MAYOR'S OFFICE OF
HOMELESS SERVICES

STRATEGIC INVESTMENT PLAN

FOR STRENGTHENING HOMELESSNESS RESPONSE IN BALTIMORE CITY

March 2022

Prepared for the Mayor's Office of Homeless Services
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EXECUTIVE SUMMARY

Strategic Investment Planning Processes and Community Engagement

Driving progress on homelessness requires concerted and sustained efforts, alignment with best practices, community engagement and partnerships with people with lived experiences of homelessness, and the strategic and intentional use of financial resources to achieve clear and ambitious goals, leading with a focus on racial equity and justice for historically marginalized communities. The Mayor's Office of Homeless Services (MOHS) has developed this Strategic Investment Plan to prioritize the use of key current and future resources as part of the overall community recovery from the COVID-19 pandemic to strengthen the homelessness response system in Baltimore City, with a primary focus to achieve the following objectives:

- Rehousing people experiencing homelessness and stabilizing people at imminent risk
- Reducing unsheltered homelessness and encampments
- Driving progress toward racial equity
- Enhancing partnerships to advance person-centered approaches

This Strategic Investment Planning process focused on resources provided through the American Rescue Plan Act (ARPA), but is intended to guide near term investments from other public and private sources as well. The City engaged a consulting team, including national experts, Barbara Poppe, Matthew Doherty, and Rivianna Hyatt, and local experts with lived experiences of homelessness, Lolah James and Anthony Williams, to guide this Strategic Investment Planning process.

The development of the Strategic Investment Plan has been directly informed and guided by robust community engagement activities, which were intentionally designed to solicit feedback from a diverse group of stakeholders, including the Continuum of Care (CoC) and its Lived Experience Advisory Committee and Youth Action Board, MOHS staff, non-profit service providers, and government agency partners. Interviews with key leaders, Listening Sessions with a range of stakeholders, surveying activities, collaborative modeling activities, have all been implemented to generate ideas and to determine community priorities for investments of current and future resources.

The ideas, options, and recommendations identified through these processes have also been discussed with a 14-person Core Leadership Team formed to guide the Strategic Investment Planning process, comprised of City staff, Continuum of Care leaders, people with lived expertise of homelessness, and representatives from other organizations actively engaged in responding to homelessness in Baltimore, resulting in collaborative recommendations.

Alongside these community engagement processes, the consulting team, MOHS, the Baltimore City Department of Housing and Community Development (DHCD), and community partners also implemented Cost Modeling activities to establish agreed-upon:

- Targets for the numbers of households to have their interim and re-housing needs addressed by activities included within the Strategic Investment Plan; and
- Cost estimates for crisis services and housing interventions and other system investments included in the Strategic Investment Plan.

It is important to note that these Cost Modeling activities were not intended to estimate system-wide needs for housing and services interventions over time, to estimate the costs for "ending homelessness" within the community, nor to establish contract payment standards.

Resulting Prioritized Investment Areas

This Strategic Investment Plan focuses on the ten (10) Investment Areas that have been identified and prioritized through these engagement processes, and summarizes the projected costs resulting from the Cost Modeling activities, identifies funds currently committed (if any) to each area, and documents the remaining gaps in investments that will need to be filled in order to implement the prioritized activities at the targeted scale.

These ten (10) prioritized Investment Areas are summarized on Table 1 on the next page.

Table 1: Prioritized Investment Areas

Aligned with Top Overarching Priority	
Investment Area	**Description**
1. Shelter Demobilization for COVID-19 Non-Congregate Shelter Sites	Support hotel demobilization and rehousing efforts for individuals experiencing homelessness currently residing in hotel shelter decompression sites established to respond to the COVID-19 pandemic, through additional Rapid Rehousing Program slots to serve households currently staying at temporary hotel shelter sites for whom a housing resource has not currently been identified.
High Priority Areas for Strategic Investments	
Investment Area	**Description**
2. Innovative Housing Finance	Invest in innovative financing models to support expanded development pipeline of permanent supportive housing and deeply affordable housing units designated for people experiencing homelessness, including acquisition and predevelopment financing. Specific financing mechanism or vehicle to be determined. Operations and services costs will need to be integrated and could be considered for funding via operating and services reserves. Referral and lease-up mechanisms should be determined in partnership with CoC and MOHS.
3. Homelessness Diversion	Create new homelessness diversion program and problem-solving services that can prevent people from experiencing homelessness.
4. Rapid Resolution	Fund rapid resolution and housing placement supports to help people quickly exit homelessness to stable housing from unsheltered settings, interim housing, and emergency shelters.
5. Interim Housing	Expand interim housing options for all populations, including adults, families with children, transition age youth, and unaccompanied minor youth. Preference may be for smaller settings that may be non-congregate residential, and must offer dignity-based environments, and provide trauma-informed and housing-focused services to help residents exit to stable housing. This may include the purchase of hotels for non-congregate shelter that can be repurposed for housing at future date.
6. Housing Navigation and Landlord Engagement	Develop a robust coordinated approach to housing navigation and landlord engagement to improve access to quality apartment units. A combination of innovative strategies should be explored, which may include: 1) bridge funding to cover rent and help households matched through Coordinated Access to be immediately moved into an apartment while other eligibility process steps are covered and long-term funding is in place; 2) access to a funding pool in exchange for an agreement to provide units to be filled by Coordinated Access and to upgrade quality of units, meet Housing Quality Standards, provide safer living environments for people, and mitigate costs that might result from damages to units; 3) expanded, centralized landlord engagement strategies to better identify available quality units in neighborhoods desired by people served through Coordinated Access; 4) a pool of pre-inspected units to speed opportunities for people to find and move into housing; 5) centralized housing navigation resources to better connect people to housing options, assist with process of securing units; 6) other strategies that result in access to quality units in a variety of neighborhoods.
Moderate Priority Areas for Strategic Investments	
Investment Area	**Description**
7. Enhanced Services in Permanent Supportive Housing	More intensive, higher-quality services within existing permanent supportive housing programs to better support tenants' long-term stability and success, which could include funding services reserves within projects.
8. Clinical Services	Expand and enhance access to clinical services to address physical and behavioral health (mental health and substance use disorders) needs of people who are experiencing homelessness in unsheltered and sheltered settings.
Lower Priority Areas for Strategic Investments	
Investment Area	**Description**
9. Training and Capacity Building	Establish training and other capacity building support to improve the quality of operations/services and align with fidelity to best practices. This should be available to all providers and partners serving the housing and crisis response needs of people who are experiencing or have experienced homelessness.
10. Basic Services	Restore or expand some basic services, like restrooms/showers, mobile showers, safe places for people to sit and rest during the day.

Table 2 on the following page summarizes and communicates key information regarding the prioritized Investment Areas, projected costs, funding commitments to date, and remaining gaps. The information provided within this table should be used in conjunction with more detailed information provided in the body of this Strategic Investment Plan and Attachments.

Table 2: Summary of Prioritized Investment Areas, Projected Costs, Funding Commitments to Date, and Remaining Gaps

Investment Areas	Intentions and Targets	Cost Projections	Funding Committed	Remaining Gaps
Aligned with Top Overarching Priority to Increase Permanent Housing Options and Make Housing Access Faster and Easier				
1. **Shelter Demobilization for COVID-19 Non-Congregate Shelter Sites**	Address the rehousing needs for **155 households current staying at temporary hotel shelter sites** for whom a housing resource has not currently been identified.	$5,947,043	$5,947,043* -- ARPA Commitment	$0
High Priority Areas for Strategic Investments				
2. **Innovative Housing Finance**	Support expanded development pipeline of permanent supportive housing and deeply affordable housing units designated for people experiencing homelessness, addressing the housing needs of **1,320 households**.	$27,060,000 for development costs $17,661,600 for operating costs annually $13,200,000 for services costs annually	Exact amount TBD **of $15.4 million in HOME-ARP resources** for development costs, dependent upon leveraging other resources successfully, pending community input on the proposed allocation plan and HUD approval) $17,115,000* – ARPA commitment	$25,350,518 - TBD for development costs, annual operating costs and annual services costs
3. **Homelessness Diversion**	Provide diversion-focused financial assistance and services for **400 households.**	$2,526,900	$1,163,053* -- ARPA Commitment	$1,363,847
4. **Rapid Resolution**	Provide flexible client assistance to support rapid exits from homelessness for **400 households.**	$2,526,900	$1,163,053* -- ARPA Commitment	$1,363,847
5. **Interim Housing**	Support the acquisition, renovation, and operations of 2 sites providing an estimated **278 replacement interim housing / emergency housing beds,** necessary for replacing current beds.	$35,000,000 for acquisition and rehabilitation costs $10,015,988 for initial 3 years of operating and services costs	$45,015,988* – ARPA commitment	$0
6. **Housing Navigation and Landlord Engagement**	Strengthen housing navigation services and landlord recruitment and support efforts to provide quicker and more efficient exits from homelessness to high-quality housing opportunities for **1,829 households**.	$4,572,500 for move-in assistance, flexible landlord incentives, and risk mitigation funding $3,663,164 for staffing and digital platform	$4,595,864* -- ARPA Commitment	$3,639,800 to include move-in assistance, flexible landlord incentives, risk mitigation funding, staffing and digital platform
Moderate Priority Areas for Strategic Investments				
7. **Enhanced Services in Permanent Supportive Housing**	Strengthen services for **1,000 households within existing PSH units**.	$5,200,000 to enhance currently funded services	None	$5,200,000 to enhance currently funded services
8. **Clinical Services**	Expand and enhance access to clinical services to address physical and behavioral health (mental health and substance use disorders) needs of **an estimated 1,829 households.**	Need to be determined through future Cost Modeling processes.	None	Needs to be determined through future Cost Modeling processes
Lower Priority Areas for Strategic Investments				
9. **Training and Capacity Building**	Establish training and other capacity building support to **improve the quality of operations/services and align with fidelity to best practices**.	$600,000	$300,000* -- ARPA Commitment $300,000 – HOME ARP	$0

			(Training and capacity building are included in the ARPA budgets and in capacity building for HOME-ARP.)	
10. **Basic Services**	Restore or expand some basic services for an estimated **1,100 households in encampments, unsheltered settings, abandoned buildings, and other places not meant for human habitation.**	Need to be determined through future Cost Modeling processes.	None	Needs to be determined through future Cost Modeling processes

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Starting Place for Investment and Action

Several projects and budgets aligned with these Investment Areas are still being finalized with the Mayor's Office of Recovery Programs at the time of publication of this Strategic Investment Plan. It is important to note that while the total ARPA award has been confirmed, allocation to each project is still being determined.

This Strategic Investment Plan is not intended to be a static report or plan. Rather, it is intended to serve as the starting place for targeting investments and initiating activities, while continuously engaging in community dialogue, consultation with people with lived expertise from experiences of homelessness, refining projected needs and costs as better information is identified or developed, and revising strategies and activities as lessons are learned through investment and implementation activities.

PURPOSE OF THIS STRATEGIC INVESTMENT PLAN

The Mayor's Office of Homeless Services (MOHS) has developed this Strategic Investment Plan to prioritize the use of key current and future resources to support efforts to strengthen the homelessness response system in Baltimore City, including, but not limited to, resources provided through the American Rescue Plan Act (ARPA). (See Figure 1 below for information on two of these funding sources, ARPA Fiscal Recovery Funding and HOME-ARP.)

The City engaged a consulting team, including national experts, Barbara Poppe, Matthew Doherty, and Rivianna Hyatt, and local experts with lived experiences of homelessness, Lolah James and Anthony Williams, to guide this Strategic Investment Planning process. This Strategic Investment Plan provides:

- A brief overview of the **community engagement processes** implemented;
- A **description of the Cost Modeling activities** implemented;
- The **resulting prioritized Investment Areas and activities, and targets** for the scale of those activities;
- The **resulting current projected costs** for implementing those activities;
- Information regarding any **funding decisions aligned with these prioritized activities** made to date; and
- The **remaining gaps in investments** that will need to be filled in order to implement the prioritized activities at the targeted scale.

This Strategic Investment Plan is not intended to be a static report or plan. Rather, it is intended to serve as the starting place for targeting investments and initiating activities, while continuously engaging in community dialogue, consultation with people with lived expertise from experiences of homelessness, refining projected needs and costs as better information is identified or developed, and revising strategies and activities as lessons are learned through investment and implementation activities.

The information provided in this Plan is supplemented by an interactive and detailed Cost Modeling workbook that has been provided to MOHS and DHCD and that should be used to support future refinements to Cost Modeling activities and projections and investment priorities and decisions.

Figure 1: Information Regarding ARPA Fiscal Recovery Funding and HOME-ARP

ARPA Fiscal Recovery Funding	HOME-ARP Funding
The American Rescue Plan Act (ARPA) has provided $641 million in one-time funding to the City of Baltimore in response to the COVID-19 public health emergency and its negative economic impacts. Mayor Brandon M. Scott has established the Mayor's Office of Recovery Programs to administer this funding on behalf of the City via an application process. See https://arp.baltimorecity.gov/ for more information. MOHS and DHCD have submitted proposals to the Office of Recovery Programs for funding for activities aligned with this Strategic Investment Plan; those proposals have collectively been awarded $75 million.	The City of Baltimore has been allocated $15.4 million in HOME-ARP funding, which can be used for production or preservation of affordable housing (including permanent supportive housing), Tenant-Based Rental Assistance (TBRA), some supportive services, and purchase and development of non-congregate shelter. MOHS and DHCD are developing recommended uses for this funding, in alignment with the Strategic Investment Plan's prioritization of increasing the supply of Permanent Supportive Housing in Baltimore. The City is required to submit an Allocation Plan for approval by the U.S. Department of Housing and Urban Development. See https://www.hudexchange.info/programs/home-arp/ for more information.

COMMUNITY ENGAGEMENT PROCESSES

The development of the Strategic Investment Plan has been directly informed and guided by robust community engagement activities, which were intentionally designed to solicit feedback from a diverse group of stakeholders, including the Continuum of Care (CoC) and its Lived Experience Advisory Committee and Youth Action Board, MOHS staff, non-profit service providers, and government agency partners. Interviews with key leaders, Listening Sessions with a range of stakeholders, surveying activities, collaborative modeling activities, have all been implemented to generate ideas and to determine community priorities for investments of current and future resources. These community engagement processes sought to determine community priorities for investments across the following four (4) Action Areas (Figure 2):

Figure 2: Four Action Areas

Action Area 1

Protecting Health and Safety of People Experiencing Homelessness During the Continued COVID-19 Pandemic: As the pandemic continues with no foreseeable end date, additional investments will be needed to continue activities currently in progress and to implement new responses, as necessary.

Action Area 2

Improving Supply and Access to Housing that People Can Afford to Exit Homelessness: Without expanded supply and improved access to affordable, quality housing options, the homelessness response system will continue to struggle to assist people to exit homelessness quickly and successfully, at a time when risks of entering homelessness are increasing.

Action Area 3

Reducing Unsheltered Homelessness: Unsheltered homelessness is both a humanitarian crisis and the most visible form of homelessness in the community. Investments will be needed to save lives and to provide tangible evidence of the community's ability to drive progress on homelessness.

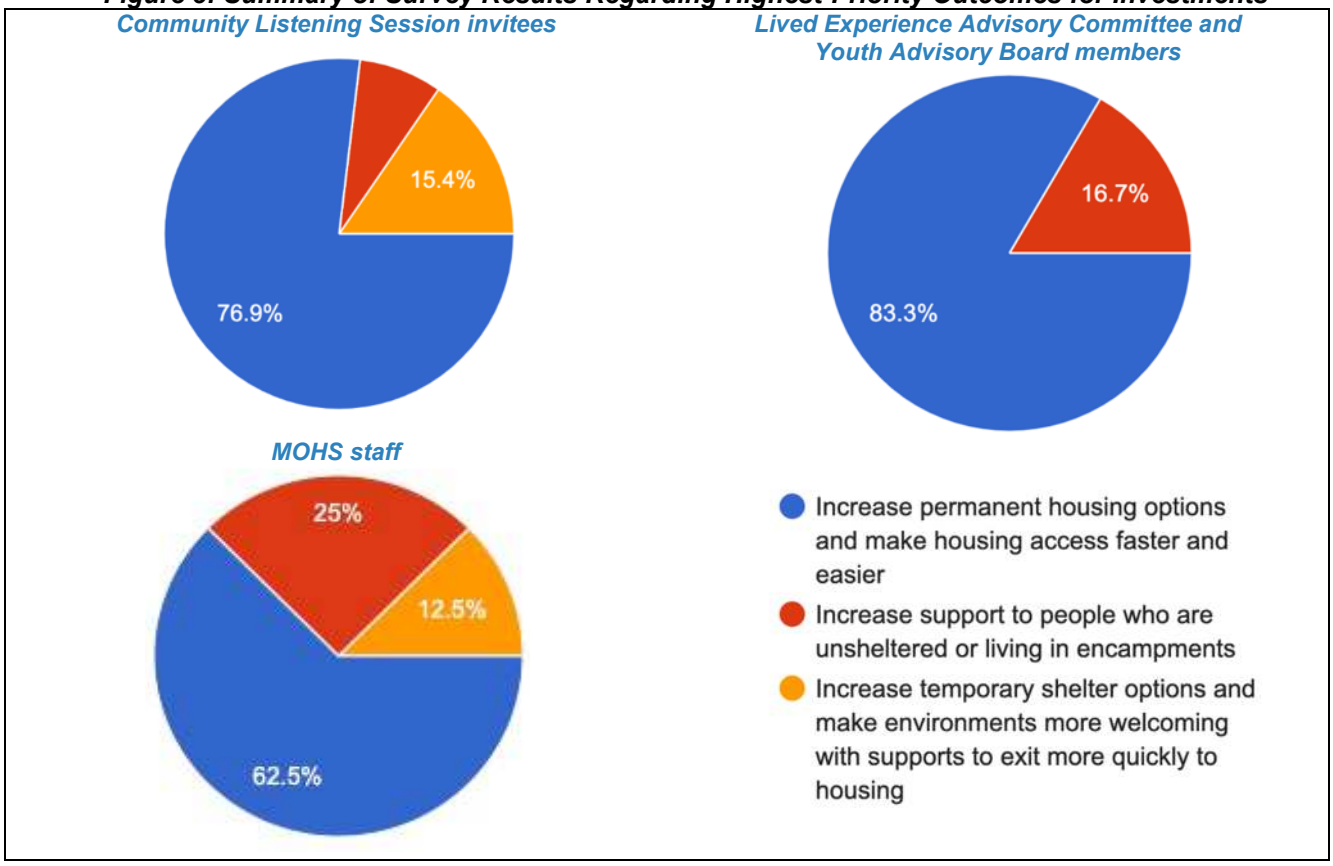
Action Area 4

Strengthening Crisis Response and Sheltering Activities and Capacity: The community must address shorter-term needs, such as operations and rehousing activities out of temporary hotels, longer-term sheltering capacity and quality needs, and the implementation of diversion activities to reduce demand for shelter and other crisis services.

Detailed ideas, options, recommendations were identified for each Action Area through these community engagement processes. Further, and as illustrated in Figure 3 below, when survey respondents were presented with three options for the type of outcome that should receive the largest investment of one-time funding to achieve the greatest long-term impact:

- **"Increase permanent housing options and make housing access faster and easier"** was overwhelmingly the top priority among all respondents, including for Community Listening Session invitees, the Lived Experience Advisory Committee and the Youth Advisory Board, and MOHS staff.
- **"Increase support to people who are unsheltered or living in encampments"** was the second highest priority for Lived Experience Advisory Committee and Youth Advisory Board members and for MOHS staff, but the third highest priority for Community Listening Session invitees.
- **"Increase temporary shelter options and make environments more welcoming with supports to exit more quickly to housing"** was the third highest priority for Community Listening Session invitees and MOHS staff, but was not prioritized by Lived Experience Advisory Committee and Youth Advisory Board members who responded to the survey.

Figure 3: Summary of Survey Results Regarding Highest-Priority Outcomes for Investments



The ideas, options, and recommendations identified through these processes were discussed with a 14-person Core Leadership Team formed to guide the Strategic Investment Planning process, comprised of City staff, Continuum of Care leaders, people with lived expertise of homelessness, and representatives from other organizations actively engaged in responding to homelessness in Baltimore.

Figure 4: Partnering with People with Lived Expertise

The City and the consulting team wish to thank the Lived Experience Advisory Committee, the Youth Advisory Board for their active participation in these community engagement processes.

In the implementation of this planning process, we sought to actively partner with people with lived experience throughout every element of the development of this Strategic Investment Plan, from having two consultants with lived expertise on the consulting team, representation of people with lived expertise on the Core Leadership Team, engagement into community listening sessions, and focused conversations with Baltimore's Lived Experience Advisory Committee and Youth Advisory Board - and we aimed to infuse the information, guidance, and perspectives provided within the priorities and guidance captured within this Strategic Investment Plan.

Continued, purposeful partnership with people with lived expertise will be essential for the effective implementation of this Strategic Investment Plan and ensuring this Plan has the greatest impact possible on addressing homelessness in Baltimore.

These community engagement processes are described more fully within the ***Strategic Investment Planning Progress Report*** issued in November 2021 and in *Attachment A: Description of Community Engagement Processes* and within *Attachment B: Themes and Ideas Emerging from Community Engagement Processes*, attached here. See *Attachment C: Core Leadership Team Composition* for a list of members.

COST MODELING ACTIVITIES AND NEEDS ESTIMATES

Alongside these community engagement processes, the consulting team, MOHS, DHCD, and community partners also implemented collaborative Cost Modeling activities to establish agreed-upon:

- **Targets for the numbers of households to have their interim and re-housing needs addressed** by activities included within the Strategic Investment Plan; and
- **Cost estimates for crisis services and housing interventions and other system investments** included in the Strategic Investment Plan.

It is important to note that such Cost Modeling was not intended to estimate system-wide needs for interventions over time, to estimate costs for "ending homelessness" within the community, nor to establish contract payment standards. For setting targets for the number of households to be served within the implementation of the Cost Modeling processes, the following needs were prioritized:

- **Rehousing people from hotels** temporarily being used as emergency shelter;
- **Eliminating backlog within the Coordinated Access system** by addressing the needs of households who have been entered into the system but who have not been matched to an identified housing resource; and
- **Rehousing people staying in encampments, unsheltered settings, abandoned buildings, and other places** not meant for human habitation

Needs estimates were generated through a variety of methods, including analysis of Homeless Management Information System (HMIS) and Point-In-Time (PIT) Count data, analysis of Coordinated Access data, and information and guidance provided by staff performing outreach in the community.

As described in Table 3 below, needs were estimated across these prioritized categories of households, resulting in deduplicated targets of addressing the rehousing needs of **a total of 1,829 households**, including:

- **677 households of families with children**, with 146 households to be rehoused through Rapid Rehousing interventions and 531 households to be rehoused through Permanent Supportive Housing or other permanent housing options; and
- **1,152 households of single individuals or couples**, with 363 households to be rehoused through Rapid Rehousing interventions and 789 households to be rehoused through Permanent Supportive Housing or other permanent housing options.

In addition to these projected needs, **estimated costs were identified for each of the following interventions or system investments**:

- ***Rehousing Activities:***
  - Permanent supportive housing
  - Rapid rehousing
  - Rapid resolution
  - Housing navigation and landlord engagement
- ***Crisis Services:***
  - Interim housing
  - Homelessness diversion

The estimated costs for each of these interventions are detailed within the *Projected Costs, Investments, and Gaps* section below and in *Attachment C: Description of Cost Estimates Resulting from Cost Modeling Activities.*

These estimated needs and costs reflected in this Plan were discussed and recommended through discussions and decisions at the October 2021 and December 2021 meetings of the Core Leadership Team.

Table 3: Estimated Needs Determined through Cost Modeling Processes

Categories of Prioritized Households	To Be Rehoused through Rapid Rehousing		To be Rehoused through Permanent Supportive Housing or Other Permanent Housing Option		Total # of Households
	# of Families with Children Households	# of Singles/Couples Households	# of Families with Children Households	# of Singles/Couples Households	
Rehousing from Hotels	2	130	1	131	**264**
Eliminating Backlog from Coordinated Access	100	358	86	303	**847**
Rehousing from Encampments, Unsheltered Settings, Abandoned Buildings and Other Places Not Meant for Human Habitation	50	60	450	540	**1,100**
Total Estimate	152	548	537	974	**2,211**
Duplication Estimate	6	185	6	185	**382**
Deduplicated Estimate	**146**	**363**	**531**	**789**	**1,829**
Total Households by Intervention	**509**		**1,320**		**1,829**

See Figure 5 (next page) for findings from the planning and implementation of a PSH Pipeline Dialogue to further explore opportunities and challenges for pursuing the priority of expanding the supply of Permanent Supportive Housing within the community.

Figure 5: Key Findings from PSH Pipeline Dialogue

In alignment with the priority of expanding Permanent Supportive Housing (PSH) opportunities, the City and its consulting team and partner organizations planned and hosted a PSH Pipeline Dialogue event on December 14, 2021 to explore options and opportunities to create an increased "pipeline" of PSH units consistent with the goals being established within the Strategic Investment Plan.

The planning and implementation of the PSH Pipeline Dialogue, and follow-up surveying, resulted in several key findings, including:

- ***Types of PSH to be Created:*** There is a need to pursue multiple models for creating PSH , including both single-site and scattered-sites and development of dedicated units, to complement current supply of PSH needs and to provide real and meaningful choices to people.
- ***Geographic Considerations:*** PSH options must be created within geographically diverse areas of the City, so that people have true choice about where they live and are able to access options throughout the community, including in neighborhoods that have experienced disinvestment, as well as neighborhoods that people may choose for access to employment, transportation, and other considerations.
- ***Funding Needs and Strategies:*** There is a need for expanded funding, but also purposeful strategies for braiding funding, pre-identifying sites, and innovations in structuring project financing to spur development activities and better sustain projects' operations and services.
- ***Strengthening Partnerships and Services:*** There are services providers within the community who are very interested in finding development partners in order to expand their work in creating and operating PSH, which must be focused on providing people experiencing homelessness with access to programs using Housing First approaches and assurance of access to intensive wrap-around services, when needed, with strong peer support in place.
- ***Leadership, Staffing, and Coordination****:* Expanding the pipeline and supply of high-quality PSH will require the dedication of time, resources, and effort to provide adequate leadership, staffing, and coordination, including dedicated staff positions and the creation of a planning and implementation committee or working group charged with collaboratively driving progress and addressing challenges and obstacles.

These issues are explored in more detail in the sections below, and **the PSH Pipeline Dialogue Summary and Recommendations report (included here as Attachment F) closes with a set of recommendations for next steps aligned with these findings.**

PRIORITIZED STRATEGIC INVESTMENT AREAS AND TARGETS

The investment ideas that were generated through the community engagement processes were reviewed and discussed with MOHS and DHCD staff and with the Core Leadership Team, resulting in a prioritized list of ten (10) Investment Areas, one aligned with the top overarching priority to "Increase permanent housing options and make housing access faster and easier," and nine of which were prioritized through discussions and surveying activities with the Core Leadership Team, based upon ideas and information generated through the engagement processes.

Informed by the Cost Modeling activities, the Core Leadership Team also recommended targets for the scale of activities to be pursued within most of these areas prioritized for investment, but recommended that follow-up processes be implemented to project costs and establish targets associated with the Investment Areas focused on enhancing clinical services (#8 below) and the provision of basic services (#10 below.)

The **prioritized strategic Investment Areas and targets are summarized in Table 4 below**.

Table 4: Prioritized Investment Areas and Targets

Aligned with Top Overarching Priority		
Investment Area	**Description**	**Target**
1. Shelter Demobilization for COVID-19 Non-Congregate Shelter Sites	Support hotel demobilization and rehousing efforts for individuals experiencing homelessness currently residing in hotel shelter decompression sites established to respond to the COVID-19 pandemic, through additional Rapid Rehousing Program slots to serve households currently staying at temporary hotel shelter sites for whom a housing resource has not currently been identified.	155 households
High Priority Areas for Strategic Investments		
Investment Area	**Description**	**Target**
2. Innovative Housing Finance	Invest in innovative financing models to support expanded development pipeline of permanent supportive housing and deeply affordable housing units designated for people experiencing homelessness, including acquisition and predevelopment financing. Specific financing mechanism or vehicle to be determined. Operations and services costs will need to be integrated and could be considered for funding via operating and services reserves. Referral and lease-up mechanisms should be determined in partnership with CoC and MOHS.	1,320 households
3. Homelessness Diversion	Create new homelessness diversion program and problem-solving services that can prevent people from experiencing homelessness.	400 households
4. Rapid Resolution	Fund rapid resolution and housing placement supports to help people quickly exit homelessness to stable housing from unsheltered settings, interim housing, and emergency shelters.	400 households
5. Interim Housing	Expand interim housing options for all populations, including adults, families with children, transition age youth, and unaccompanied minor youth. Preference may be for smaller settings that may be non-congregate residential, and must offer dignity-based environments, and provide trauma-informed and housing-focused services to help residents exit to stable housing. This may include the purchase of hotels for non-congregate shelter that can be repurposed for housing at future date.	278 units / beds
6. Housing Navigation and Landlord Engagement	Develop a robust coordinated approach to housing navigation and landlord engagement to improve access to quality apartment units. A combination of innovative strategies should be explored, which may include: 1) bridge funding to cover rent and help households matched through Coordinated Access to be immediately moved into an apartment while other eligibility process steps are covered and long-term funding is in place; 2) access to a funding pool in exchange for an agreement to provide units to be filled by Coordinated Access and to upgrade quality of units, meet Housing Quality Standards, provide safer living environments for people, and mitigate costs that might result from damages to units; 3) expanded, centralized landlord engagement strategies to better identify available quality units in	1,829 households

	neighborhoods desired by people served through Coordinated Access; 4) a pool of pre-inspected units to speed opportunities for people to find and move into housing; 5) centralized housing navigation resources to better connect people to housing options, assist with process of securing units; 6) other strategies that result in access to quality units in a variety of neighborhoods.	
Moderate Priority Areas for Strategic Investments		
Investment Area	**Description**	**Target**
7. Enhanced Services in Permanent Supportive Housing	More intensive, higher-quality services within existing permanent supportive housing programs to better support tenants' long-term stability and success, which could include funding services reserves within projects.	1,000 households
8. Clinical Services	Expand and enhance access to clinical services to address physical and behavioral health (mental health and substance use disorders) needs of people who are experiencing homelessness in unsheltered and sheltered settings.	1,829 households
Lower Priority Areas for Strategic Investments		
Investment Area	**Description**	**Target**
9. Training and Capacity Building	Establish training and other capacity building support to improve the quality of operations/services and align with fidelity to best practices. This should be available to all providers and partners serving the housing and crisis response needs of people who are experiencing or have experienced homelessness.	N/A
10. Basic Services	Restore or expand some basic services, like restrooms/showers, mobile showers, safe places for people to sit and rest during the day.	1,100 households

Informed by the guidance provided through these community engagement processes, and the recommended priorities from the Core Leadership Team, MOHS has developed six proposals for consideration for investment of ARPA local aid funding and from other resources.

- One (1) proposal, to expand resources available to rehouse people out of the temporary non-congregate shelters being operated in hotel settings, directly aligned with the overall top priority among survey participants to "Increase permanent housing options and make housing access faster and easier."
- Five (5) proposals aligned with each of the High Priority Investment Areas identified in Table 4 above: Innovative Housing Finance, Diversion, Rapid Resolution, Interim Housing, and Housing Navigation and Landlord Engagement

As noted in following section, projects and budgets aligned with these Investment Areas are still being finalized with the Mayor's Office of Recovery Programs at the time of publication of this Strategic Investment Plan. It is important to note that while the total ARPA award has been confirmed, allocation to each project is still being determined. The ideas and information and priorities identified through these community engagement processes and the Core Leadership Team will be used to inform future funding and resource development strategies.

PROJECTED COSTS, INVESTMENTS, AND GAPS

The information below is **organized by the ten (10) prioritized Investment Areas and summarizes projected costs resulting from the Cost Modeling activities described above, funds currently committed (if any) to each area, and remaining gaps in investments** that will need to be filled in order to implement the prioritized activities at the targeted scale.

The information provided in this section is **supplemented by an interactive and detailed Cost Modeling workbook that has been provided to MOHS and DHCD and that should be used to support future refinements to Cost Modeling activities and projections**.

In addition, more detail regarding how the Cost Modeling Projections were determined is included in *Attachment C: Description of Cost Estimates Resulting from Cost Modeling Activities.*

Investment Area #1: Shelter Demobilization for COVID-19 Non-Congregate Shelter Sites (Aligned with Top Overarching Priority)	
Activity Prioritized for Investment	**Intention and Target**
Increased Rapid Rehousing programming, including temporary rental assistance, other financial assistance, and case management services, to support hotel demobilization and rehousing efforts for individuals experiencing homelessness currently residing in hotel shelter decompression sites established to respond to the COVID-19 pandemic.	Address the rehousing needs for **155 households currently staying at temporary hotel shelter sites** for whom a housing resource has not currently been identified.

Cost Modeling Projections	**Funding Committed to Date**	**Remaining Gap to Fully Achieve Target**
$5,947,043	$5,947,043* -- ARPA commitment	**$0**

Notes and Considerations

- MOHS submitted proposal to City's Recovery Office for ARPA funding to provide Rapid Rehousing opportunities for households staying at temporary hotel sites. MOHS and contracted providers have centered rehousing in its demobilization efforts
- These costs included here are for RRH only. PSH rehousing needs are included in Innovative Housing Finance investment area.
- Any demobilization of temporary hotel sites will need to be carefully coordinated and timed with rehousing activities in order to avoid discharging households into unsheltered homelessness or unsafe shelter settings.

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #2: Innovative Housing Finance (High Priority)

Activity Prioritized for Investment	Intention and Target
Creation of a Housing Accelerator Fund to implement innovative funding mechanisms that will foster the development of an expanded supply of Permanent Supportive Housing units for people experiencing homelessness. The Fund would be jointly administered by MOHS and Department of Housing and Community Development and leverage significant Federal, State, and private sector investments.	Support expanded development pipeline of permanent supportive housing and deeply affordable housing units designated for people experiencing homelessness, addressing the housing needs of **1,320 households**.

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
▪ $27,060,000 for development costs ▪ $17,661,600 for operating costs annually ▪ $13,200,000 for services costs annually	▪ Exact amount TBD **of $15.4 million in HOME-ARP resources** for development costs, dependent upon leveraging other resources successfully, pending community input on the proposed allocation plan and HUD approval) ▪ $17,115,000* – ARPA commitment	▪ $25,350,518 - TBD for development costs, annual operating costs and annual services costs

Notes and Considerations

- MOHS submitted proposal to City's Recovery Office for ARPA funding to help support the development and 3 years of operations and services for an additional 250 units of Permanent Supportive Housing.
- See *Attachment E: DRAFT Framework for HOME-ARP Allocation Plan* for more information regarding status of decision-making and processes regarding HOME-ARP resources.
- Cost Modeling projections for City investment in PSH development costs are based upon typical levels of local funding for PSH projects and would require the leveraging of significant federal, state, local, tax credit, and private resources to support the development of the target of 1,320 new PSH and affordable units.
- It will be necessary to identify ongoing sources of funding for annual operating and services costs.
- The total costs for creating and operating the additional 1,320 PSH units to address targeted needs will depend upon the mix of developed units vs. units created through non-development strategies, and that mix of strategies is not projected here, but will need to be developed and refined over time.
- Additional information and recommendations related to the creation of an expanded pipeline of PSH units are provided within *Attachment F: PSH Pipeline Dialogue Summary Report* also developed as part of this project.
- Specific financing mechanisms and vehicles will need to be determined, and operations and services costs will need to be integrated and could be considered for funding via operating and services reserves.
- Referral and lease-up mechanisms for units that receive funding through the Housing Accelerator Fund should be determined in partnership with CoC and MOHS.

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #3: Homelessness Diversion Program (High Priority)		
Activity Prioritized for Investment	**Intention and Target**	
Create new homelessness diversion program and problem-solving services that can prevent people from experiencing homelessness.	Provide diversion-focused financial assistance and services for **400 households**	
Cost Modeling Projections	**Funding Committed to Date**	**Remaining Gap to Fully Achieve Target**
$2,526,900	$1,163,053* – ARPA commitment	**$1,363,847**

Notes and Considerations

- MOHS submitted a proposal to City's Recovery Office for ARPA funding to support system-wide diversion-focused financial assistance and services for individuals and families with children. Due to similarities in the design of diversion and rapid resolution, the projects were combined and called Flexible Fund for Diversion and Rapid Resolution.
- The target of 400 households represents 10% of annual new admissions to homelessness, based upon data showing that 4,001 households newly experienced homelessness in 2019.
- Training and capacity building efforts, especially engaging providers representing historically marginalized communities and neighborhoods, will be necessary to ensure the quality, reach, and effectiveness of Diversion programming, given the lack of Diversion experience and expertise currently found within the community. Current Supportive Services for Veteran Families (SSVF) providers may serve as useful models and resources for implementing effective Diversion programming.

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #4: Rapid Resolution (High Priority)		
Activity Prioritized for Investment	**Intention and Target**	
Establish a Rapid Resolution Fund to provide housing placement supports to help people quickly exit homelessness to stable housing from unsheltered settings, interim housing, and emergency shelters.	Provide flexible client assistance to support rapid exits from homelessness for **400 households**	
Cost Modeling Projections	**Funding Committed to Date**	**Remaining Gap to Fully Achieve Target**
$2,26,900	$1,163,053* – ARPA commitment	**$1,363,847**

Notes and Considerations

- MOHS submitted a proposal to City's Recovery Office for ARPA funding to establish a rapid resolution fund to help individuals and families experiencing an episode of homelessness to quickly re-enter stable housing. Due to similarities in the design of diversion and rapid resolution, these projects were combined and called Flexible Fund for Diversion and Rapid Resolution.
- The target of 400 households represents 10% of annual new admissions to homelessness, based upon data showing that 4,001 households newly experienced homelessness in 2019.
- Training and capacity building efforts, especially engaging providers representing historically marginalized communities and neighborhoods, will be necessary to ensure the quality, reach, and effectiveness of Rapid Resolution programming, given the lack of Rapid Resolution experience and expertise currently found within

the community. Current Supportive Services for Veteran Families (SSVF) providers may serve as useful models and resources for implementing effective Rapid Resolution programming.

- **Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #5: Interim Housing (High Priority)	
Activity Prioritized for Investment	**Intention and Target**
Purchase of hotel properties to create permanent non-congregate interim housing / emergency housing facilities for adult men and women experiencing homelessness in Baltimore City, with the potential for conversion to permanent housing units in the future.	Support the acquisition, renovation, and operations of two (2) sites providing an estimated **278 replacement interim housing / emergency housing beds,** necessary for replacing current beds.

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
▪ $35,000,000 for acquisition and rehabilitation costs ▪ $10,015,988 for initial 3 years of operating and services costs	$45,015,988* – ARPA commitment	▪ $0

Notes and Considerations

- MOHS submitted a proposal to City's Recovery Office for ARPA funding for acquisition, renovation, and 3 years of operations of hotel properties to provide an estimated 275 interim housing/emergency housing beds of non-congregate interim housing / emergency housing for adult men and women, with the potential for conversion to permanent housing units in the future.
- Cost estimates are for replacing 278 congregate shelter beds, not expanding capacity for providing shelter opportunities
- Cost estimates include acquisition and rehabilitation costs and initial 3 years of operating and services costs, and assumes that current operations/services funding for congregate shelters shifts to cover share of costs in new interim housing. Ongoing funding would need to be identified for operations and services.
- People with lived expertise have recommended a focus on smaller interim housing settings and as a whole, community supports the idea that such sites be considered for conversion to permanent housing in future, if no longer needed as interim housing.

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #6:
Housing Navigation and Landlord Engagement
(High Priority)

Activities Prioritized for Investment	Intention and Target
Investments into **additional Housing Identification Specialist positions**; continued operations of a **cloud-based software platform** to facilitate housing inspections and create a centralized inventory of available units easily accessible housing service providers and case managers; **flexible landlord incentives and risk mitigation funding**; and an expanded network of **Housing Navigation Specialist positions**.	Strengthen housing navigation services and landlord recruitment and support efforts to provide quicker and more efficient exits from homelessness to high-quality housing opportunities for **1,829 households**.

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
▪ $4,572,500 for move-in assistance, flexible landlord incentives, and risk mitigation funding ▪ $3,663,164 for staffing and digital platform	$4,595,864* -- ARPA Commitment	▪ $3,639,800 to include move-in assistance, flexible landlord incentives, risk mitigation funding, staffing and digital platform

Notes and Considerations

- MOHS submitted a proposal to City's Recovery Office for ARPA funding to support: additional Housing Identification Specialist positions; continued operations of a cloud-based software platform to facilitate housing inspections and create a centralized inventory of available units easily accessible housing service providers and case managers; flexible landlord incentives and risk mitigation funding; and an expanded network of Housing Navigation Specialist positions.
- Staffing estimates are based upon 3 years of costs, ongoing funding would need to be identified if this level of increased staging for staff positions are found to be necessary beyond that timeframe.
- A combination of innovative strategies should be explored, which may include:
  - Bridge funding to cover rent and help households matched through Coordinated Access to be immediately moved into an apartment while other eligibility process steps are covered and long-term funding is in place;
  - Access to a funding pool in exchange for an agreement to provide units to be filled by Coordinated Access and to upgrade quality of units, meet Housing Quality Standards, provide safer living environments for people, and mitigate costs that might result from damages to units;
  - Expanded, centralized landlord engagement strategies to better identify available quality units in neighborhoods desired by people served through Coordinated Access;
  - A pool of pre-inspected units to speed opportunities for people to find and move into housing;
  - Centralized housing navigation resources to better connect people to housing options, assist with process of securing units;
  - Other strategies that result in access to quality units in a variety of neighborhoods.

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #7:
Enhanced Services in Existing Permanent Supportive Housing
(Moderate Priority)

Activity Prioritized for Investment	Intention and Target
Improving the quality and intensity of services within existing permanent supportive housing programs, to better support long-term stability and success of tenants.	Strengthen services **1,000 households within existing PSH units**.

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
$5,200,000 to enhance currently funded services	None	$5,200,000 to enhance currently funded services

Important Considerations and Next Steps

- Cost estimates reflect funding above current services funding levels, which are estimated at $4,800 per unit, bringing total services funding to $10,000 per unit, better aligned with national data and best practices regarding staffing and case load levels.
- Investments in this area will not decrease number of people currently experiencing homelessness, but will help ensure stronger housing stability outcomes for people currently in PSH units and to prevent people from re-entering homelessness from PSH settings.

Investment Area #8:
Enhanced Clinical Services
(Moderate Priority)

Activity Prioritized for Investment	Intention and Target
Specific activities for investments have not been determined at this time.	Expand and enhance access to clinical services to address physical and behavioral health (mental health and substance use disorders) needs of **an estimated 1,829 households.**

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
Need to be determined through future Cost Modeling processes	None	**Needs to be determined through future Cost Modeling processes**

Notes and Considerations

- Core Leadership Team has recommended that a process be initiated to better understand needs, options to leverage services, and develop method to estimate costs to achieve intention.

Investment Area #9: Training and Capacity Building (Lower Priority)

Activities Prioritized for Investment	Intention and Target
Training and capacity building activities to support PSH pipeline (Housing Accelerator), Rapid Resolution, and cross shelter training needs.	Establish training and other capacity building supports to improve the quality of operations/services and align with fidelity to best practices.

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
$600,000	$300,000* -- ARPA Commitment $300,000 – HOME ARP	**$0**

Notes and Considerations

- Training and capacity building efforts should engage wide range of providers and partners, with an emphasis on engaging providers representing historically marginalized communities and neighborhoods, in order to ensure the quality, reach, and effectiveness of the homelessness response system and to advance equity strategies. Training and capacity building are included in the ARPA budgets and in capacity building for HOME-ARP.
- Capacity building and skill-development are especially needed in the areas of: PSH development, operations, and services delivery; Diversion programming; and Rapid Resolution programming, given the lack of experience and expertise currently found within the community in these areas.
- See *Attachment E: DRAFT Framework for HOME-ARP Allocation Plan* for more information regarding status of decision-making and processes regarding HOME-ARP resources.

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

Investment Area #10: Basic Services (Lower Priority)

Activity Prioritized for Investment	Intention and Target
Specific activities for investments have not been determined at this time.	Restore or expand some basic services, like restrooms/showers, mobile showers, safe places for people to sit and rest during the day. Specific target has not been determined at this time, but there are an estimated **1,100 households in encampments, unsheltered settings, abandoned buildings, and other places not meant for human habitation**

Cost Modeling Projections	Funding Committed to Date	Remaining Gap to Fully Achieve Target
Need to be determined through future Cost Modeling processes	None	**Needs to be determined through future Cost Modeling processes**

Notes and Considerations

- This investment area was an important priority among people with lived expertise who provided input through discussions and surveying activities.
- Core Leadership Team recommended that a process be initiated to better understand needs, options to leverage services, and develop methods to estimate costs to achieve intention.

STRATEGIC INVESTMENT PLAN SUMMARY TABLE

Table 5 (below) is provided here as a reference to communicate key information regarding the prioritized investment areas, costs, funding, and gaps, but information provided here should be used in conjunction with more detailed information provided in previous sections of this Strategic Investment Plan.

Table 5: Summary of Prioritized Investment Areas, Projected Costs, Funding Commitments to Date, and Remaining Gaps

Investment Areas	Intentions and Targets	Cost Projections	Funding Committed	Remaining Gaps
Aligned with Top Overarching Priority to Increase Permanent Housing Options and Make Housing Access Faster and Easier				
1. Shelter Demobilization for COVID-19 Non-Congregate Shelter Sites	Address the rehousing needs for **155 households current staying at temporary hotel shelter sites** for whom a housing resource has not currently been identified.	$5,947,043	$5,947,043* -- ARPA Committment	$0
High Priority Areas for Strategic Investments				
2. Innovative Housing Finance	Support expanded development pipeline of permanent supportive housing and deeply affordable housing units designated for people experiencing homelessness, addressing the housing needs of **1,320 households**.	$27,060,000 for development costs $17,661,600 for operating costs annually $13,200,000 for services costs annually	▪ Exact amount TBD **of $15.4 million in HOME-ARP resources** for development costs, dependent upon leveraging other resources successfully, pending community input on the proposed allocation plan and HUD approval) ▪ $17,115,000* – ARPA commitment	$25,350,518 - TBD for development costs, annual operating costs and annual services costs
3. Homelessness Diversion	Provide diversion-focused financial assistance and services for **400 households.**	$2,526,900	$1,163,053* – ARPA commitment	**$1,363,847**
4. Rapid Resolution	Provide flexible client assistance to support rapid exits from homelessness for **400 households.**	$2,526,900	$1,163,053* – ARPA commitment	**$1,363,847**
5. Interim Housing	Support the acquisition, renovation, and operations of 2 sites providing an estimated **278 replacement interim housing / emergency housing beds,** necessary for replacing current beds.	$35,000,000 for acquisition and rehabilitation costs $10,015,988 for initial 3 years of operating and services costs	$45,015,988* – ARPA commitment	$0
6. Housing Navigation and Landlord Engagement	Strengthen housing navigation services and landlord recruitment and support efforts to provide quicker and more efficient exits from homelessness to high-quality housing opportunities for **1,829 households**.	$4,572,500 for move-in assistance, flexible landlord incentives, and risk mitigation funding $3,663,164 for staffing and digital platform	$4,595,864* -- ARPA Commitment	**$3,639,800 to include move-in assistance, flexible landlord incentives, risk mitigation funding, staffing and digital platform**
Moderate Priority Areas for Strategic Investments				
7. Enhanced Services in Permanent Supportive Housing	Strengthen services for **1,000 households within existing PSH units**.	$5,200,000 to enhance currently funded services	None	$5,200,000 to enhance currently funded services
8. Clinical Services	Expand and enhance access to clinical services to address physical and behavioral health (mental health and substance use disorders) needs of **an estimated 1,829 households.**	Need to be determined through future Cost Modeling processes.	None.	Needs to be determined through future Cost Modeling processes
Lower Priority Areas for Strategic Investments				

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9. Training and Capacity Building	Establish training and other capacity building support to **improve the quality of operations/services and align with fidelity to best practices**.	$600,000	$300,000* -- ARPA Commitment $300,000 – HOME ARP (Training and capacity building are included in the ARPA budgets and in capacity building for HOME-ARP.)	$0
10. Basic Services	Restore or expand some basic services for an estimated **1,100 households in encampments, unsheltered settings, abandoned buildings, and other places not meant for human habitation**	Need to be determined through future Cost Modeling processes.	None	Needs to be determined through future Cost Modeling processes

**Final investment amounts may be adjusted based upon completion of review and decision processes with the Office of Recovery and this Plan will be revised to reflect any such adjustment, as needed.*

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CONCLUSION AND KEY NEXT STEPS FOR IMPLEMENTATION

As noted previously, several projects and budgets aligned with these Investment Areas are still being finalized with the Mayor's Office of Recovery Programs at the time of publication of this Strategic Investment Plan. Final investment amounts may be adjusted based upon completion of review and decision processes with the Mayor's Office of Recovery Programs and this Plan will be revised to reflect any such adjustment, as needed.

MOHS, DHCD, and the consulting team wish to thank all of the people with lived expertise, partners, stakeholders, and community leaders who have participated in critical elements of this Strategic Investment Planning process and who have provided invaluable input to shape the priorities, strategies, and suggestions included within this Plan.

MOHS and DHCD are committed to continuing to strengthen our partnership, and to use and revise this Strategic Investment Plan as a critical tool and guide for future decision-making, investment decisions, and collaborative activities across our departments and with our community partners.

MOHS and DHCD will collaborate on **key next steps for the implementation of this Strategic Investment Plan**, including:

- **Rollout and dissemination of this Plan**, to educate community partners and stakeholders about the Plan, its priorities and the status of funding commitments and gaps.
- **Develop a comprehensive work plan, with clearly defined roles and responsibilities**, for implementation activities, and actively monitoring and reporting on implementation performance and outcomes.
- **Collaboratively designing and implementing resource development strategies** that can, over time, make progress toward closing the gaps in funding that will need to be filled across this Plan's prioritized Investment Areas.
- Continuing to **refine and update the Cost Modeling and projections** developed for this planning process.
- **Sustaining and supporting the Core Leadership Team convened for this planning pr**ocess, with a focus on guiding and collaborating on the implementation of this Plan and the effective use of the dedicated resources.
- **Strengthening partnerships with people with lived expertise and ensuring people with lived expertise play meaningful, influential, and impactful roles** throughout the implementation of this Strategic Investment Plan.

ATTACHMENTS

- **Attachment A:** *Description of Community Engagement Processes and Summary of Ideas Generated*
- **Attachment B:** *Themes and Ideas Emerging from Community Engagement Processes*
- **Attachment C:** *Core Leadership Team Membership*
- **Attachment D:** *Description of Cost Estimates Resulting from Cost Modeling Activities*
- **Attachment E:** *Framework for HOME-ARP Allocation Plan*
- **Attachment F:** *Permanent Supportive Housing (PSH) Pipeline Dialogue Summary Report and Recommendations*

ATTACHMENT A:
Description of Community Engagement Processes and Investment Ideas Generated

*The content in this Attachment is excerpted and adapted from the **Strategic Investment Planning Progress Report** issued in November 2021.*

The development of the Strategic Investment Plan has been directly informed and guided by robust community engagement activities, which were intentionally designed to solicit feedback from a diverse group of stakeholders, including the Continuum of Care (CoC) and its Lived Experience Advisory Committee and Youth Action Board, MOHS staff, nonprofit service providers, and government agency partners.

As described in more detail below, interviews with key leaders, Listening Sessions with a range of stakeholders, and surveys have been implemented to identify issues/concerns, to generate ideas for highly-impactful investments, and to determine community priorities for investments across the following four (4) Action Areas:

Action Area 1

Protecting Health and Safety of People Experiencing Homelessness During the Continued COVID-19 Pandemic: As the pandemic continues with no foreseeable end date, additional investments will be needed to continue activities currently in progress and to implement new responses, as necessary.

Action Area 2

Improving Supply and Access to Housing that People Can Afford to Exit Homelessness: Without expanded supply and improved access to affordable, quality housing options, the homelessness response system will continue to struggle to assist people to exit homelessness quickly and successfully, at a time when risks of entering homelessness are increasing.

Action Area 3

Reducing Unsheltered Homelessness: Unsheltered homelessness is both a humanitarian crisis and the most visible form of homelessness in the community. Investments will be needed to save lives and to provide tangible evidence of the community's ability to drive progress on homelessness.

Action Area 4

Strengthening Crisis Response and Sheltering Activities and Capacity: The community must address shorter-term needs, such as operations and rehousing activities out of temporary hotels, longer-term sheltering capacity and quality needs, and the implementation of diversion activities to reduce demand for shelter and other crisis services.

Further, the investment ideas that were generated through those processes were discussed with a 14-person Core Leadership Team that was formed to guide the implementation of this Strategic Investment Planning process comprised of City staff, Continuum of Care leaders, people with lived expertise of homelessness, and representatives from other organizations actively engaged in responding to homelessness in Baltimore. Discussion of the investment ideas generated, and surveying of the Core Leadership Team, resulted in a prioritized list of ten (10) area prioritized for strategic investments. The recommended priorities for investment directly informed the development of proposals submitted by MOHS to the Recovery Office for consideration for ARPA local aid funding.

Interviews with Key Leaders and Findings

The consulting team interviewed 16 key leaders within the community, representing leaders within City departments, homelessness services and housing providers, advocates, and people with lived experiences of homelessness. These interviews identified several themes and concerns, briefly summarized here:

System and Partnership Themes

- Strong positive response to pandemic, including opening of hotels, reductions in sweeps, vaccinations and testing
- Trust, consistency, and transparency challenges
- Role clarity and coordination issues

- Lack of adherence to Housing First
- Quality of programs and services concerns
- Multiple past planning processes have not led to change or progress
- Lack of clarity on roles and scopes of other consultants, technical assistance providers, and initiatives
- Need for authentic partnership with people with lived expertise

Gaps and Needs within System

- Access to affordable units in market
- Need for scale and fidelity across all interventions, including Permanent Supportive Housing, Rapid Rehousing, and Rental Assistance
- Need to expand focus on diversion and prevention strategies
- Strategies for addressing encampments and unsheltered homelessness
- Rehousing people out of non-congregate shelters/hotels
- Transformation of approach to shelter

The information gathered through these interviews helped guide the identification of the four (4) prioritized Action Areas (described above) and the plans and approach to the Listening Sessions facilitated during the weeks of September 13 and September 20, 2021. Further themes and concerns related to gaps and needs within the homelessness response system are identified within *Attachment B: Themes and Ideas from Community Engagement Processes*.

Listening Sessions and Ideas Generated

MOHS and the consulting team implemented Listening Sessions with community partners and stakeholders, and also held dedicated sessions with the Baltimore City Continuum of Care's Lived Experience Advisory Committee and Youth Advisory Board. More than 100 people received invitations to participate in the six (6) Community Listening Sessions and a total of 25 people participated in one of more of those sessions. Listening Sessions with the Lived Experience Advisory Committee and the Youth Advisory Board were held during the regular meetings of those groups, and MOHS staff were invited to participate in a staff-only session.

These Listening Sessions were designed and facilitated to seek input and insights across the following questions:

- What is working well about the community response to homelessness?
- What needs to improve?
- What areas should be priority for potential one-time investments of funding, or should be prioritized for other potential funding sources, and why?
- What level of one-time investment of funding should be requested and could be effectively integrated into the homelessness response system?
- What are the most important changes in how the community addresses homelessness that should be considered and prioritized for system-strengthening?

Schedule of Listening Sessions

Date	*Listening Session*
9/14/21	Community Listening Session: Improving Supply and Access to Housing that People Can Afford in Order to Exit Homelessness
9/14/21	Community Listening Session: Reducing Unsheltered Homelessness
9/15/21	Community Listening Session: Strengthening Crisis Response and Sheltering Activities and Capacity
9/15/21	Community Listening Session: Improving Supply and Access to Housing that People Can Afford in Order to Exit Homelessness
9/16/21	Community Listening Session: Reducing Unsheltered Homelessness
9/16/21	Community Listening Session: Strengthening Crisis Response and Sheltering Activities and Capacity

9/17/21	Listening Session with Lived Experience Advisory Committee (LEAC)
9/21/21	Listening Session with Mayor's Office of Homeless Services staff
9/21/21	Listening Session with Youth Advisory Board (YAB)

The consulting team developed summary lists of the investment ideas generated through these Listening Sessions, aligned with the Action Areas, including:

- 17 investment ideas for Improving Supply and Access to Housing that People Can Afford in Order to Exit Homelessness;
- 11 investment ideas for Reducing Unsheltered Homelessness; and
- 20 ideas for Strengthening Crisis Response and Sheltering Activities and Capacity.

Please see *Attachment B: Themes and Ideas from Community Engagement Processes* for a full list of the investment ideas generated through the Listening Sessions.

Surveying Activities and Analyses of Findings

These full range of investment ideas generated through the Listening Sessions were then the focus of on-line surveys, which were distributed to people invited to the Community Listening Sessions (generating 26 responses), to LEAC and YAB members (generating 8 responses), and to MOHS staff (generating 16 responses), to seek input to help guide decisions regarding prioritization among the ideas. Surveys asked respondents to:

- Assess each investment idea listed for each Action Area as to whether it was of the Very Highest Priority for Investment, a High Priority for Investment, a Low Priority for Investment, or the respondent had No Opinion; and
- Identify their top two Most Important Priorities for Investment among the ideas listed for each Action Area.

Further, to assess their overarching priority for investments, survey respondents were asked "Which type of outcome should receive the largest investment of one-time funding to achieve the greatest long-term impact?" from among:

- Increase permanent housing options and make housing access faster and easier
- Increase support to people who are unsheltered or living in encampments
- Increase temporary shelter options and make environments more welcoming with supports to exit more quickly to housing

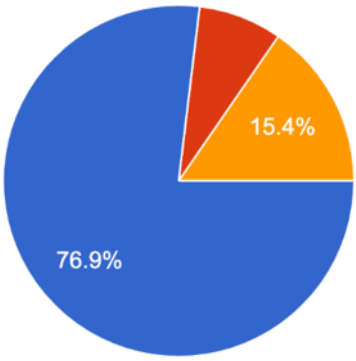
The consulting team analyzed the survey results in several different ways, including comparing and contrasting responses from Community Listening Session invitees, the Lived Experience Advisory Committee and the Youth Advisory Board members, and MOHS staff.

Overarching Priority for Investments

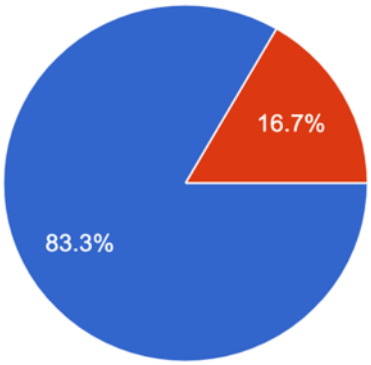
As illustrated in the charts below, in response the question "Which type of outcome should receive the largest investment of one-time funding to achieve the greatest long-term impact?":

- "Increase permanent housing options and make housing access faster and easier" was overwhelmingly the top priority among all respondents, including for Community Listening Session invitees, the Lived Experience Advisory Committee and the Youth Advisory Board, and MOHS staff.
- "Increase support to people who are unsheltered or living in encampments" was the second highest priority for Lived Experience Advisory Committee and Youth Advisory Board members and for MOHS staff, but the third highest priority for Community Listening Session invitees.
- "Increase temporary shelter options and make environments more welcoming with supports to exit more quickly to housing" was the third highest priority for Community Listening Session invitees and MOHS staff, but was not prioritized by Lived Experience Advisory Committee and Youth Advisory Board members who responded to the survey.

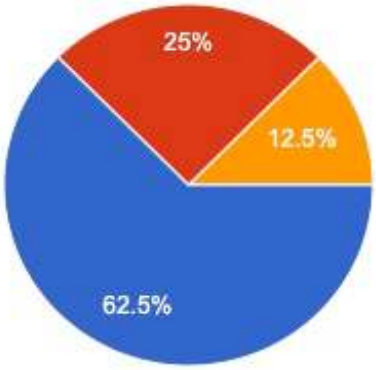
Community Listening Session invitees

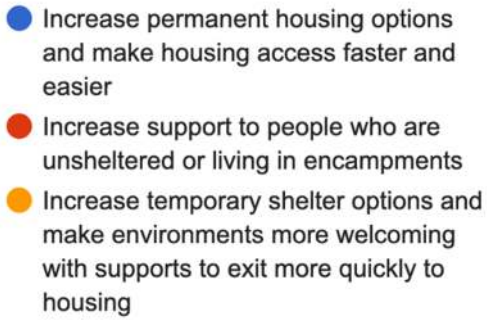


Lived Experience Advisory Committee and Youth Advisory Board members



MOHS staff





Prioritization Among Investment Ideas

The survey responses were further analyzed to assess the prioritization of investment ideas from among the many ideas generated through the Listening Sessions. Many different ideas were found to have some level of support as being among the very most important priorities, so further analysis was needed to assess overall prioritization across results, including analyzing for each Action Area:

- Which ideas had the highest "Net Positives" calculated as the number of people ranking them as of High Priority minus the number of people ranking them as Low Priority; and
- Which ideas had the most support as being either the #1 or #2 Most Important Priority among respondents

That analysis resulted in the following investment ideas receiving the highest levels of prioritization (not listed in order of prioritization results) for the following Action Areas:

Improving Supply and Access to Housing that People Can Afford to Exit Homelessness

- Innovative financing models that support expanded pipeline of permanent housing units in development, including acquisition and pre-development financing
- Expand Affordable Housing Trust Fund since it is existing process and vehicle for a range of housing uses; include requirement that CoC and MOHS assist in crafting means to ensure homeless households benefit
- Increase funding for Rapid Rehousing, including Rapid Rehousing programming with longer lengths of assistance, more flexibility in support provided
- Move-on strategy to support people to successfully exit Permanent Supportive Housing programs and create capacity to serve other people who need Permanent Supportive Housing
- Expand centralized housing navigation resources to better connect people to housing options, assist with process of securing units
- More intensive, higher-quality services within permanent supportive housing programs to better support people stability and success, could including funding services reserves within projects
- Training for staff working within permanent housing programs to strengthen quality of services and outcomes

- Increase pay for staff working within permanent housing programs to attract and retain skilled staff

Reducing Unsheltered Homelessness

- Restore or expand some basic services, like showers, mobile showers, safe places for people to sit and rest during the day
- Fund rapid resolution services and bridge housing options for newly unsheltered homeless people
- Prioritize and fund direct and quick housing placement directly from encampments and unsheltered settings
- Enhance outreach teams by adding staff with clinical skills to engage people with behavioral health care challenges and to link them to services
- Provide non-congregate shelter options that are welcoming and low-barrier
- Increase pay for staff working with people who are unsheltered to attract and retain skilled staff

Strengthening Crisis Response and Sheltering Activities and Capacity

- Expand shelter/interim housing options for all populations, including adults, families with children, transition age youth, and unaccompanied minor youth
- Convert hotel(s) to non-congregate shelter or create non-congregate shelter options through other strategies
- Create new homelessness diversion program and problem-solving services that can prevent people from experiencing homelessness or support people to quickly exit homelessness
- Enhance and strengthen programs to provide safe and affirming shelter and services for TLGBQIA+ people experiencing homelessness
- Expanded mental health and substance use disorder treatment services and programs
- Increase pay for staff working with in crisis response and shelter/emergency housing programs to attract and retain skilled staff

These survey results were discussed at the first meeting of the Core Leadership Team for this Strategic Investment Planning process to seek recommendations for which investment ideas should serve as the basis for proposals that were submitted to the Recovery Office for consideration for ARPA local aid resources.

ATTACHMENT B:
Themes and Ideas from Community Engagement Processes

This document summarizes key themes and ideas that emerged through interviews with key leaders and through listening sessions.

Findings from Interviews with Key Leaders

The consulting team interviewed 16 key leaders within the community, representing City agencies, homelessness services and housing providers, advocates, and people with lived experiences of homelessness. **These interviews identified the following themes and concerns:**

System and Partnership Themes

- Strong positive response to pandemic, including opening of hotels, reductions in sweeps, vaccinations and testing
- Trust, consistency, and transparency challenges
- Role clarity and coordination issues
- Lack of adherence to Housing First
- Quality of programs and services concerns
- Multiple past planning processes have not led to change or progress
- Lack of clarity on roles and scopes of other consultants, technical assistance providers, and initiatives
- Need for authentic partnership with people with lived expertise

Gaps and Needs within System

- Access to affordable units in market
- Need for scale and fidelity across all interventions, including Permanent Supportive Housing, Rapid Rehousing, and Rental Assistance
- Need to expand focus on diversion and prevention strategies
- Strategies for addressing encampments and unsheltered homelessness
- Rehousing people out of non-congregate shelters/hotels
- Transformation of approach to shelter

Further themes and concerns related to Gaps and Needs within the System include the following:

Access to Affordable Units

- Historic redlining continues to impact housing availability
- Need for both unit creation and unit access strategies
- Some advocates have not supported development strategies or want only mixed-unit approaches to PSH
- Limited capacity to develop and operate PSH, need for stronger services partnerships
- Rapid Rehousing programs not consistently accessing high-quality units
- People with lived experience have not been supportive of RRH models
- Need for expanded landlord cultivation/engagement strategies
- Challenges with inspections and timeframes

Scale and Fidelity of Interventions

- Lack of full embrace of Housing First approaches across all models
- City has provided mixed messages regarding program models and practices
- PSH is not scaled to needs/demand and HABC supported units are not Housing First
- RRH not being implemented in alignment with best practices, creating cliff for people at end of assistance
- City has not advanced lower barrier, housing-focused shelter models
- City and CoC have not embraced and advanced homelessness diversion to scale

Diversion and Prevention

- Interest in moving ”upstream” among some stakeholders, but not clear on targeting that would be needed to most impact entries into homelessness

- City's emergency rental assistance program is not viewed as effective at preventing homelessness and significant concerns about end of moratorium will result in huge influx
- Shelter hotline does not provide robust homelessness diversion response
- Need for infusion of diversion approaches within system; currently largely absent other than perhaps for Veterans
- Emergency shelter providers not currently funded to first seek to divert people from needing to enter shelter programs
- Coordinated Access doesn't offer Diversion or Prevention

Unsheltered Homelessness and Encampments

- Increasing visible numbers of people who are unsheltered
- PIT Count data regarding unsheltered homelessness not perceived as accurate
- Community may be defining virtually all visible unsheltered homelessness as "encampments," not clear if there is triaging or prioritizing of encampments
- Perception that there were more purposeful, proactive approaches to addressing encampments than currently being implemented
- Not sure of status of outreach efforts within pandemic
- Concern about potential return to criminalization when CDC guidance expires at end of pandemic

Rehousing from Non-Congregate Shelters

- Broad support for ensuring that people currently staying in hotels are rehoused from those settings
- Establishment of non-congregate shelters within hotels seen as example of what can get accomplished when partners work together and act with urgency – but mixed perceptions of the quality and success of the environments and services being provided
- Perception that planning for the housing needs of people staying in hotels has not been pursued with the same urgency as establishing the hotels
- Unclear City intentions on continued use of hotels as non-congregate shelters or as permanent housing

Transforming Sheltering

- Significant concerns regarding congregate shelters – quality, practices, and outcomes
- Most people prioritize any hotel conversions to be permanent housing rather than non-congregate shelter or interim housing
- Interest in "reimagining" or "transforming" approaches to sheltering people in the community, but no clear vision for what that looks like or how such work should be initiated or implemented
- Unclear what roles City intends to play within any such efforts

Ideas Generated through Listening Sessions

The consulting team implemented Listening Sessions with community partners and stakeholders, and also held dedicated sessions with the Lived Experience Advisory Committee and the Youth Advisory Board. These discussions generated the following ideas and recommendations for investments; surveys are currently being implemented and analyzed to help guide decisions regarding prioritization among these ideas. ***(Note: Ideas are <u>not</u> presented in a ranked order, pending analysis of survey responses.)***

Improving Supply and Access to Housing People Can Afford to Exit Homelessness

Without expanded supply and improved access to affordable, quality housing options, the homelessness response system will continue to struggle to assist people to exit homelessness quickly and successfully, at a time when risks of entering homelessness are increasing.

1. Innovative financing models that support expanded pipeline of permanent housing units in development, including acquisition and pre-development financing
2. More intensive, higher-quality services within permanent supportive housing programs to better support people stability and success, could including funding services reserves within projects
3. Develop new model of housing that requires people to provide sweat equity to rehab units in order to receive housing (model after Habitat for Humanity)
4. Create alternate subsidy models with flexible forms of financial assistance, shallow subsidies, and other models aligned with people's needs
5. Provide bridge funding to cover rent and help households matched through CA to be immediately moved into an apartment while other eligibility process steps are covered and long-term funding is in place
6. Shared housing models, both to help make housing more affordable for people and to help people sustain connections and sense of community they have with each other
7. Funding pool to support landlords to upgrade quality of units, meeting Housing Quality Standards, providing safer living environments for people, and mitigate costs that might result from damages to units
8. Increase funding for rapid rehousing, including RRH programming with longer lengths of assistance, more flexibility in support provided
9. Flexible funding to better support people's deposits and move-in costs, provide furnishings, etc., via existing Flex Fund
10. Move-on strategy to support people to successfully exit PSH programs and create capacity to serve other people who need PSH
11. Expanded, centralized landlord engagement strategies to better identify available units, with resources to incentivize landlords to participate
12. Expand centralized housing navigation resources to better connect people to housing options, assist with process of securing units
13. Funding to secure a pool of pre-inspected units to speed opportunities for people to find and move into housing
14. Expand Affordable Housing Trust Fund since it is existing process and vehicle for a range of housing uses; include requirement that CoC and MOHS assist in crafting means to ensure homeless households benefit
15. Provide bridge funding to cover rent and help households matched through CA to be immediately moved into an apartment while other eligibility process steps are covered and long-term funding is in place
16. Training for staff working within permanent housing programs to strengthen quality of services and outcomes
17. Increase pay for staff working within permanent housing programs to attract and retain skilled staff

Reducing Unsheltered Homelessness

Unsheltered homelessness is both a humanitarian crisis and the most visible form of homelessness in the community. Investments will be needed to save lives and to provide tangible evidence of the community's ability to drive progress on homelessness.

1. Restore or expand some basic services, like showers, mobile showers, safe places for people to sit and rest during the day
2. Fund rapid resolution services and bridge housing options for newly unsheltered homeless people
3. Prioritize and fund direct and quick housing placement directly from encampments and unsheltered settings
4. Expanded outreach workers to ensure full geographic coverage and identify unsheltered people for housing and services
5. Enhanced outreach teams by adding staff with clinical skills to engage people with behavioral health care challenges and to link them to services
6. Expanded numbers and roles for peer positions in order to better connect to people and assist them to access services and housing
7. Alternative transportation options (such as access to Uber or Lyft rides) to ensure people can access services, get to appointments, etc.
8. Provide enhanced training to outreach workers to support their capacity to engage and assist people
9. Provide non-congregate shelter options that are welcoming and low-barrier
10. Provide hotel/motel vouchers or other options for emergency housing as alternative to entering shelter
11. Increase pay for staff working with people who are unsheltered to attract and retain skilled staff

Strengthening Crisis Response and Sheltering Activities and Capacity
The community must address shorter-term needs, such as operations and rehousing activities out of temporary hotels, longer-term sheltering capacity and quality needs, and the implementation of diversion activities to reduce demand for shelter and other crisis services.

1. Enhanced case management and other services at hotels and existing shelters and for people who are unsheltered
2. Expand availability of Housing Navigators to provide housing navigation from assessment through housing placement (all populations)
3. Expand shelter / interim housing options for all populations, including adults, families with children, transition age youth, and unaccompanied minor youth
4. Convert hotel(s) to non-congregate shelter or create non-congregate shelter options through other strategies
5. Enhance and strengthen programs to provide safe and affirming shelter and services for TLGBQIA+ people experiencing homelessness
6. Create new homelessness diversion program and problem-solving services that can prevent people from experiencing homelessness or support people to quickly exit homelessness
7. “Bridge Housing” as an alternative to being in shelter for newly homeless
8. Expanded transitional housing for people who need additional time and services to successfully exit homelessness
9. Increase legal services to help with eviction defense and access to public benefits
10. Expanded mental health and substance use disorder treatment services and programs
11. Long-term substance use treatment programs (6 months-2 years)
12. Provide medical respite care options for people with significant health care needs but who do not need to be hospitalized
13. Strengthen oversight of services, training and capacity building, development of standards of care and oversight and support to ensure they are achieved, trauma-informed care
14. Expanded prevention services and resources focused on supporting housing stability of people who have exited homelessness
15. Incentivize mainstream systems to partner and collaborate to better serve shared populations

16. Training for staff at crisis response and shelter / temporary housing programs – trauma informed care, understanding homeless populations, how to participate in system/processes, information about all programs/services and how to help client access these services
17. Create shelter options for unaccompanied minors and expand transition age youth shelter options
18. Ensure all hotel clients are able to access housing and not be discharged to congregate shelters or unsheltered settings
19. Provide hotel/motel vouchers or other options for emergency housing as alternative to entering shelter
20. Increase pay for staff working with in crisis response and shelter / emergency housing programs to attract and retain skilled staff

ATTACHMENT C:
Core Leadership Team Membership

Co-Chairs:

- Director Irene Agustin, representing Mayor's Office of Homeless Services
- Commissioner Alice Kennedy, representing Department of Housing and Community Development

Members:

- Sonce Reese, CoC Board Member
- Mark Council, representing the Lived Experience Advisory Committee
- Janice Miller and Shawn Jones, representing the Continuum of Care Board
- Amy Collier, representing Catholic Charities and provider agencies
- Amy Kleine, representing Weinberg Foundation and philanthropic sector
- Dana Henson, representing Henson Development and housing providers
- Kevin Lindamood, representing Health Care for the Homeless and provider agencies
- Faith Leach, Deputy Mayor of Equity, Health and Human Services
- Director Bob Cenname, representing Department of Finance
- Director Dr. Letitia Dzirasa, representing Baltimore City Health Department
- Director Tisha Edwards, representing Mayor's Office of Children and Family Success
- Bill Wells, Deputy Director, representing Mayor's Office of Homeless Services
- Advisor: Joe Savage, representing U.S. Interagency Council on Homelessness

Project Management and Facilitation of Team Meetings: Barbara Poppe and Matthew Doherty with support from Lolah James and Anthony Williams

ATTACHMENT D:
Description of Cost Estimates Resulting from Cost Modeling Activities

Rehousing Interventions

Cost modeling processes have resulted in the following **estimated costs for the following rehousing activities**:

- **Rapid Rehousing costs are estimated at $21,122 per singles/couples households and $30,050 for family with children households** for assistance to locate housing, case management services, and time-limited rental assistance and for average of 12-months to help households exit homelessness from sheltered and unsheltered settings.
- **Diversion costs are estimated at $2,729 per singles/couples households and $4,085 for family with children households** for problem-solving assistance, case management/crisis assistance, and up to 2 months of rental assistance to divert people from emergency shelter.
- **Rapid Resolution costs are estimated $2,729 per singles/couples households and $4,085 for family with children households** for problem-solving assistance, case management/crisis assistance, and up to 2 months of rental assistance to rapidly exit from sheltered and unsheltered settings.

Rehousing Intervention	Cost Estimate Per Household Singles / Couples			Cost Estimates Per Household Families with Children			Cost Estimates Per Household Midpoint	Notes Regarding Assumptions (MOHS/DHCD Staff Estimates)
Cost Category	*Housing*	*Services*	*Total*	*Housing*	*Services*	*Total*		
Rapid Rehousing	$13,380	$7,742	**$21,122**	$21,516	$8,534	**$30,050**	$25,588	▪ Housing cost estimates based upon FMR rents at $1115/month x 12 months (1-bedroom for singles/couples) and $1793/month x 12 months (3-bedroom for families with children) ▪ Services cost estimates based upon review of staffing costs for RRH programs funded through ESG-CV, CoC, and other sources
Diversion	$2,230	$499	**$2,729**	$3,586	$499	**$4,085**	$3,408	▪ Housing cost estimates based upon FMR rents at $1115/month x 2 months (1-bedroom for singles/couples) and $1793/month x 2 months (3-bedroom for families with children) ▪ Services cost estimates based upon review of staffing costs for similar programming funded through ESG-CV and other sources
Rapid Resolution	$2,230	$499	**$2,729**	$3,586	$499	**$4,085**	$3,408	▪ Housing cost estimates based upon FMR rents at $1115/month x 2 months (1-bedroom for singles/couples) and $1793/month x 2 months (3-bedroom for families with children) ▪ Services cost estimates based upon review of staffing costs for similar programming funded through ESG-CV and other sources

Permanent Supportive Housing Interventions

Cost modeling processes have resulted in the following **estimated costs for the creation and operation of Permanent Supportive Housing units**:

- **For newly developed units, an estimate of capital costs of $359,820 per unit**, reflective of recent development costs plus an inflationary factor, although it will be important to explore and identify options for reducing these development costs.
    - **The investment of local funding toward those development costs is estimated at $20,500 per unit**, reflective of recent per unit investment levels, but this limited level of local investment would require the successful leveraging of up to an estimated $339,320 per unit from federal, state, and federal services.
- **Rental assistance / operating support is estimated at $13,380 per unit per year,** based upon Fair Market Rent rates for units for single adults and couples.
- **Supportive services costs are estimated at $10,000 per unit per year**, based upon national data and intended to increase the quality and intensity of services provided within PSH in the community.

Cost Category	Cost Estimate	Notes Regarding Assumptions (MOHS/DHCD Staff Estimates)
Capital Development Subsidy	$20,500 per unit	▪ See below for DHCD summary analysis, rounded up
Rental Assistance/Operating Support	$13,380 per unit per year	▪ Rent at $1115/month x 12 months (1-bedroom for singles/couples)
PSH Services	$10,000 per unit	▪ As currently funded $4800/client based current MOHS contracts. Average RRH costs were $7,700. Consultants recommend and MOHS concurred that better estimate is $10,000.
Capital Development Subsidy Details		
Current Average Development Cost Per Unit	$327,109 per unit	▪ Based on DHCD estimates
Adjusted Cost Projection Per Unit (10%)	$359,820 per unit	▪ Adjusted up by 10% to anticipate future cost increases.
Current Average Subsidy Per Unit	$18,470 per unit	▪ DHCD funding only, not inclusive of LIHTC, state or other subsidies.
Adjusted Subsidy Projection Per Unit (10%)	$20,318 per unit	▪ Adjusted up by 10% to anticipate future cost increases.

ATTACHMENT E:
Framework for HOME-ARP Allocation

This Framework for HOME-ARP Allocation was adopted by the Core Leadership Team at its December 2021 meeting and updated at its January 2022 meeting. These recommendations will be incorporated into the proposed HOME-ARP allocation plan to be prepared for public comment then finalized for submission and approval by HUD.

Background on HOME-ARP

The City of Baltimore received an allocation of $15,456,082 in HOME-ARP funds targeted to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations to reduce homelessness and increase housing stability. DHCD will be the administering City agency.

Qualifying Populations per HUD notice

HOME-ARP is targeted to special populations with the intent of reducing homelessness and increasing housing stability. The qualifying populations for HOME-ARP include:

- Experiencing homelessness
- At risk of homelessness
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Other populations where providing supportive services or assistance under section 212(a) of NAHA (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability, including:
    - Other families requiring services or housing assistance to prevent homelessness
    - Those at greatest risk of housing instability

See below for HUD description and definitions of qualifying populations.

HOME-ARP Eligible Uses of Funds per HUD notice

- HOME-ARP can be used for any of the following activities to serve the qualifying populations:
    - Production or Preservation of Affordable Housing. This may include ongoing operating cost assistance or to capitalize a project operating cost assistance reserve to address operating deficits of HOME-ARP units occupied by qualifying households. See here summary here.
    - Tenant-Based Rental Assistance (TBRA). See here summary here.
    - Supportive Services, including services defined at 24 CFR 578.53, homeless prevention services, and housing counseling. See here summary here.
    - Purchase and Development of Non-Congregate Shelter. These structures can remain in use as non-congregate shelter or can be converted to 1) emergency shelter under the Emergency Solutions Grant program; 2) permanent housing under the Continuum of Care; or 3) affordable housing under the HOME Program. See here summary here.
- Up to 15% of the allocation for can be used for administrative and planning costs of the participating jurisdiction and subrecipients administering all or a portion of the grant.
    - HOME-ARP can also provide operating and capacity building assistance to nonprofit organizations undertaking HOME-ARP activities. See here summary here.
- No additional operating sources outside of what is currently received by MOHS is planned as part of the HOME-ARP.
    - Planning for HOME-ARP should be cognizant of how to meet any new ongoing needs for operating funding after HOME-ARP and implications for Emergency Solutions Grant (ESG) budgeting long term.

Recommendations

Target Populations for HOME-ARP investment

HOME-ARP should be targeted with the intent of reducing homelessness consistent with the Strategic Investment Plan goal. The targeted populations for the Baltimore City HOME-ARP should focus on two qualifying populations – those experiencing homelessness or fleeing domestic/interpersonal violence Baltimore has a significant number of currently homeless households residing in unsheltered settings, emergency shelters and domestic violence program that need PSH to exit homelessness. The level of HOME-ARP funding available is insufficient to meet these critical needs so trying to serve other qualifying populations is not feasible. See below for HUD definitions of qualifying populations.

Recommended

- Individuals and families experiencing homelessness
- Individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking

Not Recommended

- Individuals and families at risk of homelessness
- Other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those with the greatest risk of housing instability

HOME-ARP investment Uses

Aligning SIP priorities with HOME-ARP Eligible Uses and Feasibility Considerations

Investment Area	HOME-ARP Eligible	Recommendations
High Priority Areas for Strategic Investments		
Innovative Housing Finance	Yes, capital with time-limited operations	**Recommend** capital uses (acquisition, construction, rehabilitation and associated soft costs) to develop permanent supportive housing are as priority investment for HOME-ARP. DHCD has historically provided gap financing for affordable housing development using HOME so the City is well-positioned to implement HOME-ARP for this purpose. This type of investment is well-aligned with the one-time nature of HOME-ARP. **Explore the feasibility** of using HOME-ARP for nonprofit PSH operations through operating cost reserve or operating cost assistance as allowed by regulations. Other federal, state, and local resources will need to be identified to cover operating costs after the period of HOME-ARP ends. **Not eligible use** for PSH services. Other federal, state, and local resources will need to be identified to cover supportive services costs associated with permanent supportive housing. These activities would seed the creation of a Housing Accelerator Fund.
Homelessness Diversion	Yes, homelessness prevention	**Not recommended** as a new one-time program using HOME-ARP would need to be developed. Federal funding is typically not a good source of funding for diversion since greater flexibility is required. Other resources should be identified for these purposes.
Rapid Resolution	Yes, Tenant-Based Rental Assistance (TBRA) and time-limited services	**Not recommended** as HOME TBRA is administratively burdensome and a new one-time program using HOME-ARP would need to be developed. Would also not be ongoing program due to the funding source. Other federal, state, and local resources would be more efficient.

Interim Housing	Yes, capital for purchase and development of non-congregate shelter	**Recommend** for consideration. Community engagement processes consistently identified concerns with the supply and quality of interim housing / emergency shelter options currently available in the community. Note that HOME-ARP funds may not be used to pay ongoing costs of operating HOME-ARP NCS or to convert NCS to housing so other federal, state, and local resources will need to be identified to cover these costs.
Housing Navigation and Landlord Engagement	No, except for housing navigation	**Not eligible use** except as noted below. Other federal, state, and local resources should be identified for these purposes. **Recommend** for consideration. Explore feasibility for using HOME-ARP to support centralized housing navigation resources to better connect people to housing options, assist with process of securing units. Need to consider whether other federal, state, and local resources may be more efficient, administrative burden of creating new program, and how program would continue after HOME-ARP period ends. other federal, state, and local resources will need to be identified to cover ongoing costs.
Moderate Priority Areas for Strategic Investments		
Services in Permanent Supportive Housing	Yes, time-limited services	**Not recommended**. HOME-ARP can only support a limited range of services, which may not address the currently perceived gaps in services in existing PSH even on a temporary basis. Other federal, state, and local resources should be identified for these purposes.
Clinical Services	No	**Not eligible use**. Other federal, state, and local resources should be identified for these purposes.
Lower Priority Areas for Strategic Investments		
Training and Capacity Building	Yes	**Recommend** for consideration. Explore feasibility for using HOME-ARP to ensure quality PSH development that aligns with best practices and input from people with lived expertise. This could include capacity building expenses defined as reasonable and necessary general operating costs that will result in expansion or improvement of an organization's ability to successfully carry out for eligible HOME-ARP activities, as well, as through activities that can be supported through HOME-ARP planning and administration by contracting for additional expertise, technical assistance, and capacity building services. This would ensure that the Housing Accelerator Fund is guided by best practices and that an adequate supply of appropriate units are supported to achieve the goal of supporting the development and operations of an additional 675 units of permanent supportive housing.
Basic Services	No	Not eligible use. Other federal, state, and local resources should be identified for these purposes.

Summary At-A-Glance – HOME-ARP Recommended Uses

- **Recommended**
  - Develop permanent supportive housing through capital investments
  - Training and capacity building (system & organizational)
- **Considered but not recommended**
  - Operating cost reserve or operating assistance for PSH developed using HOME-ARP
  - Capital investment for purchase and development of non-congregate shelter
  - Housing navigation services

Complementary Sources

The establishment of the Housing Accelerator Fund through this investment will create a structure into which other funding can be invested to continue to support a pipeline of supportive housing units into the future. Other federal, state, and local resources will be identified to leverage HOME-ARP investment and support the range of activities included in the Strategic Investment Plan.

Recommendation on Housing Accelerator Fund NOFA

DHCD should issue a NOFA for HOME-ARP for gap funding for PSH projects that were either awarded 9% LIHTC credits during 2022 or are 4% LIHTC projects or have other types of funding sources. MOHS and CoC should be included in the scoring and award process with DHCD.

- Summer 2022 – announce round after 9% decisions
- Spring 2023 – align with 2023 9% LIHTC

Steps to develop HOME-ARP Allocation Plan

A draft Framework for the HOME-ARP allocation was discussed and recommended for adoption at the Core Leadership Team meeting on December 8, 2021, addressing:

1) Target Populations to be served by HOME-ARP investment
2) Recommended uses for HOME-ARP
3) Number of households to be served through the Strategic Investment Plan and the estimated costs associated with providing the appropriate intervention (developed through the MOHS Cost Modeling team)

MOHS and DHCD will also consider input from the PSH Pipeline Dialogue on December 14, 2021, to further develop the Housing Accelerator Fund concept as potential use for HOME-ARP.

MOHS and DHCD will work with the consulting team to recommend the amount of HOME-ARP funding planned for each eligible activity type and estimate the number of households to be assisted (one or more scenarios may be offered), as well as feasibility and timeline recommendations. The Core Leadership Team will be asked to consider these options and provide recommendations to MOHS and DHCD through the adoption of the final Strategic Investment Plan at its meeting on January 19, 2022.

Overview of Process to Develop and Submit HOME-ARP Allocation Plan

Consultation – Completed

The SIP community listening sessions and core leadership team deliberations satisfy HUD requirements for consultation.

- CoC serving the jurisdiction's geographic area
- Homeless and domestic violence service providers
- Veterans' groups
- Public housing agencies (PHAs)
- Public agencies that address the needs of the qualifying populations
- Public/private organizations that address fair housing, civil rights, and the needs of persons with disabilities

Needs Assessment and Gaps Analysis – In Progress

Subsequent to deliberations and recommendations by the Core Leadership Team to MOHS and DHCD, the City will complete the needs assessment and gaps analysis that will address these HUD requirements:

- Quantify the Qualifying Populations, including size and demographic composition;
- Assess the unmet needs of those populations;
- Consider current resources available to assist QPs; and,
- Identify any gaps in the shelter and housing inventory as well as the service delivery system.
- Consider housing and service needs of Qualifying Populations, including:
    - Sheltered and unsheltered homeless populations;
    - Currently housed populations at risk of homelessness;
    - Other families requiring services/housing assistance to prevent homelessness; and
    - Those at greatest risk of housing instability or in unstable housing situations.

Draft Plan – In Progress

Subsequent to deliberations and recommendations by the Core Leadership Team to MOHS and DHCD, the City will complete the needs assessment and gaps analysis that will address these HUD requirements; MOHS will take the lead to prepare the submission to HUD:

- The Plan will be developed based on these decisions and must include:
    - Priority needs for QP and whether preference will be given to one or more QPs or a subpopulation of a QP.
        - How the preference/method of prioritization will address unmet need or gap in benefits/services.
        - How HOME-ARP will be used to address unmet needs or gaps in benefits/services of the other QPs not included in a preference.
    - Amount of HOME-ARP funding planned for each eligible activity type, including admin and planning
    - Estimate the number of affordable rental housing units for QPs that a PJ will produce or support
    - How the PJ's goal will address the priority needs, specify referral methods (e.g., CES or other)
    - How the current shelter/housing inventory and service delivery system, and the needs identified in the gap analysis, provide a rationale for planned activities
    - How PJ will distribute HOME-ARP funds in accordance with its priority needs, including method for soliciting applications for funding and/or selecting developers, service providers, subrecipients, and/or contractors; and whether PJ will administer eligible activities directly.

Public Notice – pending development of draft plan

The City will address these HUD public notice requirements

- Provide notice and a public comment period of no less than 15 calendar days;
- Follow requirements for "reasonable notice and an opportunity to comment" for plan amendments in its current citizen participation plan; and,
- Hold at least one public hearing during development of the plan.
- Make available to the public: Amount of HOME-ARP funds the PJ will receive, and range of activities the PJ may undertake.

HUD Descriptions and Definitions for HOME-ARP Qualifying Populations

See here for HUD notice.

HOME ARP funds must target the following qualifying populations:

Individuals and families experiencing homelessness

- Defined by 24 CFR 91.5
- An individual or family who lacks a fixed, regular, and adequate nighttime residence

- An individual or family who will imminently lose their primary nighttime residence and meet the criteria noted at 24 CFR 91.5
- Unaccompanied youth under 25 years of age, or families with children and youth who would not otherwise qualify under the criteria above but meet the definition of homeless under other federal statutes as identified in 24 CFR 91.5

Individuals and families at-risk of homelessness

- Defined by 24 CFR 91.5
- An individual or family who: (1) is extremely low income (under 30% AMI), ***and*** (2) does not have support networks to prevent them from moving into shelter, ***and*** (3) meets at least one of the conditions outlined at 24 CFR 91.5 (below)
    - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
    - (B) Is living in the home of another because of economic hardship;
    - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
    - (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
    - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
    - (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
    - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.

Individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking

- An individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; has no other residence; and lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.
- See 24 CFR 5.2003 for further definitions
- Human trafficking as outlined in TVPA, 22 U.S.C. 7102

Other populations for whom supportive services or assistance would prevent homelessness or serve those with the greatest risk of housing instability

- Households (individuals and families) defined as eligible for prevention:
    - who have previously been qualified as “homeless” as defined in 24 CFR 91.5
    - are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and
    - who need additional housing assistance or supportive services to avoid a return to homelessness.
- Households (individuals and families) defined as greatest risk of housing instability:
    - Annual income is ≤ 30% of area median income and are experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs, OR annual income is ≤ 50% of area median income and meets one of the conditions of “at risk of homelessness definition at 24 CFR 91.5

ATTACHMENT F:

Permanent Supportive Housing Dialogue Summary Report and Recommendations

Permanent Supportive Housing (PSH) Pipeline Dialogue

SUMMARY REPORT AND RECOMMENDATIONS

January 2022

The Mayor's Office of Homeless Services (MOHS) partnered with the Department of Housing and Community Development (DHCD) to develop a Strategic Investment Plan to prioritize the use of key resources, including but not limited to resources provided through the American Rescue Plan Act, to support efforts to prevent and end homelessness in Baltimore.[1]

This planning process has been informed by robust community engagement processes, and has resulted in ten (10) areas prioritized for action and investments, and, to date, six specific proposals for investment opportunities, as describe in more detail within this **Progress Report**.

One of the areas prioritized for action and investment is the development of innovative housing financing mechanisms, including the potential creation of a Housing Accelerator Fund, to spur the creation of more PSH units and opportunities within the community. An expanded supply of PSH will be essential for addressing the housing and services needs of many people experiencing homelessness who have complex health and services needs.

As part of this planning process, the City and its consulting team and partner organizations planned and hosted a PSH Pipeline Dialogue event on December 14, 2021 to explore options and opportunities to create an increased "pipeline" of PSH units consistent with the goals being established within the Strategic Investment Plan. The intent of the Dialogue was to create community momentum that builds political will, stimulates new partnerships to develop PSH, and generates recommendations for the final Strategic Investment Plan.

This Summary Report addresses:

- ***Summary of Key Findings*** *(Page 2)*
- ***Purpose and Intent for the PSH Pipeline Dialogue*** *(Pages 2-3)*
- ***Projected Needs for PSH*** *(Pages 3-4)*
- ***Projected Costs for Creating and Operating PSH*** *(Page 4)*
- ***Input from People with Lived Expertise of Homelessness*** *(Page 5)*
- ***Structure and Focus of the Dialogue Event*** *(Pages 5-6)*
- ***Summary of Themes, Issues, and Ideas Generated*** *(Pages 6-8)*
- ***Post-Dialogue Survey Findings*** *(Pages 8-11)*
- ***Recommendations for Next Steps*** *(Pages 11-13)*

[1] The development of the Strategic Investment Plan was led by the Director of the Mayor's Office of Homeless Services and the Housing Commissioner for the Department of Housing and Community Development. The City engaged a consulting team, including national experts,

Barbara Poppe, Matthew Doherty, and Rivianna Hyatt, and local experts with lived experiences of homelessness, Lolah James and Anthony Williams, to guide this investment planning process.

Further, the information contained within the body of this Summary Report is complemented by the following detailed Exhibits:

- **Exhibit A:** Capital, Operating, and Services Cost Estimates for PSH Units
- **Exhibit B:** PSH Dialogue Invitation List
- **Exhibit C:** PSH Dialogue Agenda
- **Exhibit D:** Background on Strategic Investment Plan Process
- **Exhibit E:** Funding Sources Currently Available to Develop and Operate Permanent Supportive Housing (PSH)
- **Exhibit F:** CSH's Supportive Housing Terms and Definitions (and Baltimore Context)
- **Exhibit G:** CSH's Supportive Housing & Olmstead: The Dialogue

Summary of Key Findings

As described in much greater detail below, the planning and implementation of the PSH Pipeline Dialogue, and the follow-up surveying, have resulted in several key findings, including:

- ***Types of PSH to be Created:*** There is a need to pursue multiple models for creating PSH , including both single-site and scattered-sites and development of dedicated units, to complement current supply of PSH needs and to provide real and meaningful choices to people.
- ***Geographic Considerations:*** PSH options must be created within geographically diverse areas of the City, so that people have true choice about where they live and are able to access options throughout the community, including in neighborhoods that have experienced disinvestment, as well as neighborhoods that people may choose for access to employment, transportation, and other considerations.
- ***Funding Needs and Strategies:*** There is a need for expanded funding, but also purposeful strategies for braiding funding, pre-identifying sites, and innovations in structuring project financing to spur development activities and better sustain projects' operations and services.
- ***Strengthening Partnerships and Services:*** There are services providers within the community who are very interested in finding development partners in order to expand their work in creating and operating PSH, which must be focused on providing people experiencing homelessness with access to programs using Housing First approaches and assurance of access to intensive wrap-around services, when needed, with strong peer support in place.
- ***Leadership, Staffing, and Coordination****:* Expanding the pipeline and supply of high-quality PSH will require the dedication of time, resources, and effort to provide adequate leadership, staffing, and coordination, including dedicated staff positions and the creation of a planning and implementation committee or working group charged with collaboratively driving progress and addressing challenges and obstacles.

These issues are explored in more detail in the sections below, and **this Summary Report closes with a set of recommendations for next steps aligned with these findings.**

Purpose and Intent for the PSH Pipeline Dialogue

As described within this **Progress Report**, the strategic investment planning process was directly informed and guided by robust community engagement activities, which were intentionally designed to solicit feedback from a diverse group of stakeholders, including the Continuum of Care (CoC) and its Lived Experience Advisory Committee and Youth Action Board, MOHS staff, non-profit service providers, and government agency partners.

These community engagement activities included interviews with key leaders, Listening Sessions with a range of stakeholders, surveying activities, and discussions with a Core Leadership Team formed for this project.

The need for an expanded supply of PSH opportunities and options, within higher-quality living environment and supported by more comprehensive services that support people's lasting stability and success, was consistently highlighted throughout these engagement processes. Key elements of that input included:

- Historic redlining continues to impact housing availability and access to decent housing options.
- PSH is not scaled to needs/demand and there is a need for both unit creation and unit access strategies, but some advocates have not supported development strategies historically, limiting the range of strategies being pursued.
- Capacity to develop and operate PSH within the community is significantly limited, and there is a need for stronger and more intensive services partnerships and improved alignment with best practices that support harm reduction and trauma-informed care.
- There is a need for expanded landlord cultivation/engagement strategies to ensure success of tenant-based, scattered-site strategies, including higher quality apartments in diverse locations.
- The community's homelessness response does not fully embrace of Housing First approaches across all models, including within PSH programs.
- The Coordinated Access system is not efficient and effective, often contributing to significant delays in filling PSH vacancies and creating barriers to serving those who have the longest histories of homelessness and greatest vulnerabilities. Restrictive admission requirements by the housing authority can also limit access.

The PSH Pipeline Dialogue was planned a first step to begin to address these many challenges by exploring options and opportunities to create an increased "pipeline" of PSH units to respond to community needs and consistent with the goals being established within the Strategic Investment Plan. The intent of the Dialogue was to create community momentum that builds political will, stimulates new partnerships to develop PSH, and generates recommendations for the final Strategic Investment Plan.

Projected Needs for PSH

The discussions during the PSH Pipeline Dialogue were grounded in projected needs and costs for PSH activities that were generated through collaborative cost modeling activities within the Strategic Investment Planning processes.

As summarized in Table 1 (below), that modeling reflects decisions of a Core Leadership Team guiding the planning processes to set initial goals/targets to address unmet housing needs for:

- **Rehousing from Hotels:** People currently staying within hotels temporarily serving as non-congregate emergency shelter;
- **Eliminating Backlog from Coordinated Access:** People who have been entered into the community's Coordinated Access system but who have not been matched to an available housing resource; and
- **Rehousing Unsheltered People:** Including people currently staying in encampments, unsheltered settings, abandoned buildings and other places not meant for human habitation.

Using local data, information, and input from outreach providers, current, unduplicated needs for PSH are projected at **1,320 units**, which can include a mix of newly dedicated units, newly developed units, and opportunities supported through tenant-based rental assistance enabling people to rent existing units within the private market.

Table 1: Estimated Needs for Permanent Supportive Housing Among Target Populations

Population Category	Household Type		Definition	Notes:
	Families with Children	Singles/Couples		
Rehousing from Hotels	1	131	# Households currently who do not have housing match	Notes: MOHS updated 12/2/21.
Eliminating Backlog from Coordinated Access	86	303	# Households currently who do not have housing match	Individuals in this area are those in our system who have completed CA, excluding hotel clients (could include encampment and street homeless) (9/28/21)
Rehousing Unsheltered People: Including Encampments, Unsheltered Settings, Abandoned Buildings and Other Places Not Meant for Human Habitation	450	540	# Households estimated to be unsheltered currently	Estimated based on HIP recommendations; 2020 PIT Data (574) was not viewed as representative of current unsheltered population. HIP recommends that 10% can be rehoused with RRH but other households require ongoing rental assistance and/or PSH.
Initial Estimated Need	*537*	*974*	# HH's (unduplicated)	There are households that are counted in multiple categories.
Duplication Estimate	*6*	*185*	# HH's that were included in one or more categories	MOHS 9/28/21 recommendation
Deduplicated Estimate of Need for PSH	**531**	**789**	Subtracting MOHS estimated duplication	Deduplicated 11/29/21 Estimate
Total Estimated Need for PSH	**1320 households**			

Projected Costs for Creating and Operating PSH

As described in more detail in Exhibit A, cost modeling processes have resulted in the following estimated costs for the creation and operation of such PSH units:

- For newly developed units, and estimate of **capital costs of $359,820 per unit is being used**, reflective of recent development costs plus an inflationary factor, **although it will be important to explore and identify options for reducing these development costs.**
    - **The investment of local funding toward those development costs is estimated at $20,500 per unit**, reflective of recent per unit investment levels, but this limited level of local investment would require the successful leveraging of up to an estimated $339,320 per unit from federal, state, and federal sources.
- Rental assistance / operating support is estimated at **$13,380 per unit per year,** based upon Fair Market Rent rates for units for single adults and couples.
- Supportive services costs are estimated at **$10,000 per unit per year**, based upon national data and intended to improve the quality and intensity of services provided within PSH in the community.

The total costs for creating and operating the additional 1,320 PSH units to address targeted needs will depend upon the mix of developed units vs. units created through non-development strategies, and that mix of strategies is not projected here.

Input from People with Lived Expertise of Homelessness

Prior to the PSH Pipeline Dialogue, consultants Matthew Doherty and Anthony Williams met with Baltimore's Lived Experience Advisory Committee (LEAC) to seek their initial input on the types of PSH that should be developed, the types of onsite features that should be available, and other guidance they wished to provide. Key themes and ideas provided by LEAC members included:

- Need to think about **regional strategies, so that people truly have choice about where they live, including people who want to move out of the City**, especially people who have deeper connections in Baltimore County.
- Developments should not be too large; **preference should be for more smaller developments scattered in different areas**.
- Need to ensure PSH **models and services are tailored for different populations**, such as people who have experienced chronic homelessness, people with mental health challenges, Vets, people who can't secure employment, people with past involvement with the criminal legal system, etc.
- Sites **need accessibility to transportation, shopping, pharmacies, health care services**, etc., and when people are in sites that don't have easy access to such services, need support to know how to access what they need.
- **Housing First practices must be truly implemented both in screening and in sustaining tenancy**. For example, there should be no credit checks for PSH applicants, no urine/drug testing for tenants, etc.
- Programs need to be **supported to implement best practices and need to have more capacity to meet needs** of people.
- **Provision of services needs to be more proactive and readily available, not putting the onus on people to get the help they need**. PSH staff may need training and support to actively connect with people and offer services, while still having them be client-driven and voluntary.
- Some people in interim and permanent housing settings need **support with life skills, need "life coaches" who can help them transition from streets to interim or permanent settings**.
- Strong support for **expanding roles for Peer Mentors within programs**, providing support through people who have shared experiences.

This input was shared with the planning team for the Dialogue event and presented during the Dialogue. Further consultation with LEAC members in January confirmed the accuracy of this summary and agreement with themes and issues summarized later in this report.

Structure and Focus of the Dialogue Event

More than 40 community partners and stakeholders were invited to participate in the PSH Pipeline Dialogue (see Exhibit B), with a focus on people representing organizations that are active in the development and operation of PSH units and organizations identified as having potential for engaging in PSH development activities. Nearly 20 invited participants were able to participate in the Dialogue, along with City and State staff and presenters and facilitators.

The Dialogue was planned by a team comprised of Alex Hoffman, DHCD, Dan McCarthy, Episcopal Housing Corporation, Jillian Fox, CSH, Katie Yorick, MOHS, and Lolah James, consultant, and was facilitated by consultants Barbara Poppe and Matthew Doherty.

The Dialogue began with **opening remarks from Alice Kennedy, Commissioner, DHCD, and City Administrator Chris Shorter**, who both emphasized the essential role of housing, including PSH, for ending homelessness and

who both expressed the City's commitment to expanding housing options and opportunities for people experiencing homelessness.

Irene Agustin, Director of MOHS, provided an overview of needs and cost modeling activities that have resulted in an estimated need for more than 1,300 units of PSH to address the current needs among prioritized populations and also described the concept of a Housing Accelerator Fund and the role such a fund could play in supporting expanded PSH options. **Alex Hoffman, DHCD, and Katie Yorick, MOHS**, provided an overview of existing inventory of PSH in Baltimore and information about site and neighborhood standards for future development activities.

In addition, **Jillian Fox from CSH** provided an overview of best practices in PSH, how PSH strategies support community integration goals, and input and ideas that the Lived Experience Advisory Committee had provided ahead of the event. **Dan McCarthy, Episcopal Housing Corporation, and Kevin Lindamood, Health Care for the Homeless**, also provided a brief "case study" regarding the origins and outcomes of their partnership and some lessons learned.

In between presentations, Dialogue participants engaged in **three (3) brainstorm discussions** focused on:

1. The **types of funding needed** to create PSH opportunities at the scale needed.
2. The **types of PSH that should be developed** to meet the Strategic Investment Plan goal, including thoughts on geographic locations, scattered sites, single site development, integrated models, unit sizes, and household types.
3. Partnership **roles that they and their organizations might be able to play** and the kinds of supports needed to foster more partnerships.

For more information regarding the structure of the Dialogue, please see the **Agenda for the PSH Dialogue, attached here as Exhibit C**. Please also see the following **advance materials provided to Dialogue participan**ts, attached here as Exhibits:

- **Exhibit D:** Background on Strategic Investment Plan Process
- **Exhibit E:** Funding Sources Currently Available to Develop and Operate Permanent Supportive Housing (PSH)
- **Exhibit F:** CSH's Supportive Housing Terms and Definitions (and Baltimore Context)
- **Exhibit G:** CSH's Supportive Housing & Olmstead: The Dialogue

Summary of Themes, Issues, and Ideas Generated

Through the brainstorming discussions, the following important themes, issues, and ideas emerged:

Types of PSH to be Created:

- The **need to pursue multiple models of PSH, including both single-site and scattered sites,** and perhaps "co-op" models for aging population, in order **to provide real and meaningful choices to people**. For example, many families with children greatly value access to backyard spaces.
- **Challenges within each model must be addressed, including efficiency in service delivery, maintenance, and operations, community building among program participants**, and challenges of aging building infrastructures for providing long-term, quality options.
- **Clustering of scattered-site units (created through leasing or development activities) into closer proximity in multiple neighborhoods, or integrating PSH units within larger housing sites,** could help address

challenges within scattered-site services delivery and community building. Siting of units also needs to ensure access to transportation lines and other essential services.

- Development strategies should look to **engage people experiencing and exiting homelessness, including youth, into employment opportunities**.

Geographic Considerations

- The importance of **providing PSH options within geographically diverse areas** of the City, so that people have true choice about where they live, are able to access options throughout the community, including in neighborhoods to which they have deep connections, neighborhoods that have experienced disinvestment, as well as neighborhoods that people may choose for access to employment, transportation, and other considerations.
- Need to find ways to **ensure that PSH development activities can occur in neighborhoods that have experienced disinvestment**, which may not always fit within HUD's neighborhood and site standards. New investments and development **activities are needed within such neighborhoods to address current inequities that are the result of racist policies and practices**. May require identifying more non-Federal funds that don't come with such restrictions.

Funding Needs and Strategies

- The impact that the **braiding of funding together** could have in the efficiency of bringing units on-line. Streamlining strategies could also include **pre-identifying sites**, such as appropriate city-owned foreclosed properties (or groups of such properties), and proactively seeking their redevelopment into PSH.
- The importance of **innovations in structuring project financing and minimizing debt** (rather than maximizing projects ability to carry debt) in order to better support costs for essential services.
- Services funding must be adequate to **attract and retain qualified staff and to support appropriate staff : client ratios**. Need to look at a **variety of service models**, such as Assertive Community Treatment teams and team-based service delivery models.
- The importance of **flexible and timely predevelopment funding to enable smaller non-profit developers to seize opportunities and develop capacity**, as well as sustainable funding and rental subsidies for PSH developments, including in support of **eco-friendly development practices** that can help reduce costs in the long-term.
- A **Housing Accelerator Fund with flexible financing mechanisms could help spur more development and unit creation activities, could foster more partnerships**, and should be a priority for investments from public and private sources. Such a fund would need dedicated staffing in order to realize its potential.

Strengthening Partnerships and Services

- People experiencing homelessness need access to **programs using Housing First approaches and assurance of access to intensive wrap-around services, when needed, with strong peer support in place**, working in partnership with clinically-trained staff. Need to be prepared to meet a range of needs, as cannot predict services needs effectively. Also need to **connect people to housing more quickly** to minimize impact of homelessness on people.
- All **PSH units need to include services and accessibility features to meet varied needs**, including meeting the needs of aging population through grab bars, accessibility features, elevators, and other features that people will need to age in place successfully.
- There are **services providers within the community who are very interested in finding development partners** in order to expand their work in creating and operating PSH.

- **Current resources (such as ARPA local aid and HOME-ARP) and potential resources (such as those in the proposed Build Back Better Act) create meaningful opportunities for more partnerships**, and more partnerships will be necessary to realize the potential of those resources. The State of Maryland's **Medicaid pilot** provides a potential model for helping fund some of the services needed.
- Need for a **structure and sustained capacity-building efforts to bring partners together to pursue goals**. Having a **collective goal, and a coordinated effort among partners in pursuit of that goal**, could help drive the creation of a pipeline and more progress.

Post-Dialogue Survey

Everyone invited to the Dialogue was provided the opportunity to respond to an **on-line survey** to help identify organizations' interest in supporting efforts to expand PSH and recommendations on how to increase both community and organizational capacity to develop quality PSH options. Of the 32 organizations invited to complete the survey, 12 organizations (13 people) responded (38% response rate). Most respondents (69%) participated in the PSH Pipeline Dialogue. The majority had developed/operated PSH during the past 10 years. Seven (7) organizations developed housing, four (4) organizations were services providers, and three (3) organizations invested/funded housing and/or services in PSH, and two (2) organizations had multiple capacities.

Several organizations had experience with affordable housing development but had not developed PSH. The **reasons provided for not having developed PSH** included:

- No clear City/State priorities for PSH
- Lack of predevelopment funds
- PSH not being competitive for LIHTC and HOME competitions
- Lack of operating and rental assistance
- Need for operating and services partners

Respondents cited the following as **currently working well to support development and operation of quality PSH** in Baltimore.

- Strong providers and developers that have successfully operated PSH for many years
- Housing vouchers and rental assistance
- Capital funding for construction
- Individual champions within the who are very supportive (and as a whole the City seems bought in to the importance of Housing First and PSH.
- Community consensus and buy in that PSH is critical to ending homelessness in Baltimore City

Respondents cited the following as **top challenges to quality PSH development and operations**:

- ***Funding and financing challenges***
  - Lack of enough funding for services, need for annual funding increases, better staff pay, and timely payments
  - Lack of enough capital/gap funding, particularly for 4% deals, if the 9% won't favor PSH; alternative financing models from the typical LIHTC/HOME fund model
  - Lack of rental subsidies

- ***Process challenges***
  - Difficult collaboration between State and City and within the City
    - For example, we are working with MDH, DHCD at State level as well as MOHS, DHCD, and HABC, all of whom have varying levels of experience with PSH--it is difficult at times to make

decisions that require buy in of multiple departments or get the attention of all funders to solve a cross-cutting problem.

- Delays and inconsistencies in inspection process and processing of documents
- Using the Coordinated Access program to identify potential residents for units; lengthy and difficult lease up process to apply and still meet tax credit lease up goals
- HABC inspections

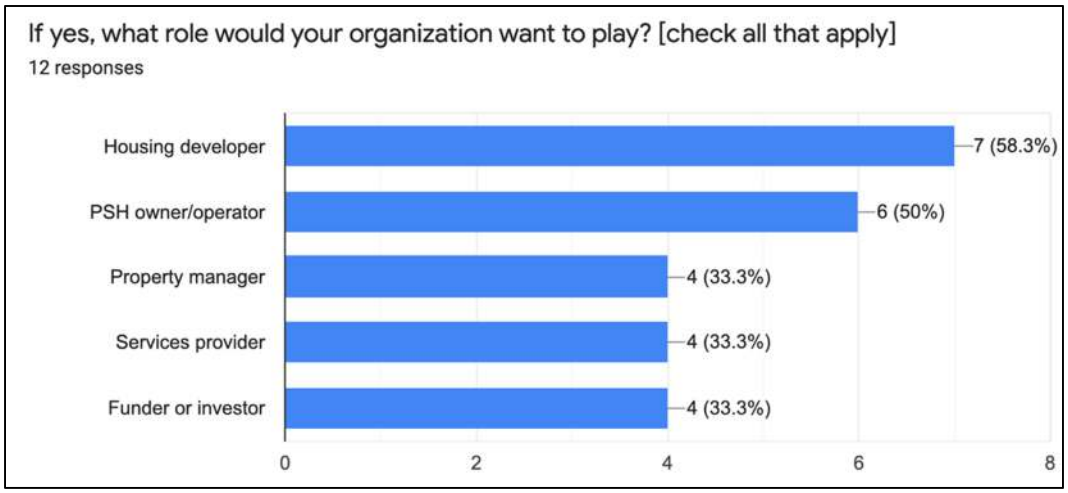
- ***Location and stock challenges***
  - Site & Neighborhood Standards restrictions
  - Good sites in decent neighborhoods
  - Poor quality housing stock; availability of rental properties

- ***Partnership and services challenges***
  - Fidelity to a case management model
  - Lack of capacity (providers/operators)
  - Inability to make residents honor rules of organization and housing.

Suggestions were offered about **ways to increase PSH development of the next five years** included:

- Funding: easily accessed, creative permanent housing financing options, seed money grants, long-term rental subsidies, funds for services, and capital funds, more subsidy to reduce debt service and debt
- Locating sites
- Improved collaboration with the City
- Partnerships with service providers; more supports for PSH service providers
- Finding a reputable developer
- Establishing clear system for lease up between the CoC, HABC, and manager to lease up units quickly

There was a **strong interest in developing and operating PSH – 69% were interested and 23% might be interested**. Respondents were interested in a range of roles (see table below).

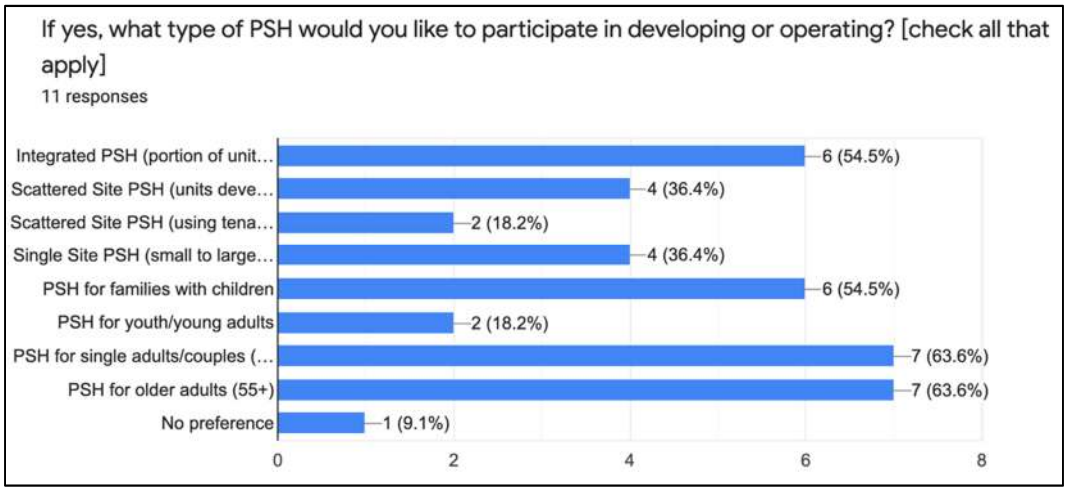


Respondents were **interested in developing full range of PSH options** (see key and table below)

Key:

- Integrated PSH (portion of units dedicated within housing development)
- Scattered Site PSH (units developed)

- Scattered Site PSH (using tenant based rental assistance and landlord partnerships)
- Single Site PSH (small to larger sites with 100% PSH)
- PSH for families with children
- PSH for youth/young adults
- PSH for single adults/couples (no children)
- PSH for older adults (55+)



The organizational **capacity needs associated with increased PSH production were varied. Community capacity building needs were cited more frequently than organizational capacity needs**.

- ***Organizational capacity needs in rank order:***
  - Establishing partnerships with organizations necessary to make PSH production work (6)
  - Staff expertise and capacity for permanent supportive housing operations and services delivery (4)
  - Staff time (staff have the expertise, but they don't have the bandwidth) (4)
  - Establishing partnerships with organizations to provide PSH services (3)
  - Staff expertise re: homelessness and housing first (3)
  - Staff expertise and capacity for housing development and financing activities (2)
  - Cash flow (not having the ability to purchase land and hold it until financing comes through) (2)
  - Additional staff (1)
  - Salary increases (1)

  <u>Not needed:</u>
  - Board buy-in and education
  - Staff expertise in PSH models and financing strategies

- ***Community capacity building needs in rank order:***
  - Access to capital funding (7)
  - Access to rental assistance or operating funding (7)
  - Access to services funding (5)
  - Partnerships for PSH services (5)
  - Access to gap funding to support 4% tax credits (5)
  - Access to gap funding to support 9% tax credits (5)
  - Technical assistance and training to ensure consistent quality across all PSH developments (5)
  - Access to coordinated process to access services/operating/capital funding (4)
  - Access to pre-development funding (3)

Additional suggestions to increase PSH development across Baltimore City:

- System collaboration
- The ability to scatter units across the city and/or a shared pool of services with reasonable caseloads. Investing in the people providing the services IS the intervention. The housing is necessary, but not sufficient to improve health and stability outcomes without stable quality staffing.
- Ongoing training throughout the year (RSAR, process, inspections, etc.)
- Bring CSH in to support this work with its PSH Academy and its project initiation loans. We need this kind of backbone organization to keep us focused on increasing the PSH pipeline.
- A campaign could be useful, and I'd be willing to co-chair a committee to develop one.

Recommendations for Next Steps

The planning team for the PSH Pipeline Dialogue have developed the following recommendations for next steps for driving progress on the creation of an expanded pipeline of PSH units and for addressing challenges and themes identified during the Dialogue and through the follow-up survey. These inter-related next steps will inform the development of a more comprehensive plan for action and include recommendations first for ensuring adequate Leadership, Staffing, and Coordination for these efforts, and then recommendations organized by the themes identified above: Types of PSH to be Created; Geographic Considerations; Funding Needs and Strategies; and Strengthening Partnerships and Services.

Leadership, Staffing, and Coordination

- **Expand City capacity through additional, new, dedicated staff position(s) or through contracting for PSH expertise and capacity with an external organization**, to increase capacity both:
    - Within DHCD, with primary focus on spurring increased development activity and structuring innovative financing strategies; and
    - Within MOHS, with primary focus on supporting the formation of effective partnerships, ensuring quality of environments and programming, capacity building to strengthen service delivery and fidelity to best practices, and the effective integration of new PSH units and options within the community's homelessness response system.
- **Create a planning and implementation committee or working group charged with collaboratively fostering the creation and implementation of expanded pipeline of PSH units and options, with clear goals and accountability, adequately staffed either through City staff or through contracted services**, and with appropriate representation of all public agencies and systems that need to be involved, and including representation from philanthropy, from the CoC Housing Committee, and from people with lived expertise.

Types of PSH to be Created

- **Engage in more detailed planning and cost modeling** to:
    - Develop **multi-year goals and timeframes**;
    - Set targets for the **types of units to be brought on-line and the household types to be served**;
    - Projected the **mix of units brought on-line through development activities (including mix of single-site and scattered-site units) versus leasing strategies**; and
    - Project the **mix and costs for tailored services models** (e.g., Assertive Community Treatment teams, Critical Time Intervention models, etc.) to meet the needs of tenants with diverse range of needs and preferences.
    - Ensure that all such modeling activities, and resulting plans and activities, are **deeply informed by the perspectives and preferences of people experiencing homelessness**.

- **Delve more deeply into the current mapping of scattered-site units,** analyzed by service provider, to assess costs and outcomes, to identify successful strategies for addressing service delivery and community building challenges, and to identify neighborhoods that could be focus for future opportunities.
- **Identify potential employment opportunities that could be created through expanded PSH development and operations and develop training strategies** to enable people with experiences of homelessness to succeed with these job pathways.

Geographic Considerations

- **Engage in further mapping activities and analysis of PSH locations, and consult with people with lived expertise from current and past experiences of homelessness**, to identify geographic areas with the community to prioritize for development and leasing activities.
- **Focus on neighborhoods/areas of opportunity for development opportunities, while ensuring that HABC and DHCD explore all opportunities to reach historically disinvested neighborhoods** within their compliance with HUD's site and neighborhood standards, as well as pursuing and securing other funding sources that can equitably reach such neighborhoods.
- **Engage with all City Council members to discuss needs, goals, and potential sites** for PSH development within their districts.
- **Further analyze and assess barriers to development, including local regulations, processes, and capacity, and forms and sources of community opposition**, and develop proactive strategies for eliminating or limiting the impact of such barriers.

Funding Needs and Strategies

- **Implement recommendation to use the City's $15.4 million allocation of HOME-ARP funds for PSH development and capacity-building activities**, not for the other eligible uses of those funds, and ensure implementation of HOME-ARP resources is well-aligned with other funding sources and timeframes, such as LIHTC. Identify opportunities to provide HOME-ARP resources to projects currently in LIHTC pipeline if willing to dedicate adequate portion of planned units to serve as PSH.
- **Identify and assess the portfolio of City-owned properties to identify sites that might be appropriate for PSH activities** and would reduce development costs and funding needs. In addition, **identify and assess existing buildings, including hotels/motels and non-residential buildings**, that could be cost-effectively converted into high-quality sites for PSH units.
- **Complement the cost modeling activities (described above) with analysis of available and potential funding sources**, and develop state and federal advocacy strategies to secure or align necessary funding.
- **Within modeling activities, project the costs for enhancing quality and intensity of services within both existing and new units, so that there is a consistent standard and quality of services available to PSH tenants**, supporting meaningful choices for people in need of PSH opportunities. (CSH's Supportive Housing Services Budgeting Tool may be a useful resource for such efforts.)
- **Identify and advocate for shared State policy priorities, and engage with Maryland Department of Housing and Community Development, Legislature's Joint Legislative Committee on Homelessness, and current and new Governor's administration to advance those priorities** including focus on: dedicating funding for the development, placement of new units in developments, and scattered site expansion of PSH in Baltimore; dedication of Partnership Rental Funds to PSH expansion, similar to Choice Neighborhood set aside; and expanded integration of Medicaid-funded services within PSH programs.
- **Collaborate with HABC to align rental assistance resources** with capital and services resources.
- **Develop interagency processes for reviewing applications for funding for PSH expansion and new projects**, and ensure review and decision processes are informed by people with lived expertise.

Strengthening Partnerships and Services

- Through the formation of planning and implementation committee or working group (described above):
  - **Implement capacity-building and relationship-building activities with with intentional focus on fostering partnerships** between interested services provider organizations and organizations with housing development and operations expertise and capacity.
  - **Actively engage other public systems and agencies with critical roles and resources** necessary for successful creation and implementation of expanded pipeline of PSH.
- **Consistently engage within elected officials and community stakeholders** to generate and sustain necessary community support for expanded PSH development activities.
- **Assess current PSH programs and providers for fidelity to Housing First and PSH best practices and develop targeted training and capacity-building strategies to strengthen fidelity** in both existing and new PSH units, and to expand utilization of peer staff to strengthen engagement with PSH tenants.

For More Information

For more information, please contact members of the PSH Pipeline Dialogue planning team:

- Alex Hoffman, DHCD @ alex.hoffman@baltimorecity.gov
- Dan McCarthy, Episcopal Housing Corporation @ dan@episcopalhousing.org
- Jillian Fox, CSH @ jillian.fox@csh.org
- Katie Yorick, MOHS @ Katie.Yorick@baltimorecity.gov
- Lolah James, Youth Advisory Board @ lolah.james@journeyhomebaltimore.org

Exhibits

- **Exhibit A:** Capital, Operating, and Services Cost Estimates for PSH Units
- **Exhibit B:** PSH Dialogue Invitation List
- **Exhibit C:** PSH Dialogue Agenda
- **Exhibit D:** Background on Strategic Investment Plan Process
- **Exhibit E:** Funding Sources Currently Available to Develop and Operate Permanent Supportive Housing (PSH)
- **Exhibit F:** CSH's Supportive Housing Terms and Definitions (and Baltimore Context)
- **Exhibit G:** CSH's Supportive Housing & Olmstead: The Dialogue

EXHIBIT A

Capital, Operating, and Services Cost Estimates for PSH Units

Cost modeling processes have resulted in the following **estimated costs for the creation and operation of such PSH units**:

- For newly developed units, and estimate of **capital costs of $359,820 per unit is being used**, reflective of recent development costs plus an inflationary factor, although it will be important to explore and identify options for reducing these development costs.
    - **The investment of local funding toward those development costs is estimated at $20,500 per unit**, reflective of recent per unit investment levels, but this limited level of local investment would require the successful leveraging of up to an estimated $339,320 per unit from federal, state, and federal services.
- Rental assistance / operating support is estimated at **$13,380 per unit per year,** based upon Fair Market Rent rates for units for single adults and couples.
- Supportive services costs are estimated at **$10,000 per unit per year**, based upon national data and intended to increase the quality and intensity of services provided within PSH in the community.

Cost Category	Cost Estimate	Notes Regarding Assumptions (MOHS/DHCD Staff Estimates)
Capital Development Subsidy	$20,500 per unit	See below for DHCD summary analysis, rounded up
Rental Assistance/Operating Support	$13,380 per unit per year	Rent at $1115/month x 12 months (Single)
PSH Services	$10,000 per unit	As currently funded $4800/client based current MOHS contracts. Average RRH costs were $7,700. Consultants recommend and MOHS concurred that better estimate is $10,000.
Capital Development Subsidy Details		
Current Average Development Cost Per Unit	*$327,109 per unit*	*Based on DHCD estimates*
Adjusted Cost Projection Per Unit (10%)	*$359,820 per unit*	*Adjust up by 10% to anticipate future cost increases.*
Current Average Subsidy Per Unit	*$18,470 per unit*	*DHCD only, not inclusive of LIHTC, state or other subsidies.*
Adjusted Subsidy Projection Per Unit (10%)	*$20,318 per unit*	*Adjust up by 10% to anticipate future cost increases.*

Note: The total costs for creating and operating the additional 1,320 PSH units to address targeted needs will depend upon the mix of developed units vs. units created through non-development strategies, and that mix of strategies is not projected here.

EXHIBIT B

Permanent Supportive Housing (PSH) Pipeline Dialogue

INVITATION LIST

More than 40 community partners and stakeholders were invited to participate in the PSH Pipeline Dialogue, with a focus on people representing organizations that are active in the development and operation of PSH units and organizations identified as having potential for engaging in PSH development activities. Nearly 20 invited participants were able to participate in the Dialogue, along with City and State staff and presenters and facilitators.

Provider	Contact Name	Contact Title
Associated Catholic Charities	Amy Collier	Director of Community Services
Health Care for the Homeless	Kevin Lindamood	President and CEO
People Encouraging People	Dale Meyer	President and CEO
AIDS Interfaith Residential Services (AIRS)	Anthony Butler	President/CEO
At Jacob's Well	Charles Smith	Executive Director
Community Housing Associates	Nico Sanders	Executive Director
Dayspring Programs	Odette Belcher	Director
Behavioral Health System Baltimore (BHSB)	Elizabeth Van Oeveren	Recovery Services Coordinator
GEDCO	Nichole Battle	Chief Executive Officer
St Vincent de Paul	John Schiavone	President/CEO
St Vincent de Paul	Mary Rode	Chief Operating Officer
St Vincent de Paul	Toni Boulware	Division Director
Marian House	Katie Allston	Executive Director
St. Ambrose Housing Aid Center	Leah Mason-Grant	Grants Manager
Project PLASE	Mary C. Slicher	Executive Director
Women's Housing Coalition	Beth Benner	Executive Director
Unity Properties (Bon Secours)	George Klebb	Executive Director/Treasurer
Unity Properties (Bon Secours)	Lisa Stachura	Housing Development Program Manager
AHC of Greater Baltimore	Mary Claire Davis	Director
Baltimore Metropolitan Council	Dan Pontious	Housing Policy Coordinator
Behavioral Health Services Baltimore	Steve Johnson	Vice President, Programs
CSH	Jillian Fox	Director
CoC leadership	Janice Miller	Chair
CoC leadership	Shawn Jones	Vice Chair
Department of Housing and Community Development	Alice Kennedy	Commissioner, Department of Housing and Community Development
Department of Housing and Community Development	Alexandra (Alex) Hoffman	Director of Project Finance, DHCD
Enterprise Development	Jessica Sorrell	Senior Program Director
Enterprise Community Development	Christine Madigan	EVP & Chief Business Officer
Enterprise Community Development	Ned Howe	VP New Business

EXHIBIT B

Episcopal Housing Corporation	Dan McCarthy	Executive Director
Family Recovery Program	Jocelyn Gaynors	Executive Director
HABC	Michael Moore	Executive Vice President and Chief Administrative Officer
Helping Up Mission	Michael Burns	Chief Financial Officer
Henson Development	Dana Henson	Principal and Vice President
Homes For America	Catherine Stokes	Development Director
McCormack Baron Salazar	Pam Askew	Senior Vice President of Development
Mission First	Elizabeth Everhart	Senior Manager, Development
Mission First	Chris Everett	Development Manager
Mission First	Sarah Constant	Senior Vice President, Real Estate Development
MOHS	Katie Yorick	Chief of Policy & Partnership
MOHS	Bill Wells	Deputy Director
MOHS	Irene Agustin	Director
Rebuild Metro	Mike Bainum	Director of Development
Springboard Community Services	FT Burden	Chief Executive Officer
Volunteers of America - Mid Atlantic Development	Owen McCabe	
Weinberg Foundation	Amy Kleine	Senior Program Director

EXHIBIT C

Strategic Investment Plan (SIP) Process

Permanent Supportive Housing (PSH) Pipeline Dialogue

December 14, 2021 at 12:00 Noon – 2:00 PM

AGENDA

Topic / Discussion	Presenters / Facilitators
1) **Welcome**	Alice Kennedy
2) **Opening Remarks**	Chris Shorter
3) **Grounding:** Strategic Investment Plan and Housing Accelerator Fund Concept	Irene Agustin
4) **Check-in:** *Who am I? What do I hope to contribute to this dialogue?*	Barb Poppe
5) **Grounding:** PSH in Baltimore: Current State	Katie Yorick and Alex Hoffman
6) **Brainstorm Discussion:** *What types of funding are needed to meet SIP goal (but are not currently available)? What funding could potentially be secured for a Housing Accelerator Fund?*	Matthew Doherty
7) **Grounding:** Best Practices in PSH and Myth Busting	Jillian Fox
8) **Brainstorm Discussion:** *What types of PSH units should be developed to meet SIP goal (e.g., geographic location, scattered site, single site, unit size, and household type)?*	Barb Poppe
9) **Case Study:** Partnerships in PSH: Health Care for the Homeless and Episcopal Housing Services	Kevin Lindamood and Dan McCarthy
10) **Brainstorm Discussion:** *How could you and your organization fit in as partners to help meet the SIP goal for PSH?*	Matthew Doherty
11) **Closing**	Lolah James

Advance Materials:

- Background on Strategic Investment Plan Process
- Funding Sources Currently Available to Develop and Operate Permanent Supportive Housing (PSH)
- CSH's Supportive Housing Terms and Definitions (and Baltimore Context)
- CSH's Supportive Housing & Olmstead: The Dialogue

EXHIBIT D

Strategic Investment Plan

PSH Dialogue Information

Background on Strategic Investment Plan Process

The Mayor's Office of Homeless Services (MOHS) is partnering with the Department of Housing and Community Development (DHCD)to develop a Strategic Investment Plan to **prioritize the use of key resources provided through the American Rescue Plan Act to support efforts to prevent and end homelessness in Baltimore,** with focus on the following objectives:

- Rehousing people experiencing homelessness and stabilizing people at imminent risk
- Reducing unsheltered homelessness and encampments
- Driving progress toward racial equity
- Enhancing partnerships to advance person-centered approaches

The Strategic Investment Plan will prioritize the use of key resources, including but not limited to resources provided through the American Rescue Plan Act (ARPA), to support efforts to prevent and end homelessness in Baltimore. The City of Baltimore received **an allocation of $15,456,082 in HOME-ARP funds** targeted to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations to reduce homelessness and increase housing stability.

The development of the Strategic Investment Plan is being led by the Director of the Mayor's Office of Homeless Services and the Housing Commissioner for the Department of Housing and Community Development. The City has engaged a consulting team, including national experts, Barbara Poppe, Matthew Doherty, and Rivianna Hyatt, and local experts with lived experiences of homelessness, Lolah James and Anthony Williams, to guide this investment planning process. The process is directly informed and guided by robust community engagement activities, which have been intentionally designed to solicit feedback from a diverse group of stakeholders, including the Continuum of Care (CoC) and its Lived Experience Advisory Committee and Youth Action Board, MOHS staff, non-profit service providers, other organizations, and government agency partners. As described in more detail in the Progress Report, interviews with key leaders, Listening Sessions with a range of stakeholders, surveying activities, and discussion with a Core Leadership Team formed for this project have all been implemented to generate ideas and to determine community priorities for highly impactful investments. See appendix for list of Core Leadership Team members and organizations invited to participate in the community listening sessions. This process is consistent with the HUD requirements for consultation in the development of the HOME-ARP Allocation Plan.

The community engagement and prioritization process resulted in a decision by the Core Leadership Team to establish a prioritized list of nine (9) areas for strategic investments described below:

Highest Priority Areas for Strategic Investments

- **Innovative Housing Finance:** Invest in innovative financing models to support expanded development pipeline of permanent supportive housing and deeply affordable housing units designated for people experiencing homelessness, including acquisition and predevelopment financing. Specific financing mechanism or vehicle to be determined. Operations and services costs will need to be integrated and could be considered for funding via operating and services reserves. Referral and lease-up mechanisms should be determined in partnership with CoC and

MOHS. See appendix for more on this concept and the creation of the Housing Accelerator Fund.

- **Homelessness Diversion:** Create new homelessness diversion program and problem-solving services that can prevent people from experiencing homelessness. This approach is targeted to those who will imminently lose their primary nighttime residence if assistance is not provided. Homelessness diversion assistances helps individuals and families who are seeking crisis services or to enter shelter including those who may have already lost their housing, find safe alternative places to stay to avoid shelter or unsheltered homelessness. Diversion practice, coupled with flexible financial assistance, short- or long-term rental assistance, and/or other supports can reduce the number of families exposed to unsheltered or sheltered homelessness. Diversion has been demonstrated to be both effective and efficient. It is not for populations that have time for resolution of their housing crisis such as would be available as part of a homelessness prevention or eviction prevention program.
- **Rapid Resolution:** Fund rapid resolution and quick housing placement supports to help people exit homelessness to stable housing from unsheltered settings, interim housing, and emergency shelters. These housing-focused services are provided to individuals at the beginning of their homelessness (either upon entry to shelter or first contact by street outreach) to help individuals quickly resolve their own homelessness independently or with very limited help.[2] Services include limited case management and short-term flexible financial assistance to assist clients to regain permanent housing and minimize their stays in the shelter or in outdoor settings.
- **Interim Housing:** Expand interim housing options for all populations, including adults, families with children, transition age youth, and unaccompanied minor youth. Preference may be for smaller settings that may be non-congregate residential, and must offer dignity-based environments, and provide trauma-informed and housing-focused services to help residents exit to stable housing. This may include the purchase of hotels for non-congregate shelter that can be repurposed for housing at future date.
- **Housing Navigation and Landlord Engagement:** Develop a robust coordinated approach to housing navigation and landlord engagement to improve access to quality apartment units. A combination of innovative strategies should be explored, which may include: 1) bridge funding to cover rent and help households matched through Coordinated Access to be immediately moved into an apartment while other eligibility process steps are covered and long-term funding is in place; 2) access to a funding pool in exchange for an agreement to provide units to be filled by Coordinated Access and to upgrade quality of units, meet Housing Quality Standards, provide safer living environments for people, and mitigate costs that might result from damages to units; 3) expanded, centralized landlord engagement strategies to better identify available quality units in neighborhoods desired by people served through Coordinated Access; 4) a pool of pre-inspected units to speed opportunities for people to find and move into housing; 5) centralized housing navigation resources to better connect people to housing options, assist with process of securing units; 6) other strategies that result in access to quality units in a variety of neighborhoods.

[2] U.S. Interagency Council of Homelessness, 'Homelessness Prevention, Diversion, and Rapid Exit', June 2019, available at: Prevention-Diversion-Rapid-Exit-July-2019.pdf (usich.gov)

Moderate Priority Areas for Strategic Investments

- **Services in Permanent Supportive Housing:** More intensive, higher-quality services within existing permanent supportive housing programs to better support long-term stability and success, which could including funding services reserves within projects.
- **Clinical Services:** Expand and enhance access to clinical services to address physical and behavioral health (mental health and substance use disorders) needs of people who are experiencing homelessness in unsheltered and sheltered settings.

Lower Priority Areas for Strategic Investments

- **Training and Capacity Building:** Establish training and other capacity building support to improve the quality of operations/services and align with fidelity to best practices. This should be available to all providers and partners serving the housing and crisis response needs of people who are experiencing or have experienced homelessness. See more in Appendix 3 Innovative Housing Finance concept.
- **Basic Services:** Restore or expand some basic services, like restrooms/showers, mobile showers, safe places for people to sit and rest during the day.

PSH need and cost estimates

At its December 8, meeting the Core Leadership Team approved the following working draft estimates of need for PSH.

Estimates of Need

Category	PSH/OPH		Definition	Notes:
	Families with Children	Singles/couples		
Rehousing from Hotels	1	131	# Households currently who do not have housing match	Notes: MOHS updated 12/2/21.
Eliminating Backlog from Coordinated Access	86	303	# Households currently who do not have housing match	Individuals in this area are those in our system who have completed CA, excluding hotel clients (could include encampment and street homeless) (9/28/21)
Rehousing from encampments, unsheltered settings, abandoned buildings and other places not meant for human habitation	450	540	# Households estimated to be unsheltered currently	Estimated based on HIP recommendations; 2020 PIT Data (574) was not viewed as representative of current unsheltered population. HIP recommends that 10% can be rehoused with RRH but other households require ongoing rental assistance and/or PSH.
Total Estimate	537	974	# HH's (unduplicated)	There are households that are counted in multiple categories.
Duplication estimate	6	185	# HH's that were included in one or more categories	MOHS 9/28/21 recommendation
Deduplicated Estimate	531	789	Subtracting MOHS estimated duplication	Deduplicated 11/29/21 Estimate
Total households by intervention	1320			

HOME-ARP

The Strategic Investment Plan will prioritize the use of key resources, including but not limited to resources provided through the American Rescue Plan Act (ARPA), to support efforts to prevent and end homelessness in Baltimore. The City of Baltimore received **an allocation of $15,456,082 in HOME-ARP funds** targeted to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations to reduce homelessness and increase housing stability. Baltimore's HOME-ARP funding is insufficient to meet needs of all qualifying populations. The Core Leadership Team decided to narrow HOME-ARP funding to these populations, per these recommendations:

Recommended

- Individuals and families experiencing homelessness

- Individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking

Not Recommended

- Individuals and families at risk of homelessness
- Other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those with the greatest risk of housing instability

HOME-ARP Recommended Uses

HOME-ARP can be used for a range of eligible uses per the HUD notice (summarized below)

- HOME-ARP can be used for any of the following activities to serve the qualifying populations:
  - Production or Preservation of Affordable Housing. This may include ongoing operating cost assistance or to capitalize a project operating cost assistance reserve to address operating deficits of HOME-ARP units occupied by qualifying households. See summary here. **See site and neighborhood standards that apply to HOME-ARP here.**
  - Tenant-Based Rental Assistance (TBRA). See summary here.
  - Supportive Services, including services defined at 24 CFR 578.53, homeless prevention services, and housing counseling. See summary here.
  - Purchase and Development of Non-Congregate Shelter. These structures can remain in use as non-congregate shelter or can be converted to 1) emergency shelter under the Emergency Solutions Grant program; 2) permanent housing under the Continuum of Care; or 3) affordable housing under the HOME Program. See summary here.
- Up to 15% of the allocation for can be used for administrative and planning costs of the participating jurisdiction and subrecipients administering all or a portion of the grant.
  - HOME-ARP can also provide operating and capacity building assistance to nonprofit organizations undertaking HOME-ARP activities. See summary here.

The Core Leadership Team considered the strategic priorities and recommended HOME-ARP be used for these potential uses.

Top Priority

- Develop permanent supportive housing through capital investments

Consider feasibility

- Operating cost reserve or operating assistance for PSH developed using HOME-ARP
- Capital investment for purchase and development of non-congregate shelter
- Housing navigation services
- Training and capacity building

Note: The feasibility assessment should include consideration of timing to develop new program models.

EXHIBIT D

Appendix 1
Strategic Investment Plan
Core Leadership Team

Co-Chairs:

- Director Irene Agustin, representing Mayor's Office of Homeless Services
- Commissioner Alice Kennedy, representing Department of Housing and Community Development

Members:

- Sonce Reese, CoC Board Member
- Mark Council, representing the Lived Experience Advisory Committee
- Janice Miller and Shawn Jones, representing the Continuum of Care Board
- Amy Collier, representing Catholic Charities and provider agencies
- Amy Kleine, representing Weinberg Foundation and philanthropic sector
- Dana Henson, representing Henson Development and housing providers
- Kevin Lindamood, representing Health Care for the Homeless and provider agencies
- Faith Leach, Deputy Mayor of Equity, Health and Human Services, and representing Mayor's Office of Children and Family Success
- Director Bob Cenname, representing Department of Finance
- Director Dr. Letitia Dzirasa, representing Baltimore City Health Department
- Bill Wells, Deputy Director, representing Mayor's Office of Homeless Services
- Advisor: Joe Savage, representing U.S. Interagency Council on Homelessness

Project Management and Facilitation of Team Meetings: Barbara Poppe and Matthew Doherty with support from Lolah James and Anthony Williams

Appendix 2

Innovative Housing Finance Concept

Create a **Housing Accelerator Fund** to implement innovative funding mechanisms that will foster the development of an expanded supply of permanent supportive housing units for people exiting chronic homelessness. The Fund would be jointly administered by MOHS and DHCD and leverage significant Federal, State, and private sector investments.

An estimated 675 of the 1600 households, referenced above, need access to permanent supportive housing units to end their homelessness successfully. These 675 households are currently living in encampments and other unsheltered settings, in hotel settings established as non-congregate shelter, and other emergency shelters. Without access to safe, stable permanent supportive housing, these families and individuals, who are experiencing chronic homelessness and have longstanding disabilities and disabling conditions, will continue to languish without a viable path to stability. Chronic homelessness is a visible form of homelessness since most unsheltered individuals are also chronically homeless. The City is receiving a high number of calls from the public to address the growing unsheltered homeless population. The development of new permanent supportive housing is particularly critical as research has shown that it not only resolves homelessness, but also reduces public costs associated with crisis services, hospitals, psychiatric centers, jails, policing, and emergency medical response.[3]

By fostering the development of supportive housing units, Baltimore City can drive progress on chronic homelessness in the community. This will require investment in innovative and flexible financing mechanisms, which can leverage significant investments of State and Federal resources, private investments, and philanthropic resources, is recommended.

Some of the strategies that the **Housing Accelerator Fund** could utilize and deploy include:

- Close financing gaps to allow potential projects to proceed to development;
- Secure set-asides of supportive housing units within housing projects already in the development pipeline, through equity investments and/or operating and services reserves;
- Provide financing to bring new developments into the pipeline and enable them to compete effectively for other financing, through acquisition and pre-development financing grants or loans;
- Utilize public land or donations of privately held land to seed new developments, conversions, or renovations that can be used for supportive housing;
- Provide financing for rapid construction options that have been tested in other markets and offer cost-effective alternatives to traditional construction; and/or
- Finance operations and service delivery for a multi-year period, as an essential element of the creation of permanent supportive units while long-term ongoing rental assistance and services funding is secured through ongoing public sector sources from the Federal and State governments.

MOHS and DHCD would also contract for additional expertise, technical assistance, and capacity building services to ensure that the Housing Accelerator Fund is guided by best practices and that an adequate supply of appropriate units are supported to achieve the goal of supporting the development and operations of an additional 675 units of permanent supportive housing.

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[3] U.S. Interagency Council on Homelessness, available at https://www.usich.gov/solutions/housing/supportive-housing/

Appendix 3

HUD Descriptions and Definitions for HOME-ARP Qualifying Populations

See here for HUD notice.

HOME ARP funds must target the following qualifying populations:

Individuals and families experiencing homelessness

- Defined by 24 CFR 91.5
- An individual or family who lacks a fixed, regular, and adequate nighttime residence
- An individual or family who will imminently lose their primary nighttime residence and meet the criteria noted at 24 CFR 91.5
- Unaccompanied youth under 25 years of age, or families with children and youth who would not otherwise qualify under the criteria above but meet the definition of homeless under other federal statutes as identified in 24 CFR 91.5

Individuals and families at-risk of homelessness

- Defined by 24 CFR 91.5
- An individual or family who: (1) is extremely low income (under 30% AMI), ***and*** (2) does not have support networks to prevent them from moving into shelter, ***and*** (3) meets at least one of the conditions outlined at 24 CFR 91.5 (below)
    - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
    - (B) Is living in the home of another because of economic hardship;
    - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
    - (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
    - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
    - (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
    - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

Individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking

- An individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; has no other residence; and lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.
- See 24 CFR 5.2003 for further definitions

- Human trafficking as outlined in TVPA, 22 U.S.C. 7102

Other populations for whom supportive services or assistance would prevent homelessness or serve those with the greatest risk of housing instability

- Households (individuals and families) defined as eligible for prevention:
    - who have previously been qualified as "homeless" as defined in 24 CFR 91.5
    - are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and
    - who need additional housing assistance or supportive services to avoid a return to homelessness.
- Households (individuals and families) defined as greatest risk of housing instability:
    - Annual income is ≤ 30% of area median income and are experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs, OR annal income is ≤ 50% of area median income and meets one of the conditions of "at risk of homelessness definition at 24 CFR 91.5

EXHIBIT E

Strategic Investment Plan

PSH Dialogue Information

Funding Sources Currently Available to Develop and Operate Permanent Supportive Housing (PSH)

Capital Development Sources

- State
  - Low Income Housing Tax Credits – 4% and 9%
  - Supportive Transitional Housing Grants
  - HOME
  - HOME-ARP (new)
  - State Department of Mental Hygiene
  - Partnership Rental Housing
  - Rental Housing Works
  - National Housing Trust Fund
- City of Baltimore
  - HOME
  - Baltimore Affordable Housing Trust Fund
  - HOME-ARP (new)
  - HUD Continuum of Care awards
  - CDBG
- Other
  - Federal Home Loan Bank Affordable Housing Program
  - Philanthropic grants

Operating & Rental Assistance

- State
  - State Department of Mental Hygiene
  - 811 Program (potential)
- City of Baltimore
  - Baltimore Affordable Housing Trust Fund
  - HOME-ARP (potential)
  - HUD Continuum of Care awards
- Other
  - Housing Authority of Baltimore City
  - Philanthropic grants

Services in PSH

- State
  - State Department of Mental Hygiene
  - Medicaid tenancy support waiver
  - State Homelessness Solutions Program
- City of Baltimore
  - Baltimore Affordable Housing Trust Fund
  - HUD Continuum of Care awards
  - City funded behavioral health (substance use disorders)
- Other
  - Philanthropic grants
  - Hospitals for match for Medicaid tenancy support waive

EXHIBIT F

Supportive Housing Terms and Definitions

Term	Definition	Baltimore Local Context Considerations
Supportive Housing *For more detail, see CSH Quality Supportive Housing Standards	Proven solution that combines non-time limited affordable housing with voluntary, intensive services. It follows housing first principles to provide quick access to housing, without preconditions, and services to help people maintain housing stability. *Note: *Supported* Housing is a term that can encompass any housing arrangement where services are provided, including non-permanent, transitional and group home settings where services are mandated, not voluntary.	Baltimore uses the term **Permanent Supportive Housing (PSH)** in the context of ending homelessness and in reference to specific funding streams and programs**.** PSH is often used by funders to denote a program that has long term rental assistance combined with case management and supportive services delivered by the grantee/contractor and in coordination with other mainstream service providers. PSH is a recognized Evidence Based Practice (EBP) by SAMSHA. *Supportive Housing and Permanent Supportive Housing are often used interchangeably*.
Supportive Housing Focus Populations	Typical characteristics: • Incomes typically below 15% AMI, often 0% at entry into housing • Complex behavioral and/or medical health conditions • Multiple "touches" across systems, i.e. jails, hospitals, homelessness, child welfare • Histories of housing instability and homelessness	Baltimore currently uses its Coordinated Access System to identify and prioritize households for CoC funded PSH units available. According to the 2020 inventory of PSH for people experiencing homelessness: there are 2,272 PSH units; 20% of units are dedicated to households with adults and children, 80% of units are dedicated to adult only households. Additionally, 72% of beds are dedicated to people experiencing chronic homelessness.
Single Site Supportive Housing	Housing developments where 100% of units are dedicated for PSH and have Project Based Rental Assistance.	Examples in Baltimore include Restoration Gardens 2 (42 units, Youth) and Prospect Place (12 units, adults).
Scattered Site Supportive Housing	PSH tenants are housed in units in various affordable or market rate rental housing using Tenant Based Rental Assistance.	Today the majority of PSH in Baltimore is scattered site and offered through a several nonprofit providers.
Integrated Supportive Housing	Housing developments where a portion of units are dedicated to PSH, the remainder being affordable or market rate. Depending on the percentage of PSH units, the service model could include onsite services, similar to single site settings, or resemble more scattered site service models.	Examples include Four Ten Lofts (78 units, 20 PSH units) and Sojourner Place at Oliver, currently under development (70 units, 35 PSH units).

EXHIBIT F

DIMENSIONS OF QUALITY	PROJECT COMPONENTS: Project Design and Administration	Property and Housing Management	Supportive Services	Community
Tenant-Centered	Tenants play an active role in planning the supportive housing project, and all partners share a common commitment to helping tenants thrive.	Staff educates tenants on their rights and responsibilities as leaseholders, actively soliciting tenant feedback.	Services are voluntary, customized and comprehensive, reflecting the needs of all household members.	Tenants have meaningful opportunities for leadership through avenues such as tenant associations and board positions.
Accessible	The housing is affordable, in a location that meets tenants' needs and accommodates persons with special needs.	Tenants move into housing quickly, and the process accommodates their varying backgrounds and cultural needs.	Staff actively works to ensure that tenants are aware of available services, which are at convenient hours and locations.	The housing application and screening process is part of a larger community strategy to coordinate access to housing.
Coordinated	Roles, responsibilities and communication strategies are clearly established among the supportive housing partners, codified in written agreements and revisited regularly.	Staff works closely with service providers and landlords to ensure tenants sustain stable housing.	The primary service provider has established connections to mainstream and community-based resources.	Tenants who have high service needs or who are high utilizers of existing systems are given priority for available units.
Integrated	The supportive housing project meets or exceeds community standards, and the partners actively engage in community dialogue.	All tenants are offered a choice of housing unit and have a lease identical to tenants not in supportive housing.	Staff supports tenants in developing and strengthening connections to their community.	There is an overall strategy promoting the ability of tenants to choose from a variety of housing models and neighborhoods.
Sustainable	The supportive housing project has funding that is adequate for its ongoing operations and allows it to target its intended tenants.	While respecting tenant rights and privacy, staff regularly checks to ensure that the unit remains in good condition and receives any needed maintenance.	The supportive housing project has funding that is sufficient to provide services to tenants on an ongoing basis and flexible enough to address changing tenant needs.	Goals outlined in community planning efforts, such as 10-year plans to end homelessness and consolidated plans, are furthered as a result of this supportive housing.

EXHIBIT G

CSH
The Source for Housing Solutions

Supportive Housing & *Olmstead* The Dialogue

March 2016

Introduction

As states and communities across the country continue their efforts to meet the mandates of the U.S. Supreme Court's *Olmstead v. L.C.* decision, supportive housing is playing a major role by creating opportunities for people with disabilities to live in the community; providing them with safe, decent housing and offering a wide-array of voluntary support services.

Supportive housing is housing without limits on length of stay, affordable to people with extremely low or no income. It is a proven model that works for people facing severe obstacles to housing stability, including those with disabilities, because services are tailored to meet individual needs. Supportive housing designed to serve the people impacted by *Olmstead* focuses on those with disabilities who have long been institutionalized or are at-risk of institutionalization.[1]

Three recent federal actions provide context and guidance for supportive housing's role for this population:

1. In 2013, the U.S. Department of Housing and Urban Development (HUD) released guidance to HUD-assisted housing providers, supportive housing providers among them, on how they can support state and local endeavors to meet *Olmstead* obligations.
2. Additionally, in 2014, the Centers for Medicare and Medicaid Services (CMS) issued guidance defining the appropriate setting in which Home and Community Based Services (HCBS) should be delivered.[2] The settings definition established by CMS closely aligns with the main tenets of high quality supportive housing.
3. Then in 2015, CMS published an Informational Bulletin encouraging states to redesign Medicaid programs to deliver housing tenancy services that allow *Olmstead* populations to transition into the community or remain in the community with services intact.[3]

[1] It should be noted not all supportive housing is targeted to people with disabilities (in some cases supportive housing targets homeless and at-risk subpopulations such as youth exiting the foster care system, victims of domestic violence, people exiting correctional systems after years of incarceration, and families involved with the child welfare system. Supportive housing creation also should take these populations' needs into account.
[2] http://www.medicaid.gov/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/hcbs-setting-fact-sheet.pdf
[3] http://www.medicaid.gov/federal-policy-guidance/downloads/CIB-06-26-2015.pdf

As the national leader in the supportive housing movement, CSH is uniquely positioned to assist states, communities and providers as they explore housing options that ensure people with disabilities have the opportunity to live and thrive in the community. CSH is firmly committed to the central mandate of *Olmstead — to provide people with disabilities the housing and support they need to live in the most integrated setting possible in a community of their choice.*

CSH's efforts are shaped by three guiding principles:

1. **Providing people the opportunity to live independently in the most integrated setting.**
2. **Expanding access and the range of housing options.**
3. **Ensuring and promoting tenant choice.**

CSH believes *Olmstead* court settlements and implementation plans must address key issues from the outset of their formulation, including:

- Speed with which appropriate housing options can be identified and provided;
- Cultivation of necessary partnerships between service and housing providers; and
- Identification of resources to finance housing and services in the community.

Purpose of This Brief

This paper describes the basic information and issues policy-makers and advocates must understand about supportive housing to ensure that the supply of housing and services meet both demand and tenant choices.

Supportive Housing

For nearly 25 years, CSH has worked to promote the creation of supportive housing at the highest levels of quality. Based on its expertise, and following focused conversations and field testing with supportive housing tenants, providers, funders and stakeholders, CSH created a comprehensive set of resources describing quality in supportive housing — the Dimensions of Quality Supportive Housing (DOQ)[4]. These materials were extensively updated in 2013 to more fully incorporate best practices related to ensuring supportive housing and its tenants are fully integrated into their communities.

CSH recognizes not all housing currently in operation declaring itself "supportive housing" meets DOQ. Nonetheless, it is important to hold all supportive housing providers to a high

[4] To find full text of CSH's Dimensions of Quality Supportive Housing publications - http://www.csh.org/quality.

standard of quality. To this end, CSH developed the Supportive Housing Quality Certification program with the goal of identifying and recognizing quality supportive housing as well as providing a collaborative process through which organizations can identify areas of strength and opportunities for improvement. We continuously encourage states and localities to develop quality assurance processes to assess and monitor supportive housing and its quality.

Comparing Supportive Housing & Other Options

Unlike residential programs such as group and boarding homes for people with disabilities, tenants of supportive housing have the rights and responsibilities of tenancy, and the ability to live independently. The following table highlights some of the differences.

Supportive Housing Tenants	Group or Board and Care Residents
• Sign a lease (or sublease if master-leased) with landlord, have rights & responsibilities of tenancy under state & local law, are free to come & go or have guests	• Do not have leases, have no rights under landlord-tenant law, have restrictions on coming & going, as well as guests
• Have no restrictions on length of tenancy, can remain in apartment as long as complying with lease terms & desires to remain in apartment	• Do not determine their own length of stay (home decides length of stay)
• May participate in accessible, usually comprehensive, flexible array of services tailored to needs of each tenant, with a case manager on call 24/7	• Service availability varies from home to home, without choice in services
• Are not required to participate in services as a condition of tenancy, of admission into housing, or of receipt of rental subsidies	• Are required to participate in services, or cannot remain in home or access subsidy
• Have rent based on income, in compliance with federal affordability guidelines (30-50% of income).	• Must pay rent based on home's guidelines, not based on federal affordability guidelines
• Clients request case management services and supports from staff and seek health care and specialty services from community providers. Separate property management staff engage to resolve issues to prevent eviction	• Often have no advocate for resolving issues that may lead to eviction, as service providers usually the same as staff running home

Supportive Housing Tenants	Group or Board and Care Residents
• Live in housing that meets federal, state, and local quality standards for safety & security	• May live in substandard conditions
• Usually occupy own bedroom, bathroom, and kitchen &, if sharing common areas, choose own roommates	• Have no choice over housemates, usually share bedroom with at least one (usually multiple) other tenants
• Are protected by Fair Housing law	• Not necessarily protected

Supportive Housing Models

Supportive housing can be structured in a variety of ways to meet the needs and preferences of tenants as well as the community.

Strategies for integrating supportive housing units within a community involve both the physical setting as well as how the housing is operated. Property owners, managers, and service providers all play key roles in identifying the connections and supports supportive housing tenants desire to integrate into the community and meet the tenant's needs. It should be noted there are variations on these core strategies, but in each approach supportive housing relies generically on primary care coordination, case management, long-term care, in-home and behavioral health services. Services are designed to support continued tenancy and improve health and well-being.

In all of these contexts, supportive housing enables tenants to live independently and integrated in the community with the ability to access tailored services on a voluntary basis, and associate with people of their own choosing. Additionally, each of these approaches ensures people have the rights and responsibilities of tenancy, including privacy and the ability to come and go as they please. Other common integration strategies include universal accessibility features, proximity to community resources, involvement in neighborhood initiatives, and use of space in a development by local groups or neighborhood events.

CSH believes people should have the opportunity to choose among multiple housing options. Scattered site housing and set-aside units in larger buildings should be the primary approach, but there are instances in which people will choose a single-site setting where a majority of people with disabilities reside. Some tenants prefer the benefits, including a sense of community and peer support, availability of services onsite, and newly constructed units, that a single site setting often provides. In short, *it should be the quality of the tenancy experience that is important, not the configuration or number of units.*

Broadly speaking, there are three models of supportive housing. Communities should determine the appropriate balance of these three housing models and ensure people have options for housing integrated into the community. The three models include:

- **Scattered site housing** in which the units are distributed throughout multiple buildings and/or locations across a neighborhood or community. Tenants are connected with mobile service providers that can provide services in a tenant's home or in another location of the tenant's choosing. Tenants are also supported in accessing additional services in the community as needed and desired.

- **Mixed-affordability housing** where supportive housing units are set aside and interspersed within an affordable housing development. Some services may be available on-site and connections to other community resources are facilitated as desired by the tenant.

- **Single site housing**, in which a majority of tenants - and in some projects all tenants - are people with histories of homelessness, disability (although not necessarily the same one) and/or chronic behavioral health conditions. Some, but usually not all, services are provided onsite. Housing is located in the community, providing consumers with access to community services and supports, opportunities to interact with non-disabled individuals and families, and access to employment.

Olmstead & Guiding Principles for Supportive Housing

CSH promotes interrelated principles for guiding state and local efforts to create supportive housing opportunities in accordance with the *Olmstead* decision. Together, these principles provide a framework for creating supportive housing for all people with disabilities and help address the three key issues outlined above.

#1: Provide Opportunity for People to Live Independently in Integrated Settings

Any discussion of the Supreme Court's *Olmstead* case must begin with the obligation of states, communities and housing providers to promote the right of every person with a disability to live in the most integrated setting appropriate to meet their needs.[5] The Court declared that the Americans with Disabilities Act (ADA) recognizes people with disabilities have historically been excluded from society, and integrated settings generally allow people with disabilities to interact with people without disabilities. A recent Department of Justice (DOJ) brief identified the following criteria of integrated settings:[6]

[5] Olmstead v. L.C., 527 U.S. 581 (1999) (*Olmstead).*
[6] US Department of Justice. Statement of the Department of Justice on Enforcement of the Integration Mandate of Title II of the Americans with Disabilities Act and *Olmstead v. L.C.* (June 22, 2011) (DOJ brief).

Integrated Settings	Restricted Settings
• Located in mainstream society	• Located in congregate setting, occupied primarily by people with disabilities
• Offering community activities of person's choosing with people of individual's choosing	• Restricts or provides for daily activities to activities with people with disabilities
• Allows person's choice in daily activities	• Regimentation in daily activities with little or no autonomy in the individual ability to choose
• Provides opportunities to interact with people without disabilities	• Lacks privacy or autonomy

Supportive housing, in almost every instance, incorporates the Supreme Court defined key elements for "integrated settings". In fact, courts have recognized supportive housing as advancing the right of people with disabilities to live independently in integrated settings.[7] It is the case that some supportive housing buildings are occupied primarily by people with disabilities; however, these supportive housing providers still meet all of the central tenets of integrated settings, and do not fall under the federal definition of "congregate setting."

Supportive housing is designed to allow people with disabilities to live in the most integrated setting appropriate to meet their needs.

- Supportive housing, even in a single site, is not "congregate" housing, since tenants have their own apartments with their own bathrooms and kitchens.[8]
- Supportive housing is located near community services, transportation, employment opportunities and other housing and is not segregated from the larger community
- Supportive housing employs best practice in service paradigms/modalities, promoting choice and voluntary services

While navigating the creation of integrated settings, it can sometimes be difficult to understand guidance from federal agencies. For example, HUD regulations explain that state housing providers should not offer housing solely based on a specific disability yet acknowledge housing offered exclusively or primarily to people with disabilities may be necessary to provide equal access to housing that is available to people without disabilities.[9] HUD needs to continue to work to align federal housing rules with the goals of *Olmstead.* CMS has established regulations for appropriate settings where Medicaid Home and Community-Based Services can be delivered. These regulations explain that consumer experience must drive any determination on integration, which is the same approach embraced by CSH's Dimensions of Quality Supportive Housing.

[7] *Disability Advocates, Inc. v. Paterson,* Civil Number 03-CV-3209 (ED NY 2009).
[8] *Olmstead* at 599.
[9] http://portal.hud.gov/hudportal/documents/huddoc?id=OlmsteadGuidnc060413.pdf

#2: Expand Availability & Diversity of Housing Opportunities
Federal, state and local policies should advance supportive housing as a means of furthering the right of people with disabilities the opportunity to live, work and receive services in the greater community, like individuals without disabilities.[10] The policies and the programs funded to implement *Olmstead* should concentrate on expanding the overall supply of affordable housing, as well as variety and choice. This includes creating rental subsidy programs, working with public housing authorities to prioritize people with disabilities, creating development incentives through state tax credit Qualified Allocation Plans (QAPs), and building community-based services capacity.

#3: Ensure & Promote Consumer and Tenant Choice
In carrying out and implementing *Olmstead* decisions, promoting and ensuring consumer and tenant choice must be paramount. Policies should further tenants' rights to choose where and with whom to live, as well as whether to engage in services. In discussing the issue of choice, the *Olmstead* decision states a person with a disability should not be required to accept an accommodation if the individual chooses not to do so.[11]

Supportive housing offers choice:

- Tenants are not "placed" or coerced to live in supportive housing. They are offered housing options. That said, choice is limited to some extent by the lack of availability of affordable, supportive housing units in a community.
- Tenants choose whether to participate in services and which service provider to use.
- Service providers engage tenants, asking tenants about his/her needs, and using motivational interviewing or and critical time intervention methods.
- Tenants are not required to meet threshold criteria (i.e., sobriety or a stay in shelter or transitional housing) before being admitted into supportive housing. Supportive housing embraces "housing first," not requiring people who are disabled to overcome more obstacles than people without disabilities to obtain housing.[12]

Collectively, the key elements of supportive housing - in a variety of settings – provides tenants choices about where they live, what services they choose to access (or not), and who they choose to associate with in the community.

#4: Strengthen Housing Based Services Financing
The federal agencies that separately fund the components of supportive housing - HUD and HHS – have worked to provide the requisite guidance on how to finance community-based supportive housing opportunities for *Olmstead* populations,

[10] US Department of Justice. *Statement of the Department of Justice on Enforcement of the Integration Mandate of Title II of the Americans with Disabilities Act and Olmstead v. L.C.* (June 22, 2011).
[11] *Olmstead* at 599.
[12] *Olmstead* at 597 (one hallmark of discrimination based on disability is requiring people with disabilities to sacrifice more to obtain needed services by virtue of their disability).

which includes both long-term care populations as well as those experiencing chronic homelessness. States taking advantage of expanding or adapting Medicaid programs to allow housing tenancy supports, as supported by CMS' Informational Bulletin referenced in the introduction of this document, will help supportive housing providers end the practice of using their limited resources for services, allowing them to redirect those resources to pay for housing costs.

In addition, partnerships between state Medicaid agencies and housing providers are essential. Medicaid agencies can play a significant role in building design, location and general operations governing supportive housing. For example, CMS guidance is clear that residents must hold their own lease, have choice of roommates and have choice of service provider. Housing cannot be dependent upon the service provider or tenants engaging in services. In order to adhere to CMS guidance, state Medicaid agencies must communicate these requirements to local housing partners so they can be taken into account when projects and budgets are being developed. Finally, strengthening services financing through Medicaid will increase service provider capacity and increase the overall availability of supportive housing.

The Way Forward

Supportive housing allows people with disabilities who are exiting institutions and/or homelessness to live independently in integrated settings. The combination of safe, decent, affordable housing with voluntary supports that consumers choose provides a solid foundation for people to live independently and thrive in our communities. As such:

- CSH will continue our engagement with states and communities across the country, assisting with the design and implementation of *Olmstead* strategies to expand supportive housing opportunities in the community for people with disabilities. This includes improving individual assessment tools, designing new rental assistance models, helping congregate models transition to integrated models, and training providers to deliver high quality services.

- CSH will engage with communities and providers to expand supportive housing system capacity (both housing and services) to serve people with disabilities in the community.

- CSH will continue to work with our federal and state partners to support policies and expand resources furthering the goals laid out in the *Olmstead* case.

- CSH will engage state housing finance agencies and public housing authorities to explore and identify opportunities for accessing and securing rental assistance vouchers for people with disabilities, including working with public housing authorities on administrative plans that may prioritize this population.

- CSH will work to ensure that states include homeless populations as part of their Olmstead planning efforts. The *Olmstead* decision recognizes that shelters are also inappropriate settings[13] since people living in shelters are warehoused in congregate settings, sometimes for long periods. In addition, those who are unsheltered are at risk of cycle through institutionalized settings such as nursing homes, jails or mental health hospitals by virtue of their disability and their homelessness.

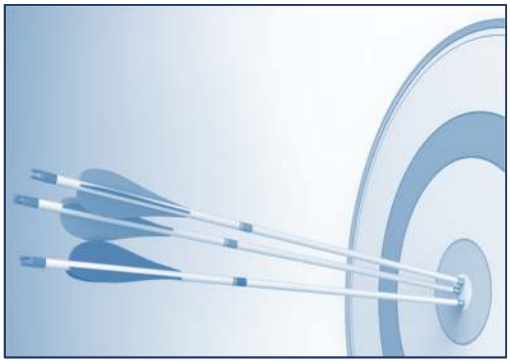
[13] *Olmstead* at 600.

This Summary Report has been prepared by consultants Matthew Doherty and Barbara Poppe, with input from the planning team for the PSH Pipeline Dialogue.

MATTHEW DOHERTY CONSULTING
Solutions for Homelessness and Housing Needs

Barbara Poppe and associates
The collective for impact

MAYOR'S OFFICE OF HOMELESS SERVICES



This Strategic Investment Plan has been prepared for the
Mayor's Office of Homeless Services
by Barbara Poppe and associates and Matthew Doherty Consulting

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