucher.

EXAMPLE: In 2012, ***Fargo Housing*** started to provide up to 10 percent of its HCV program for people experiencing homelessness who were referred by the local coordinated entry system managed by the Fargo-Moorhead Coalition to End Homelessness. According to the PHA staff, sometimes they exceed the 10 percent of vouchers dedicated for people experiencing homelessness.

Many PHAs Support Programs that Serve Particular Types of Individuals or Families Experiencing Homelessness or Project-base Some of Their Housing Choice Vouchers

The limited preferences of vouchers provided by PHAs are often for a program that serves a specific population or operates a property that provides permanent supportive housing and needs rent subsidies to cover its operating costs. When the PHA has MTW authority, it may provide a portion of the program's funding rather than setting aside regular HCVs.

EXAMPLE: *Atlanta Housing* has a group of programs dedicated to serving people experiencing homelessness. Collectively known as the HAVEN programs, each one receives a specific number of tenant-based or project-based vouchers. Some of these programs use special allocations of HCV—for example, the Family Unification Program (FUP) and HUD-VASH. But most use regular vouchers—for example, a Moving On program called FLOW for formerly homeless residents of permanent supportive housing (PSH) who no longer need extensive support services. Atlanta Housing also has provided project-based vouchers to pay for the operating costs of properties that provide PSH. While Atlanta Housing is an MTW agency, these programs do not depend on MTW authority but instead use regular HCVs.

BEST PRACTICE

PHAs can work with their CoC to identify programs that aim to reduce or prevent homelessness for particular groups of vulnerable people that could be expanded or strengthened by the addition of PHA resources. PHAs also should consider whether their public housing or HCV program is a good fit for a specific program. If the answer is yes, PHA staff should work with the CoC or the service provider to determine a reasonable, set number of units.



⁴ Through voucher portability agreements and a universal application.

EXAMPLE: The *Minneapolis Public Housing Authority (MPHA)* has several special programs addressing homelessness. In the largest of these programs, MPHA provides rental assistance to up to 300 families referred by local public schools because of their imminent risk of homelessness. MPHA provides 40 percent of the funding, and the City of Minneapolis provides 60 percent. These are not HCVs, but instead MPHA uses its MTW funding flexibility to provide its share of the funding. MPHA also has two small ex-offender reentry programs intended to prevent men from becoming homeless upon their release. These programs use sponsor-based vouchers administered by the service provider under a master lease. MPHA uses many of its HCVs as project-based vouchers. One of the projects, Minnehaha Townhomes, has 10 units reserved for households experiencing homelessness referred through the CoC's coordinated entry system. MPHA also provides 20 vouchers to the Hennepin County CoC for people currently housed in hotels on an emergency basis.

EXAMPLE: The *San Diego Housing Commission (SDHC)* has committed 780 tenant-based vouchers to a partnership with the County behavioral health agency which contracts with mental health providers to provide case management at the Assertive Community Treatment (ACT) level. SDHC also provides project-based vouchers to support PSH developments that receive referrals from the San Diego Regional Continuum of Care's coordinated entry system. SDHC uses its MTW flexibility to waive the limitation on the amount of voucher funding that can be project-based. The PHA's goal is to eventually support 3,500 units of PSH. SDHC also has a Moving On program that uses tenant-based vouchers.

EXAMPLE: The *Housing Authority of the City of Los Angeles (HACLA)* is another large PHA in the Los Angeles region. Unlike the *Los Angeles County Development Authority (LACDA)*, HACLA has not committed to use all turnover voucher units to address homelessness, HACLA has created substantial set number of vouchers for people leaving homelessness. As of January 2020, this limited preference included more than 4,000 tenant-based vouchers for people in emergency shelters, transitional housing, or living on the street and 500 vouchers for a partnership with the Los Angeles Unified School District. Another 800 vouchers are designated for tenant-based PSH. Project-based vouchers from HACLA were currently in use for almost 5,000 units of PSH. Another 500 vouchers were allocated to the Moving On program, and 500 vouchers to homeless veterans who are not eligible for Veterans Administration healthcare (and thus not eligible for the HUD-VASH program). HACLA is not an MTW agency and has implemented these set-asides under regular HCV program rules.⁵

⁵ As shown in their administrative plans, many other PHAs without MTW authority also have set-asides for programs addressing homelessness.