



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

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May 25, 2020

SUBJECT: New **DRAFT** Shelter Grant Program Overview – Request for Stakeholder Feedback

Comment period May 26 – June 4, 2020

Send feedback to Megan Kendig via email at megan.kendig@commerce.wa.gov

Background

ESSB 6168 (section 127, subsection 85) identifies new funding for local governments to increase local shelter capacity. The Department of Commerce Housing Assistance Unit (HAU) intends for communities to use equitable and creative approaches to develop this new program and bring people inside.

Funds will be awarded for a three-year period: August 2020 to June 2023.

The program design outlines key components for your review.

Program Design

Applicant Threshold Criteria

HAU proposes awarding funds to jurisdictions whose applications for shelter funding meet the following minimum threshold criteria.

Threshold criteria defined by authorizing legislation:

- 1) Shelter is consistent with local homeless housing plans.
- 2) Application includes an accounting of existing shelter capacity in the jurisdiction, and the net increase in shelter capacity that will be funded with the grant.
- 3) Application describes strategy for outreach to bring unsheltered individuals into shelter.
- 4) Application describes how shelters will connect shelter residents to mainstream services including behavioral health, chemical dependency, education or workforce

training, employment services and permanent supportive housing.

- 5) Shelter application includes goals and measures: average length of stay and percentage of exits to permanent destinations and positive destinations.

Additional threshold criteria proposed by HAU:

- 6) Shelter will enact strategies to ensure racially equitable access and racially equitable outcomes at exit.*
- 7) Shelter rules and policies do not include pre-conditions for receiving shelter, are narrowly focused on maintaining a safe environment for residents and the community and avoiding exits to unsheltered homelessness.*
- 8) Shelter staff are trained and implement trauma informed care.
- 9) Shelter residents are provided with housing stability focused services, including diversion and problem solving.*
- 10) Shelter will be available for occupancy by December 2020.

*See “Definitions” section for additional details.

Eligible Jurisdictions

Counties and cities are eligible to apply for funds.

To receive the maximum funding, counties and cities with a population greater than 25,000 must apply jointly with the intent to serve the entire county.

Cities or counties that are unable to submit a joint application may submit individual applications, and will receive less funding.

Nonprofit organizations are not eligible to apply.

Funding Formula

Because every community in the state needs shelter capacity, funds will be set aside by formula for each county and larger city in the state.

Coordinated Community Applicants

Counties and every city in the county with a population of more than 25,000 applying jointly who meet threshold criteria will receive 100% of allocated formula funding, calculated based on funding available divided by population of county.

Stand Alone Jurisdiction Applicants

If the county and each city with a population of more than 25,000 do not submit a joint application, the county and cities with a population of more than 25,000 may apply individually. The combined funding of all eligible Stand Alone applicants will total 80% of the amount that would have been awarded to Coordinated Community Applicants, incentivizing coordination between jurisdictions in a county.

After initial awards to Coordinated Communities and Stand Alone applicants, any remaining funds will be distributed proportionately to Coordinated Community Applicants, further incentivizing community coordination.

There will be no local match requirement.

Scope of Work and Housing Focus

Shelter programs will bring unsheltered people inside with the goal of exiting participants to permanent housing quickly.

Performance measures will focus on increasing percent exits from shelter to permanent housing and positive outcomes.

Eligible Types of Shelter

For the purpose of this grant, shelter facilities are defined as:

- Emergency Shelter Facility: a building locally permitted to provide emergency shelter for people experiencing homelessness. Examples include: re-use of existing buildings and new buildings. This designation requires a certificate of occupancy issued by the local jurisdiction.
- Temporary Shelter Site: structure(s) or location locally permitted to provide temporary shelter for people experiencing homelessness. Tents or “tent cities” are an example of a temporary shelter. This designation requires use approval, as required by local jurisdiction. This could be conditional or temporary use permits, or zoning letter stating approvals required.

Given the context of COVID-19, traditional models of congregate shelter services may not be appropriate. For not only this reason, sites utilizing temporary shelter structures referred to as “tiny shelters” or “tiny homes” are allowable, in addition to other models proposed that meet minimum standards of safety and dignity.

All shelters must implement applicable COVID-19 Washington State Department of Health recommendations and Centers for Disease Control and Prevention COVID-19 Guidance for Shared or Congregate Housing. Shelter facilities must obtain approval by the relevant local public health jurisdiction, Public Health Officer, County Medical Director or Department of Public Health Director prior to occupancy of shelter.

Eligible Costs

The department will reimburse up to \$56 per day per net additional person sheltered above the baseline of shelter occupancy prior to award of the funding.

Eligible uses of funds include: shelter operations, shelter maintenance, shelter rent, loan repayment, case management, navigation to other services, efforts to address potential impacts of shelters on surrounding neighborhoods, capital improvements and construction and outreach directly related to bringing unsheltered people into shelter.

The department will reimburse up to \$10,000 per shelter bed prior to occupancy for costs associated with creating additional shelter capacity or improving existing shelters to improve occupancy rates and successful outcomes. Eligible costs prior to occupancy include acquisition, construction, equipment, staff costs and other costs directly related to creating additional shelter capacity.

The department will reimburse for new beds created on and after January 1, 2020.

Definitions

Rules and Policies

Shelter programs must have realistic and clear expectations. Rules and policies must be narrowly focused on maintaining a safe environment for residents and the community, and avoiding exits to homelessness. Shelter programs must have flexible intake schedules and require minimal documentation. At the minimum, people must not be not screened out based on the following criteria:

- Having too little or no income
- Having poor credit or financial history
- Having poor or lack of rental history
- Having involvement with the criminal justice system
- Having active* or a history of alcohol and/or substance use
- Having a history of victimization
- The type or extent of disability-related services or supports that are needed
- Lacking identification or proof of U.S. Residency Status
- Other behaviors that are perceived as indicating a lack of “housing readiness,” including resistance to receiving services

Shelter programs must not have work or volunteer requirements. Programs that require participants to pay a share of rent must allow reasonable flexibility in payment. Participants must not be terminated from the project for the following reasons:

- Failure to participate in supportive services or treatment programs
 - Failure to make progress on a housing stability plan
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- Alcohol and/or substance use in and of itself is not considered a reason for termination (does not apply to sobriety/recovery focused shelter)*

*Each county should provide access to shelter that is realistically accessible to the diversity of people experiencing unsheltered homelessness. For many people, sobriety-based shelter is appropriate as they work to address dependence. Research is clear that some people will not be able to maintain sobriety, even with the threat of becoming unsheltered, and as a result would be ejected into unsheltered homelessness if sobriety-based shelter is the only option. As a condition of receiving this funding, jurisdictions will be required to provide shelter options that do not require sobriety as a condition of program enrollment proportionate to the requests for such placements.

Diversion

Diversion is a creative problem-solving approach to help people resolve their housing crisis, ideally before entering the crisis response system. Diversion uses exploratory conversations to help people identify realistic housing options based on their own resources. Diversion is often accompanied with short-term services including one-time financial assistance.

Diversion approaches will be utilized prior to program entry and throughout a participant's shelter stay.

Housing Stability Focused Services

Housing case management is driven by the needs of the participant, is flexible, uses a strengths-based approach and is focused on obtaining and maintaining housing.

Supporting shelter participants with move-in costs and other flexible funds will be allowable costs, if those costs directly help participants exit homelessness and obtain housing. Flexible funds will be reimbursed as part of the \$56 per day reimbursement rate paid for people while in shelter.

Outreach services to people living on the street or in encampments with the goal of bringing them inside will be allowable.

Racially Equitable Access and Services

Shelters will be required to develop and implement strategies to prevent racial inequities in who is served and program outcomes. Strategies must include policies and procedures that promote:

- Hiring and promoting both frontline and management staff who reflect the racial, cultural and language demographics of the population being served.
 - Implementing inclusive programming by intentionally seeking and utilizing input from the population being served.
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- Creating access points to shelter in locations frequented by underserved populations, including people of color.

Other strategies may include:

- Ensuring shelter program prioritization criteria equitably takes into account the experiences of all populations, including people of color.
 - Ensuring shelter program eligibility criteria does not unintentionally screen out people of color and further racial inequity.
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