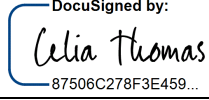


Policy Title	Detroit CoC Policy - Providing a Letter of Support for Permanent Supportive Housing (PSH) Development Projects
Date Developed/Revised	February 19, 2015/April 9, 2015/November 20, 2016/January 9, 2017/May 22, 2018/November 2019/August 2020/March
Date Adopted by Detroit CoC Board of Directors	March 6, 2023
Signed (Detroit CoC Board Chair)	 <small>DocuSigned by: Celia Thomas 87506C278F3E459...</small>
	Dr. Celia Thomas

Policy Target Audience

New construction or rehab Permanent Supportive Housing (PSH) Development Teams that are seeking a Letter of Support (LOS) from the Detroit Continuum of Care (COC) and the signature of the local Coordinated Entry System (CES), also called the Housing Assessment and Resource Agency (HARA). This includes developers applying to City of Detroit HOME and Michigan State Housing Development Authority (MSHDA), including but not limited to HOME, Low Income Housing Tax Credit (LIHTC), Gap Financing, etc.

Acronyms and Definitions

PSH	Permanent Support Housing
LITHC	Low-Income Housing Tax Credit
CoC	Continuum of Care
CoC Lead	CoC Lead Agency
CES	Coordinated Entry System (CES), also called the Housing Assessment and Resource Agency (HARA)
LOS	Letter of Support
PSH Project	A specific PSH project seeking a Letter of Support
Review Committee	The committee charged by the Detroit CoC Board to review PSH Projects to determine if a Letter of Support will be awarded.
PSH Team	PSH Development Team is the partners that are requesting LOS, typically include the developer, service provider, and property management.
HMIS	Homeless Management Information System -

Purpose

<p>The Detroit CoC's PSH LOS Policy aims to set the expectations and process to determine support for PSH Projects in Detroit, Hamtramck, and Highland Park. A LOS is not guaranteed.</p>			
<p>→This process is required to receive a LOS for the City of Detroit HOME and/or MSHDA applications</p>	<p>→If applying for both HOME and MSHDA, the process is to be completed only one time.</p>	<p>→This process will also be utilized to determine support and signature from the local CES/HARA as required by MSHDA.</p>	<p>→If a LOS is provided for a PSH project, that support is valid for one year from the date of the letter, unless there are significant project changes.</p>

This policy is intended to promote and align with the CoC's goal of ending homelessness in Detroit, Highland Park, and Hamtramck. The development of high-quality PSH units for households experiencing homelessness is a priority for the CoC. However, the CoC realizes that there are limited resources to develop PSH. The CoC wants to ensure that PSH projects receiving support are committed to creating high-quality housing and services for the most vulnerable based on CoC standard assessment and prioritization, ensure ongoing support to PSH tenants, and meet the requirements outlined below.

Each year, the Detroit CoC receives numerous requests for LOS and this policy has been established to:

- Evaluate the PSH Project's alignment with the CoC's values, priorities, and needs.
- Ensure the CoC has the necessary information about the PSH Team and PSH Project.
- Ensure the CoC has adequate time to review PSH Project materials and compose a LOS.

The policy is designed to ensure coordination among the CoC, City of Detroit, Detroit CES, and PSH development teams. As such, a CES staff person is a member of the Review Committee and this process will determine the support of the local CES/HARA, as required by MSHDA.

PSH Project Requirements

To receive a LOS, PSH Teams must demonstrate through submitted materials and presentation a commitment to the following requirements:

Requirement	Explanation	Supporting PSH Projects Materials
Submit PSH Project Summary & Timeline	Project Summary that includes: project name and vision, address/location, Total Units number of PSH and Affordable Housing units and bedroom breakdown, project amenities, PSH service philosophy/approach, targeted SH population, PSH tenant goals and project timeline	<ul style="list-style-type: none"> Project Summary
PSH Project Team	PSH Development Team Members (Name, Title, Org., Email, & Phone Number: <ul style="list-style-type: none"> Developer/Owner PSH Service Provider Property Management Agent Development Consultant 	PSH Development Team Member Contact Information
Align Target Population with CoC Priority and CES Prioritization	<ul style="list-style-type: none"> Serve households that: <ul style="list-style-type: none"> are experiencing literal homelessness as defined by HUD categories 1 and 4 and Have a disability (i.e. physical, mental, developmental/intellectual, substance abuse) and Align with MSHDA's preference for highly vulnerable households from local CES/HARA 	<ul style="list-style-type: none"> Project Summary Tenant Selection Plan
Commit to Referrals from CES Only	<ul style="list-style-type: none"> All PSH units, during initial lease-up and unit turnover, must be filled with referrals from CES Commit to strong coordination prior to and during lease-up to ensure the process is as seamless for applicants. This includes HCV Housing Agent, CoC CES, Property Management staff, and PSH Service Provider. 	<ul style="list-style-type: none"> Project Summary Tenant Selection Plan
Reduce Barriers to Housing	<ul style="list-style-type: none"> Reduce the screening criteria for households to access PSH units: Use the minimum screening criteria set by the project-based HCV Administrative Plan and the Tenant Selection Plan <u>cannot add additional screening criteria</u> 	<ul style="list-style-type: none"> Tenant Selection Plan
Align with Best Practices	Complete the CSH SH Quality Readiness Checklist PSH Development Teams should complete this checklist together as it relates to all aspects of the PSH projects.	<ul style="list-style-type: none"> Complete CSH SH Quality Readiness

	<ul style="list-style-type: none"> • Be honest, the responses will not impact the Letter of Support, but rather identify areas of assistance. • Share the Readiness Report • More information can be found here. • Knowledge of and commitment to Housing First and Harm Reduction 	<p>Checklist (Attachment A) and submit the CSH Report</p> <ul style="list-style-type: none"> • Supportive Service Coordination Plan • Experience of Service Provider Partner • Memorandum of Understanding
Submit Comprehensive Service Plan and Service Budget	<ul style="list-style-type: none"> • Supportive services that are grounded in housing first, harm reduction and trauma-informed are essential to quality PSH. Service budget that outlines costs to provide services, including the number of staff, supervisors, and other necessary tenant supports, and the funding sources, including confirmed and potential sources 	<ul style="list-style-type: none"> • Supportive Services Plan • Service Budget including costs and sources
Communicate and Coordinate with CoC Partners	<ul style="list-style-type: none"> • Upon receiving a funding award (HOME and/or LIHTC), the PSH Development Team must inform the CoC Lead, HAND, of the award and anticipated timeline. This must occur within 30 days following the award. • The PSH development team is expected to participate in key meetings with CoC partners to ensure clear alignment around expectations, roles, and responsibilities related to accepting referrals exclusively through CAM, and meeting the HMIS requirements. 	<ul style="list-style-type: none"> • PSH Teams will sign an MOU with CoC
HMIS Data Entry	<ul style="list-style-type: none"> • The HMIS is a critical component of our CoC and we strive to ensure accurate and complete data quality. • Any PSH development team member (i.e. service provider) that is currently entering data into HMIS* must meet the following data quality standards for all current projects: <ul style="list-style-type: none"> • At least 90% of universal data elements is completed for all clients. • Less than 25% of clients have an unknown destination when being exited from emergency shelters, transitional housing programs, supportive service-only programs, and rapid rehousing programs. (This standard is not applicable for seasonal warming centers.) • The number of active clients in HMIS programs (per the APR) is not more than 105% or less than 65% of the number of clients on the Housing Inventory Chart for the Longitudinal System Analysis (LSA) Point-In-Time dates of the last Wednesday of October, January, April and July. Exceptions 	<p>Data Quality Standards will be verified by HMIS Lead.</p>

	<p>to this standard, when appropriate, may be granted at the discretion of HAND staff.</p> <ul style="list-style-type: none">• Agency Administrators attend the majority of Agency Administrator meetings. <p><i>*This does not apply if PSH Team Members do not enter data into HMIS, this does not apply.</i></p> <ul style="list-style-type: none">• All PSH Projects receiving a LOS and awarded funding are required to enter PSH tenant-level data into HMIS. This includes identifying what PSH team member will be responsible for HMIS and ensuring that there is appropriate staffing and budgeting to support this work. Prior to PSH lease-up, the PSH Team must work closely with the HMIS team to set up the PSH project in HMIS and start onboarding staff.	
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If the above expectations are not met by PSH Projects that receive a LOS and the CoC becomes aware, the following will occur:

- Any future LOS requests from ANY of the project partners (i.e. developer, service provider, property manager), even if partnering with other entities, will require additional scrutiny and measures to ensure commitment to the expectations in the future.
- For Current PSH Projects, the PSH Project Partners will be expected to develop a plan to bring the current PSH Project in alignment with the expectations. If this does not occur, future funding and/or support could be impacted.

Advancing Race Equity & Inclusion of People with Lived Experience

The Detroit CoC vision is a collective response to prevent and end homelessness, grounded in equity, where:

- The system is led by people who have experienced homelessness and who reflect the community.
- Members of the community rarely experience homelessness, and when they do, it's for a short time and only once
- Homelessness and housing priorities are intentionally aligned for housing security.
- Housing and services are rooted in dignity.

To advance this vision, the CoC strives to support PSH Teams that are creating projects that recognize the persistent structural racism within the housing system and are committed to advancing racial equity. PSH Teams should actively work to use data-informed strategies to reduce disparities and work to create a system that promotes equitable access to housing.

Additionally, PSH Teams should meaningfully engage PSH tenants and PWLE in the housing development process. Including their voice and input into the design of the building, how services are delivered, community engagement efforts and more is

Examples of how PSH Projects have centered race equity and PWLE:

- Two or more PWLE that are part of the PSH Project Team as a key decision maker
- Focus groups and surveys with PWLE to inform during the PSH development process
- Race equity and justice are shared values for the PSH Project Team that grounds all decisions
- PSH Teams utilize a race equity impact assessment tool to evaluate key policy decisions, constantly evaluating tenant selection plans, and service plans, actively working to address disparities

PSH Projects should highlight throughout the LOS review process how they are centering race equity and including PWLE throughout the development process.

PSH Letter of Support Process

The Review Committee has been designated by the CoC Board to review PSH Projects and determine if a LOS should be provided. Due to the various and rolling application dates for resources, the Review Committee has a monthly meeting. This allows PSH Projects to start the LOS process at any time throughout the year. PSH Projects are only required to submit one time to receive LOS that is good for one year from the date on the letter.

To start the LOS review process, PSH Teams are responsible for emailing CoC Lead at coc_coordinator@handetroit.org and requesting a CoC LOS for a PSH Project. The CoC Lead will inform the PSH Team of the next Review Committee meeting date to attend.

The Review Team will look closely at the PSH Team members that were awarded funding after March 2023 to ensure compliance with the PSH expectations listed above.



1. PSH Team Engages CoC Lead and Submits Letter of Intent

- Background information:
 - To meet current MSHDA Addendum III requirements, PSH Teams must have a preliminary meeting with the Review Committee at least 60 days before submitting the MSHDA LIHTC application.
 - The PSH Development Team's responsibility is to ensure they are engaging the CoC within enough time to meet the 60-day requirement.
 - This step is also required for PSH Projects that are applying for HOME, however, the 60-day requirement does not apply.

To kick off the review process, PSH Teams must:

- Email CoC Lead at CoC_Coordinator@handetroit.org to request a LOS for your PSH Project and identify sources the project is applying (HOME, LIHTC 4% or 9%, etc.) and the expected submission date.
- Request to be on the next Review Committee Agenda
 - CoC Lead will provide the meeting information
- Submit a Letter of Intent to the CoC Lead, prior to the Review Committee Meeting

The Letter of Intent* must address the following items:

1. Project Name
2. Contact Person - Name, role, organization, email address, and phone number
3. PSH Service Partner - Organization, lead staff, email address
4. Funding source(s) the PSH project is applying and submission date:
 - City of Detroit HOME
 - 9% LIHTC
 - 4% LIHTC
 - Other funding (identify the specific funding source)
5. Address any previous PSH projects that received a LOS after March 2023, but did not meet the expectations listed above.
6. Total # of units and bedroom configuration
 - # of PSH units and bedroom configuration
 - # of Affordable Housing units and bedroom configuration

**The Review Committee understands that some elements of the project may change as the project progresses.*

2. PSH Development Team attends Review Committee Meeting

1. PSH Team attends Review Committee Meeting
2. PSH Team provides a high-level overview of PSH project.
3. Review Committee members may ask questions and provide feedback
4. Provide PSH development Team with CoC priorities, PSH expectations and the next steps to receive a LOS.
5. If the PSH project does not align with the CoC's priorities based on the Letter of Intent and initial discussion, developers will receive an email within 5 business days
6. CoC Lead will email to the PSH Team the minutes from the meeting to document the date, attendees, and key discussions to meet MSHDA requirements.

3. PSH Development Team submits PSH Project Materials

Following the Letter of Intent meeting, PSH Teams are required to submit more detailed project information. This occurs closer to when the PSH project will be submitting funding applications.

All documents outlined in the Expectation chart above must be provided. All materials must be submitted at least one week prior to the Review Committee Meeting to coc_coordinator@handetroit.org. Please clearly label all documents. If submitted late and/or materials are missing, the PSH Project review process will be delayed by a month.

4. PSH Development Team presents to the Review Committee

15-minute Presentation on the PSH Project Delivered by the PSH Development Team
Presentation must include:

- Project Name, location, number of SH and AH units and bedroom breakdown, target population
- Estimated project timeline if awarded
- Explanation of the PSH Services Plan, estimated annual cost, and sources to fund services
- Respond to the following questions:
 - What is the PSH Team's knowledge and commitment to Housing First and Harm Reduction? How will Harm Reduction be included in service delivery?
 - What was learned from completing the CSH SH Quality Readiness Checklist?
 - How will barriers be removed for PSH Applicants? How will property management and service staff work together to ensure a streamlined application and move-in process?
 - How are PSH tenants and people with lived homelessness experience involved in the development of this PSH project?
 - What does success look like for this project and the PSH residents that will live there?
- Any details the PSH Team would like the Review Committee to know

Following the presentation, the Review Committee will ask questions based on the review of the PSH project materials. The Review Committee will then determine if a LOS will be provided.

Next Steps and Coordination

Following the PSH Project Presentation, Review Committee will determine if a LOS will be provided. CoC Lead will communicate to PSH Team within five business days regarding the decision.

- **If LOS is approved**, CoC Lead will provide the LOS within 5 business days. The CES/HARA lead will email the appropriate signature needed for MSHDA Application.
 - **If a LOS is provided for a PSH project, that support is valid for one year from the date of the letter, unless there are significant project changes** including but not limited to unit composition changes of more than 10%, target population, change to the lead Service Provider, more stringent screening criteria.
 - **This process will also be utilized to determine support and signature from the local CES/HARA as required by MSHDA.**
- **If a LOS is denied**, CoC Lead will email questions and concerns identified by the Review Committee. The PSH Team can revise materials, work to address the concerns, and then request to come back to a future Review Committee Mtg. This would include resubmitting materials and presenting them to the Review Committee.

Following Funding Announcements:

- If PSH Projects do not receive funding (HOME, LIHTC, etc.) awards and plan to resubmit PSH Project applications, the LOS review process must be repeated.
- If PSH Projects receives a funding award, the PSH Team must inform the CoC Lead within 30 days of the award and the anticipated timeline.
- Annually, the CoC Lead Agency will communicate to the CoC Board the PSH Projects that received a LOS and were awarded funding including the total number of PSH and AH units and bedroom configuration, PSH Team members, and estimated timeline.

Future Policy Changes

The Detroit CoC's LIHTC Letter of Support Policy may changes based upon revisions to MSHDA's QAP and Addendum III and the City of Detroit HOME funding. The Policy is also subject to be updated based upon new information and changing needs. We expect that all PSH development teams who are issued a letter of support will adhere to the most current policies enacted by the CoC as long as it does not cause the project undue hardship. If an agency anticipates barriers in adhering to new policy requirements, they must reach out to the CoC immediately to notify them of their concerns and seek accommodations.