AGENDA AND NOTICE OF A PUBLIC MEETING OF
THE POLICY & PLANNING COMMITTEE
COMMISSION COMMITTEE CHAIR: Flora Gil Krisiloff
COMMITTEE MEMBERS: Ramona Ripston, Kerry Morrison (Alt), Mike Neely (Alt)

Friday, October 19, 2012
10:00 a.m.
or immediately following the adjournment of the 9:00 a.m. Programs & Evaluation
Committee Meeting.

Location:
Los Angeles Homeless Services Authority
811 Wilshire Boulevard, 6th Floor
Los Angeles, CA 90017

AGENDA NO.  ITEM AND DESCRIPTION  PRESENTER  PAGE

1.0 Review and approve minutes of meeting of the Policy & Planning
   Committee held September 21, 2012.  Commissioner Krisiloff

2.0 Update on the status of Federal, State, and Local Policy.
   2.1 Review letter in response to HUD Continuum of Care Interim
       Regulations and recommend for Commission Chair signature.
   Jerry Hittleman

3.0 Update on 2013 Greater Los Angeles Homeless Count.  Mark Silverbush

4.0 Public Participation
   Each Public Participant speaker is limited to three (3) minutes and may address any topic
   within the Commission’s jurisdiction. A Request to Speak Form must be filled out and
   submitted to the Secretary prior to the beginning of Public Participation. Subject to the
   total 20-minute period, each Public Participation speaker is limited to three (3) minutes.

Adjournment

Packets of materials on agenda items are available to the public during normal business hours at 811 Wilshire Boulevard, 6th Floor, Los Angeles, CA 90017. For further information, you may call 213-683-3333. Upon request, sign language interpreters, materials in alternative formats and other accommodations are available to the public for LAHSA meetings. All requests for reasonable accommodations must be made at least three working days (72 Hours) in advance of the scheduled meeting date. For additional information, contact LAHSA at (213) 683-3333 or TTY (213) 553-8488.
The Los Angeles Homeless Services Authority (LAHSA) Policy & Planning Committee meeting held at 811 Wilshire Blvd, 6th Floor, Los Angeles, California was called to order at 10:54 a.m. by Commissioner Krisiloff.

**Attendance**

LAHSA Commissioners Present:
- Flora Gil Krisiloff (Chair)
- Kerry Morrison (Alternate)

LAHSA Commissioners Absent:
- Ramona Ripston

LAHSA Staff:
- Michael Arnold, Executive Director
- Eileen Bryson, Board Liaison
- Mark Silverbush, Policy & Planning Analyst
- Lisa Snyder, Sr. Policy & Planning Analyst
- Clementina Verjan, Policy & Planning Manager

**Call to Order/Roll Call/Establishment of Quorum**

Roll was called and a quorum was established at 10:54 a.m.

**1.0 Review and approve minutes of meeting of the Policy & Planning Committee held August 17, 2012.**

**Motion:** Commissioner Morrison moved and Commissioner Krisiloff seconded approval of the minutes.

**Public Speaker(s):** There were no public speakers.

**Action:** The motion passed unanimously.

**2.0 Update on the status of Federal, State, and Local Policy.**

Lisa Snyder, Sr. Policy & Planning Analyst, gave the report:

- **Federal**
  - USICH Amendment to Opening Doors, Federal Strategic Plan will be reported on in full detail at next month’s meeting.

- **State**
  - AB2266 aimed at reducing costs of high frequent users of hospitals was tabled because the California State Department of Healthcare Services opposed the bill.
  - There will be an October 4 conference on youth in Sacramento. Staff will send out information when it is received.

**Public Speaker(s):** There were no public speakers.

**3.0 Overview of HUD Continuum of Care (CoC) Interim Regulations.**

Michael Arnold, Executive Director, gave the report:

- The Executive Director gave information on the HEARTH CoC interim rules and explained new key definitions.
Policy and Planning Committee

Minutes of September 21, 2012

- Subpart B requires establishment of a Continuum of Care, Board, and defines Board composition, including a homeless or previously homeless member, operation of the CoC, designation of a single HMIS, coordinated CoC planning, application of funds, and designation of Unified Funding Agency. The requirements also apply to all sub-recipient (all nonprofits).
- Subpart C talks about the application and grant award process, eligible applicants, appeal process, excludes public housing authorities (PHAs) as applicants, but requires all rental assistance be paid by PHAs, maximum award amounts (may be most detrimental to the Los Angeles area as the pro-rata need calculation does not change), renewal burden includes Shelter+Care (S+C), applies fair market rental adjustments and may add amounts for CoC planning, UFA payments and bonus amounts.
  - The change eliminates approximately $6.5 million in funding available for new projects.
  - Applying for and awarding funds has not changed.
  - S+C and SHP and Safe Havens may be grandfathered.
  - Eligible renewals may be renewed for a year even if the project doesn’t receive a fundable score.
- Subpart D talks about program components, eligible activities for permanent and transitional housing, supportive services only, HMIS, homeless prevention (only for high performing communities), restrictions on combining funds, appeals, and sanctions.
- Subpart E describes high performing communities.
- Subpart F describes program requirements, match requirements, 25% cash or in-kind match required, housing quality standards, agency governance participation of homeless individuals, agreement to take part in supportive services by client and termination of assistance.
- Subpart G defines grant administration standards.

Public Speaker(s): There were no public speakers.

3.1 Review letter in response to HUD Continuum of Care Interim Regulations and recommend for Commission Chair signature.
Lisa Snyder, Sr. Policy Analyst, gave the report:
- Staff explained the issues commented on and areas of clarification requested in the draft letter.
  - LAHSA received seven comment letters from providers, two specifically requested exemption for domestic violence providers.

Commissioner Morrison wants to review the letter more closely. Commissioner Krisiloff thinks the letter is a great draft and suggests that staff look at the NAEH comments.

Staff will send new draft of letter to the full Commission when it has been refined.

Public Speaker(s): There were no public speakers.

4.0 Update on 2013 Greater Los Angeles Homeless Count.
Mark Silverbush, Policy & Planning Analyst, gave the report:
- Staff has sent letters to all city managers and mayors in the CoC and reached out to many stakeholders.
- Staff showed the new website resource – theycountwillyou.org.
- Staff shared current participation by cities and communities for the Opt-In Program. Signing up means that the city/community will provide volunteers but LAHSA does the rest of the work – training, organizing and providing materials.

Public Speaker(s): There were no public speakers.

5.0 Report on Los Angeles Continuum of Care Quarterly Meetings.
Clementina Verjan, Policy & Planning Manager, gave the report:
- Staff informed the community on the new HUD regulations, how they play a role in the CoC process, and a better coordinated effort in the planning process with other funding partners.
- The next meetings are in October/November and topics will include a presentation by United Way, the 2013 Homeless Count, and updates on County initiatives, the Coordinated Assessment and Intake System for Individuals and the focus group meeting with youth providers.
- Commissioner Krisiloff would like additional information on the chronically homeless housed in Permanent Supportive Housing added to the next agenda.

Public Speaker(s): There were no public speakers.
6.0 Presentation of Case Studies from Hollywood: How the System Fails our Chronically Homeless Mentally Ill Neighbors; Policy Implications for LAHSA’s Consideration.
Commissioner Kerry Morrison gave the presentation:

- The Commissioner would like to take this report to the full Commission.
- Commissioner Morrison shared that she regularly sees many individuals in Hollywood who don’t look as if they will be housed soon.
- Submitted three important questions:
  - Housing first
  - Incentive
  - How is health impacted
- Presented case studies
  - 54 year old female who has money, and has been hospitalized twice against her will. She spoke with her last week.
  - 22 year old male from a wealthy Arizona family. The client returned to Arizona and came back improved, but disintegrating again.
  - 36 year old male, double amputee who is on the homeless registry in Santa Monica, Pasadena and Hollywood.
- Would like permanent supportive housing in Hollywood, but these people won’t be helped because they won’t sign the mental health form.
- Involuntary hospitalization may be necessary so that individuals can get help.
- Commissioner Krisiloff thanked Commissioner Morrison for bringing this to the committee. These are the individuals that are targeted by Supervisor Yaroslvasky. It is difficult to determine the proper level of services for this population. They may not be the most vulnerable but most severely mentally ill.

7.0 Public Participation

Public Speaker(s): There were no public speakers.

Adjournment
The meeting was adjourned at 12:15 p.m.
October 19, 2012

Ms. Helen R. Kanovsky  
Regulations Division  
Office of General Counsel  
U.S. Department of Housing and Urban Development  
451 7th St. S.W. Room 10276  
Washington, D.C. 20410 – 0550

RE: Docket No. FR–5476–I–01: Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program

Dear Ms. Kanovsky:

On behalf of the Commission of the Los Angeles Homeless Services Authority (LAHSA), I would like to thank the Department of Housing and Urban Development (HUD) for its commitment to preventing and ending homelessness and for moving quickly as possible to develop the new proposed Continuum of Care (CoC) Program.

Moving forward during these challenging economic times, our primary concern is that the new CoC rule in fact strengthen the HEARTH Act’s four fundamental goals of moving from a focus on: (1) individual programs to local systems; (2) activities to outcomes; (3) shelter to housing and prevention; and (4) rapidly re-housing then stabilizing. LAHSA’s goal is to ensure the new rule does not result in any unintended consequences that will in any manner impede our ability to match homeless individuals and families with the most appropriate resources to meet their needs and quickly move them into stable housing.

As the lead agency for the LA CoC, our primary role is to manage the effective and efficient utilization of federal and local funding to prevent and end homelessness. In Los Angeles County, over 51,000 people are estimated to be homeless nightly. And, more than 28,000 men, women and children – a staggering 63% of our homeless population – have no options for shelter on any given night.

Comments and Recommendations on the Proposed Rule

New Funding Formula

We urge HUD to adopt a new funding formula that is based on factors that correlate directly with the causes of homelessness and indicators of need for grant funding. As stated above, research demonstrates that poverty, coupled with the housing market conditions related to the availability of affordable housing and overcrowding, are the major structural determinants of homelessness. We suggest HUD to consider creating a new McKinney-Vento funding formula that utilizes these factors.

A new formula based on the factors which consistently correlate with homelessness – poverty levels, housing rent burden, and rates of overcrowding – are collected for all metropolitan areas through the U.S. Census Bureau’s American Community Survey. Therefore, we recommend that HUD create one formula for all metropolitan regions rather than continuing to use multiple formulas.

G. Michael Arnold  
Executive Director  
Board of Commissioners

Elise Buik  
Chair  
Larry Adamson  
Vice-Chair  
Flora Gil Krisiloff  
Kerry Morrison  
Michael Neely  
Owen Newcomer  
Louisa Ollague  
Booker Pearson  
Ramona Ripston

Administrative Office  
811 Wilshire Blvd.  
6th Floor  
Los Angeles, CA 90017  
213 683.3333 - PH  
213 892.0092 - FX  
213 553.8488 - TY  
www.lahsa.org
The Community Development Block Grant (CDBG) formula currently used to determine the level of Continuum funding provided to communities does not correlate with the causes of homelessness. The CDBG formula was developed in the 1970s to measure urban blight. The formula was not intended to measure levels of homelessness and therefore includes multiple factors that do not correlate with the causes of homelessness or indicators of need for homeless assistance grants. Factors such as age of housing stock and population growth lag are not correlated with homelessness and should not be used to determine the level of funding a community receives to address homelessness.

As we contend with the reality of limited resources, we must ensure that future funding be distributed based on where it will have the greatest impact, based on current factors. A single formula that incorporates poverty, housing rent burden, and overcrowded housing will ensure that we address homelessness in the most effective way possible.

Implementation Timelines

There are several elements of the new regulations which require significant changes in policy and practice for LAHSA as the lead agency of the CoC, as well as for our subrecipients. However, the interim rule only provides a timeframe for compliance in §578.5(c) for establishing the board in §578.5(b). We suggest HUD provide a timeframe for compliance deadlines, and/or benchmarks for significant completion for the following:

- §578.7(a)(8): Centralized or Coordinated Assessment System;
- §578.85(c): Timeliness Standards – Distribution; and
- Performance Measures for CoCs and Subrecipients.

Comments and Recommendations on HUD’s Specific Requests

1. **§578.3 Definitions**: Requiring a lease for a term of at least one year to be considered permanent housing

   HUD’s regulatory definition of “permanent housing” states: “The term ‘permanent housing’ means community-based housing without a designated length of stay, and includes both permanent supportive housing and rapid re-housing.” Additionally, in the regulatory definition of “permanent housing,” HUD clarifies that to be permanent housing, “the program participant must be the tenant on a lease for a term of at least one year that is renewable and is terminable only for cause.”

   In general, we agree with HUD’s assessment that requiring a lease of at least one year that is renewable and terminable only for cause assists program participants in obtaining housing stability. However, we have some concern this requirement may exclude housing situations where standard practice by landlords is to rent for shorter terms, which is common in many communities within the LA CoC. Under Section 8, where HUD funds subsidize rent are committed for a year, landlords should have no objections to the lease term, however partnering with landlords in areas where the norm is for shorter rental durations, this is unlikely.

   Additionally, there are many situations where a person (e.g., a chronically homeless person or transition age youth) leaving homelessness would prefer and be better off with a shorter term or month to month lease. We also want to ensure that we do not preclude appropriate and desirable group living situations where some individuals would not usually be in a direct leasing relationship with the property owner.

   In the final rule, HUD should consider giving CoCs the discretion to determine the appropriate lease term depending on individual program design, which will have already incorporated the prevailing area’s rental market practices.
2. **§578.5(b) CoC Board:** Requiring CoCs to have a board that makes the decisions for the Continuum, and additional specific requirements for the composition of that board enumerated in the preamble on page 45427.

We appreciate the requirement for the CoC to have a formal board that acts on behalf of the CoC. However, to implement the additional requirements that HUD has proposed, such as the requirement that the Board be composed of an uneven number of members who serve staggered terms may create particular challenges around existing board construction and governance, and may take more than two years for established CoCs, especially those formed by the local joint powers government authority, such as the LA CoC. We suggest HUD insert the option of an extended timeframe for compliance, on a case-by-case basis, with provisions for regular status updates to HUD.

3. **§578.7(a)(8) Responsibilities of the CoC:** Impact requirements for a centralized or coordinated assessment system may have on victim service providers. The CoC must develop a specific policy on how its system will address the needs of individuals and families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, or stalking, but who are seeking shelter or services from non-victim service providers.

LAHSA commends HUD for its planned requirement for CoC recipients to develop and implement a coordinated assessment system. We agree that such a system will help communities to more efficiently and effectively match households with the most appropriate resources to meet their needs and, in the process, improve overall system efficiency.

Implementing a centralized and coordinated system in the LA CoC – an area spanning 4,000 square miles with 85 cities and four CoC jurisdictions – will not be easy. We suggest that HUD provide a flexible timeframe for the design and implementation process to accommodate the unique challenges faced by large and diverse CoCs. We would also request the same flexibility in developing the required written standards for providing CoC assistance.

LAHSA recommends that HUD clearly specify what implementation and operational expenses are allowable costs under the CoC programs to facilitate effective planning.

In response to HUD’s request for feedback on implementing the requirements in a way that will protect victims of domestic violence, we suggest HUD exempt victim service providers from participating in the new centralized system requirements. HUD may also want to create a working group of CoCs, victim service providers, local domestic violence councils (e.g., LA County Domestic Violence Council) and other relevant experts to obtain the most comprehensive input possible.

4. **§578.17(a)(4) Application and Grant Award Process:** Method to reduce the total amount required to renew all projects eligible for renewal in a particular year, for at least one year, for each CoC when funding is not sufficient to renew all projects nationwide for at least one year.

In lieu of imposing reductions across the board for all CoCs when the total amount required to renew all projects needs to be reduced, HUD should make a proportional reduction based on factors that correlate directly with the causes of homelessness and indicators of need, then give CoCs discretion as to how and where to apply the reduction to their programs. Research demonstrates that poverty, coupled with the housing market conditions related to the availability of affordable housing and overcrowding, are the
major structural determinants of homelessness. We suggest HUD use these factors when funding is not sufficient to renew all projects nationwide.

5. **§578.37(a)(1)(ii)(F) Program Components and Uses of Assistance**: While HUD’s experience with the Supportive Housing and Shelter Plus Care programs is the basis for HUD’s determination to require case management for some initial period after exiting homelessness, HUD specifically welcomes comment on other experiences with monthly case management.

Although evidence from the LA CoC’s Homeless Prevention and Rapid Rehousing Programs (HPRP) demonstrate that housing stabilization services are needed to reduce recidivism, LAHSA recommends that HUD remove the requirement that program participants meet with a case manager on a monthly basis, and instead leave it to recipients to determine the precise amount of case management that each program participant needs on a case-by-case basis. The performance incentives built into the CoC program, along with technical assistance from HUD and the expressed desires of program participants will drive programs toward making the most effective decisions in this regard. Monthly case management meetings may strengthen results for some program participants, but may also be unnecessary or possibly counterproductive for others.

In many instances, case managers may be duplicative of other casework associated with additional forms of assistance that program participants are receiving. Particularly where only short-term assistance is provided, the requirements that program participants meet with case managers regularly could result in allocating precious resources toward case managers that could more effectively be used to provide financial assistance to additional households in the community.

6. **§578.75(b) Housing Quality Standards**: Alternatives to inspection required by section §426(g) of the McKinney-Vento Act of each unit that may be less burdensome but ensure that the housing provided to a program participant is decent, safe, and sanitary.

HUD should explore ways to use a provisional move-in system, such as some communities have used with the HUD-VASH program for homeless veterans, in order to allow more rapid placement while still protecting the interests of HUD, tenants, and landlords. Additionally, the flexibility of the provisional move-in system, particularly for short-term rental assistance, would ensure homeless families and individuals are housed as quickly as possible.

7. **§578.93(e) Prohibition Against Involuntary Family Separation**: HUD specifically seeks comments from Continuum of Care-funded recipients about the difficulty that recipients are going to experience, if any, in implementing the requirements of §578.93 (e), which addresses the prohibition of involuntary family separation, i.e. denial of housing to families with children under 18 of any gender, especially for projects where the current policy is to deny the admittance of a boy. In addition to comments about the difficulties, HUD invites communities that have already implemented this requirement locally to describe their methods for use in HUD’s technical assistance materials and for posting on the HUD Homeless Resource Exchange.

The LA CoC strongly supports the prohibition against involuntary family separation and has recently adopted and incorporated this prohibition as policy and as a special condition in all family shelter and transitional housing contracts executed as of April 2012. Additionally, we are requiring that all family shelters accommodate any family composition unless there is a justifiable reason why the agency cannot do so. We are currently working with family providers to determine if implementation of this prohibition...
will present any significant challenges for them. LAHSA would be willing to share our experiences and outcomes in the appropriate forum.

Additional Comments and Recommendations on the Proposed Rule

§578.17 (a) and (b) Application and Grant Award Process – Formula and Calculating CoC Maximum Award Amount

We understand the need to combine the Supportive Housing Program (SHP) and Shelter Plus Care (S+C) into one program. However, we are concerned that there will not be enough funding for new projects. We also recognize the need to reallocate funding from programs that are poorly performing. LAHSA is beginning this process by evaluating the performance of all CoC project renewals in 2012. This includes both LAHSA and HUD direct grantees. Evaluations this year will establish a baseline for future performance evaluation. Until this process is complete, the bonus money will be our only source of new funding.

In order to determine what the Final Pro Rata Need (FPRN) for a CoC is, the Fair Market Rent (FMR) must be a known factor. Currently the entire NOFA is submitted based on the FMR of the prior year, with adjustments being made after the NOFA is closed. Last year, the FMR we utilized went down, resulting in funds that could have been applied to the new awards submitted being wasted. So that a CoC has as much information available to it during the NOFA process, we suggest that the FMR in effect when the NOFA is released be the FMR that is used to make the awards.

§578.37(a)(1)(ii) Program Components and uses of Assistance – Rapid Rehousing

HUD should clarify the last sentence of the introductory portion of this subparagraph which lists some parts of the regulations that will or will not apply to short- and medium-term rental assistance. If it is HUD’s intent that short- and medium-term rental assistance is not subject to any parts of §578.51 other than those specifically listed as applying, HUD should clarify this in the final regulations.

§578.37(a)(3) Program Components and Uses of Assistance – Supportive Services Only (SSO)

Will this provision disallow SSO providers that also have units from providing supportive services to the program participants in those units? HUD should allow SSO providers to demonstrate that HUD is not paying for the housing units in question.

§578.53(a)(3) Supportive Services

Allowing continued services to people for the first six months after they leave homelessness for permanent housing continues to be a practice that stabilizes people and prevents returns to homelessness. Therefore, this is an important provision.

§578.53(e)(8)(B) Supportive Services – Eligible Costs: Credit Counseling

HUD should clarify “resolving personal credit issues”, as was done in the HPRP rules that this does not include the payment of personal debt.

§578.73 Matching Requirements

The HEARTH Act contemplates that the matching requirement will apply only to the entire CoC, not to each individual recipient. This is a significant aspect of moving towards system-wide integration. It will also facilitate funders such as state mental health departments to participate in efforts to end homelessness. We recommend HUD provide the required timeframe for determining the match. We suggest it be based on the fiscal funded year attached to the NOFA.
§578.85(c) Timeliness Standards – Distribution
Requiring that funds be distributed to subrecipients in advance of expenditures by the subrecipients will increase the burden of accountability on the responsible entity for those funds, and increase the liability of misuse of the funds or fraud. We recommend that HUD continue to allow payment of expenses on a cost reimbursement basis.

Recommendations for Additional Guidance and Training from HUD

Recognizing that the regulation may not be the appropriate vehicle for some additional guidance/clarification or training, we recommend HUD provide such for the following topics:

- Recommendations and guidance regarding ways in which recipients can move toward performance-based contracting.
- Clarification of HUD’s expectation that recipients should adjust their performance standards according to risk.
- Guidance on how best to incentivize innovative program design to address the unique needs of high barrier populations.
- Specific guidance and recommendations as to how this rule can be implemented to meet the needs of victims of domestic violence.
- Guidance on new HMIS requirements – specifically on prevention strategies, formulas for calculating recidivism and mean length of stay. We would also like clarification on the requirements for “service volume coverage rate.”
- Guidance on how large CoCs, like Los Angeles, logistically incorporate the new component of homeless populations into the Point in Time (PIT) Homeless Count.
- Guidance on performance measurement and training to develop a Shelter Plus Care evaluation tool.

On behalf of the Los Angeles Continuum of Care, we thank you again for your focus on these critical issues. Homelessness is a solvable problem. We look forward to continuing to work closely with HUD on solutions which will prevent and end homelessness in Los Angeles and all the other communities across our nation.

Sincerely,

Elise Buik
Chair, LAHSA Commission