

These recommendations derive from the Supportive Housing Evaluation and Best Practices Reports completed for Minnesota Housing (Agency) by the Technical Assistance Collaborative (TAC) and Human Services Research Institute (HSRI).

The first report, **Best Practices in Permanent Supportive Housing (PSH)**, provides both an assessment of how Minnesota's PSH portfolio and practices compare with those of other states and with industry PSH best practices, and offers specific recommendations to improve and enhance Minnesota Housing's PSH development and performance.

The second report, **Evaluation of Permanent Supportive Housing**, examined the current state of Minnesota Housing's PSH portfolio. The evaluation included an extensive analysis of PSH tenant data from the Homelessness Management Information System (HMIS); capital funding and operating financials for PSH properties; interviews with key stakeholders in Minnesota; surveys of property management, service providers and tenants; and included input from tenant focus groups conducted around the state.

Best Practices Report: Recommendations

Minnesota Housing is widely considered a national leader in the provision of PSH through the Agency's affordable rental housing competitions. After evaluating the findings from both TAC's and HSRI's reviews of Minnesota Housing's PSH portfolio, and completing the PSH Best Practices Assessment, TAC developed the following recommendations to improve and enhance Minnesota Housing's PSH, to assist in guiding Minnesota Housing's internal work over the next five years, and to support future enhancements in the development, oversight, and assessment of PSH across Minnesota. TAC encourages Minnesota Housing to consider these strategies in order to further improve and build on the established, successful design and requirements of its PSH.

The recommendations are divided into five sections: Support PSH Development; Sustaining PSH; Monitoring, Performance, and Ongoing Support; Sustain Services; and Consumer Feedback. Each recommendation is followed by action steps Minnesota Housing is implementing in collaboration with its partners. Priority items are noted in red font.

Support Permanent Supportive Housing (PSH) Development

- 1 **RECOMMENDATION:** Sustain the existing PSH incentive structure to continue to encourage a range of PSH options including both mixed PSH and majority PSH models.

ACTION PLAN:

- a. Maintain current incentives to create PSH units for people experiencing homelessness and people with disabilities.
- b. Increased the number of scoring points in the 2022-2023 Housing Tax Credit (HTC) Qualified Allocation Plan (QAP) to create 50 – 100% PSH properties so the projects could continue to compete for HTC when other resources are limited.

- 2 **RECOMMENDATION:** Sustain and work to increase Housing Infrastructure Bond (HIB) resources and leverage federal resources (HOME, NHTF, Section 811 PRA) to sustain the scale and breadth of future PSH development.

ACTION PLAN:

- a. Applied for funds in the third round of Section 811 PRA and received 160 new units.
- b. Continue to request Housing Infrastructure Bond (HIB) resources via the governor's budget and bonding bill.

- 3 **RECOMMENDATION:** Consider an incentive within the state's Qualified Allocation Plan to encourage HTC applicants to adopt tenant selection policies that demonstrably reduce screening barriers for PSH applicants regarding criminal background and rental history/background.

ACTION PLAN:

- a. Revised the Agency's Tenant Selection Plan (TSP) Guidelines to add screening criteria for affordable and supportive housing units (for properties selected for funding in 2021 and a recommended best practice for existing units).
- b. Developed a TSP review checklist for staff and property owners to use to verify adherence to guidelines.
- c. Developing training tools for the TSP checklist.

- 4 **RECOMMENDATION:** Update Minnesota Housing's PSH proposal assessment process by incorporating a mechanism to review/assess service plans that propose the Medicaid-financed Housing Stabilization Services (HSS).

ACTION PLAN:

- a. Added the expectation to request for proposals (RFP) application materials that all providers enroll to become Medicaid HSS providers.
- b. Added Medicaid HSS to the service sets and budget.

- 5 **RECOMMENDATION:** Develop PSH fidelity standards in collaboration with key partners and stakeholders.

ACTION PLAN:

- a. The Stewardship Council (a statewide supportive housing group comprised of funders and stakeholders) has issued an RFP for a project management consultant to work with the council and PSH stakeholders to develop service fidelity standards, which includes a further goal to align service resources for supportive housing.

- b. Plan to incorporate fidelity standards into Minnesota Housing’s Service Provider Qualifications form and the Agency’s RFP and due diligence closing documents.
- c. Add standards into monitoring protocol and tools to verify adherence.
- d. Develop training and technical assistance resources.

Sustaining Permanent Supportive Housing (PSH)

6 **RECOMMENDATION:** Promote connections with housing navigation services within the Continuum of Care’s (CoC) coordinated entry (CE) system to help ensure that people referred to PSH are quickly engaged and connected to housing and supportive services.

ACTION PLAN:

- a. The new Medicaid HSS has components for assessment and transition services that can assist CE and housing navigators to stay connected with households on the waiting lists and assist them in their transition to housing.

7 **RECOMMENDATION:** Coordinate with CoCs to track, assess, and improve CE timeliness and responsiveness to fill PSH units.

ACTION PLAN:

- a. Review CE data for households on waiting lists for supportive housing and evaluate the time from referral to placement, denials, etc.
- b. Coordinate with CE and housing providers to improve processes for issues identified in the data review.

8 **RECOMMENDATION:** Collaborate with CoCs and public housing authorities (PHAs) to grow Moving On options to assist tenants to move from PSH to a market unit with tenant-based rental assistance (TBRA).

ACTION PLAN:

- a. Minnesota Housing funds a Move On rental assistance program but needs additional service resources to grow the number of units available. The Agency intends to investigate using Medicaid HSS as an option as well as other state resources that may be realigned based on the new Medicaid HSS resource.
- b. The Minnesota HUD field office is working with PHAs to use TBRA for Move On. Several metro PHAs have offered TBRA for Move On through local CoCs.

Monitoring, Performance, and Ongoing Support

9 **RECOMMENDATION:** Establish a risk-based monitoring process for all PSH.

ACTION PLAN:

- a. Hire new experienced supportive housing staff person to develop protocols and monitor supportive housing.
- b. Set up risk- based monitoring protocols for all PSH. Determine differences to consider for mixed versus 100% PSH (if any).
- c. Determine coordination between supportive housing, asset management, and compliance teams for PSH monitoring.
- d. Determine tools and data to use for risk assessment (Minnesota Housing data systems, HMIS, surveys, etc.).
- e. Conduct desk reviews of assessment information and flag risk factors to determine PSH sites that need attention. Determine type of intervention needed (collect more information, TA, training, site visit, etc.).
- f. Test new process for first year; review through continuous improvement process.

10 **RECOMMENDATION:** Develop a companion PSH monitoring protocol, assessment tools and formal feedback loop for property managers and service providers to receive results.

ACTION PLAN:

- a. Develop assessments to cover tenant outcomes, property performance, and service fidelity.
- b. Develop protocol and feedback loop (from providers and stakeholders, surveys, etc.).
- c. Establish performance committee to support continuous improvement (internal teams; Stewardship Council).

11 **RECOMMENDATION:** Conduct a supportive housing (SH) staff review every two years to keep pace with portfolio growth.

ACTION PLAN:

- a. Review portfolio and staffing as part of continuous improvement review.

12 **RECOMMENDATION:** Establish and collect standardized HMIS data to monitor and assess trends including services.

ACTION PLAN:

- a. Review and revise current data collection and report formats and processes with the HMIS administrator, the Institute for Community Alliances (ICA), and data analyst.
- b. Determine new tool to measure quality of life improvements.
- c. Develop process for using CE data/reports.
- d. Determine methodology for collecting service information.

- 13 **RECOMMENDATION:** Develop a standard set of performance measures and benchmarks to assess property performance and tenant outcomes.

ACTION PLAN:

- a. Update performance report.
- b. Determine performance and outcome benchmarks in collaboration with stakeholders; consider SH property types, populations, etc.

- 14 **RECOMMENDATION:** Incorporate a periodic review of these PSH performance results to identify system-level trends within the PSH portfolio to help inform enhancement to state PSH policy and alert Minnesota Housing/Minnesota Department of Human Services (DHS) about specific topics areas for staff training/capacity-building.

ACTION PLAN:

- a. Develop a continuous improvement process.
- b. Determine role of internal teams, leadership, Stewardship Council, and stakeholders to guide policy development and standards and develop training and resources.

Sustain Services

- 15 **RECOMMENDATION:** Support implementation of the Medicaid HSS to fully integrate the services for PSH.

ACTION PLAN:

- a. Work with DHS to help get providers enrolled and ready to provide services and billing.
- b. Survey PSH providers to identify enrollment issues
- c. Track enrollment of providers.

- 16 **RECOMMENDATION:** Create a pool of dedicated resources to provide services for households that are not eligible for Medicaid HSS or Housing Support (a state funded income supplement that pays for room and board and services for individuals with disabilities who are long-term homeless).

ACTION PLAN:

- a. The work scope of the Stewardship Council includes plans to collaborate with state agencies that will assess realignment of service funding resources as providers utilize Medicaid HSS and service standards are developed by the Stewardship Council.

Consumer Feedback

- 17 **RECOMMENDATION: Added by Minnesota Housing:** Determine options for obtaining tenant (and potential tenants) feedback to inform policies and practices.

ACTION PLAN:

- a. The new SH monitoring staff person will develop a plan and processes for obtaining regular tenant feedback.
- b. The Stewardship Council will engage consumers in stakeholder feedback focus groups.

Recommendations from the Supportive Housing Evaluation Report

Many of these recommendations are incorporated into the Best Practices recommendations (above) but are itemized here for reference as we implement actions.

Recommendation 1: Increase the availability of PSH and affordable housing

- 1.1 Sustain efforts to increase the availability of PSH through Minnesota Housing’s development efforts, to promote balance between mixed and majority-PSH housing in each region across the state.
- 1.2 Sustain and work to increase the availability of Housing Infrastructure Bond resources in order to continue efforts to create additional PSH as part of Minnesota Housing’s multi-family rental housing development and funding strategy.
- 1.3 Continue to require—and support through active monitoring of—effective tenant selection screening policies at properties to reduce access barriers related to criminal backgrounds, low incomes, no credit/bad credit, and rental histories.
- 1.4 Continue to provide to property management and owners informational materials, PSH policy guidance and periodic, sustained training opportunities on best practices related to tenant selection plans, fair housing, and reasonable accommodations.

Recommendation 2: Encourage enhanced choice of housing and services based on tenants’ needs and preferences

- 2.1 Promote a person-centered, trauma-informed, culturally competent, and Housing First orientation in the provision of PSH.
- 2.2 Encourage consistency in the service planning process and help ensure the process is tenant-driven.
- 2.3 Promote assessments to be conducted by properties and service providers to determine if they are operating PSH consistent with Housing First principles.
- 2.4 Implement additional training for property management and service provider staff on a range of topics that take into account tenants’ needs and preferences, including Housing First orientation (e.g., Housing First 101: Overview), harm reduction strategies, and progressive engagement strategies.
- 2.5 Help ensure that PSH program models are being implemented/operated with fidelity through the development and implementation of PSH Fidelity Standards across Minnesota.

Recommendation 3: Expand access to supportive services in the areas of education, employment, and transportation

- 3.1 Support the implementation with Minnesota DHS of the Medicaid-financed benefit of HSS to fully integrate these services as part of the tenancy supports offered to PSH tenants.
- 3.2 Incentivize service providers to formally link to existing employment services including evidence-based employment services in the community (e.g., Individual Placement and Support, Customized Employment).
- 3.3 Continue to promote benefits counseling to help PSH tenants understand the various gains and losses associated with different scenarios.
- 3.4 Promote coordination with Vocational Rehabilitation in the areas of education and employment.
- 3.5 Increase partnerships with education, employment, and training systems.
- 3.6 Encourage collaboration among service providers regarding offering transportation options to PSH tenants—including micro transit and sharing of vehicles and drivers in more rural areas or areas with less public transportation.

Recommendation 4: Improve collaboration with Continuums of Care/Coordinated Entry

- 4.1 Prioritize resources to fund housing navigation services within CoC/CE to help ensure that people referred to PSH are quickly engaged and connected to housing and supportive services.
- 4.2 Coordinate with CoCs to track and assess the timeliness of referrals to PSH vacancies in an effort to improve the responsiveness of the CE system.
- 4.3 Building on Minnesota Housing’s efforts with their **Step Down** pilot, collaborate with CoCs and local PHAs to expand the Moving On preference strategy statewide with local Section 8 housing choice voucher (HCV) programs in order to allow PSH tenants to transition to a tenant-based rental subsidy.

Recommendation 5: Enhance data collection systems to capture more standardized data on service availability and funding

- 5.1 Establish and collect standardized data requirements regarding properties and services provided across the PSH portfolio.
- 5.2 Establish a set of common outcome measures and corresponding benchmarks in order to assess the success of PSH across Minnesota.