



COORDINATED ENTRY DIVERSION AND HOUSING NAVIGATION POLICIES & PROCEDURES FOR THE USE OF THE HOUSING SECURITY FUND

TABLE OF CONTENTS

- Table of Contents 1
- 1. Purpose and Background 2
- 2. System Overview and Workflow 3
 - A. Client Eligibility 4
 - B. Access 4
 - C. Funding Determinations 4
 - D. Fund Disbursement 5
- 3. Eligible and Ineligible Uses 5
- 4. Roles & Responsibilities 7
 - A. Fund Holders 7
 - B. Contra Costa Health, Housing, and Homeless Services Division 7
 - C. Contracted Provider Agencies 8
- 5. Access Points 8
 - A. Diversion Services 8
 - B. Housing Navigation Services 9
- 6. Fund Determinations and Disbursements 9
 - A. Provider Agency Contracts 9
 - B. HMIS: Eligibility and Referrals 9
 - C. Disbursement Procedures 10
- 7. Special Considerations 13
 - A. Screening 13
 - B. Consumer Repayment 13
 - C. Exceptions 13
 - D. Role of CE Oversight Committee 13



1. PURPOSE AND BACKGROUND

The Contra Costa Continuum of Care (CoC) implemented the Housing Security Fund (“the Fund”) as a fund of last resort that provides a flexible source of funds to help consumers (“clients” or “renters”) who are working with CoC-participating providers to obtain and maintain long term, stable housing of their choice. Funding is provided from a variety of sources, including private donations and contributions from government agencies.

The Fund is intended to cover gaps in services available through the Coordinated Entry (CE) system for persons who are experiencing or at imminent risk of homelessness. This is a funding stream that works in conjunction with the Housing Navigation and Diversion services offered through CE to specifically target persons who do not qualify for other funding streams accessible to them as participants in Contra Costa County’s Coordinated Entry System (CES), for the purpose of rapidly housing or diverting persons from homelessness and the emergency shelter system.

The county-wide Fund has several important features and benefits, including flexible uses to fill some of the gaps in service provision for persons experiencing or imminently at risk of homelessness and uses that to encourage the broader participation of the community in addressing homelessness.

Flexible Funding with Few Limits or Restrictions

Persons experiencing or imminently at risk of homelessness or entry into the County homeless system of care working with a contracted diversion or housing navigation provider are eligible for resources in the form of services or funding for eligible uses from the Fund (collectively, “services” or “resources”). These resources are not arbitrarily limited to a certain number of instances or capped at a specific amount. Instead, Provider Agencies contracted to distribute resources from the Fund are encouraged to be flexible and creative in addressing the needs of the client and filling gaps in their service needs that may not be easily addressed through other streams of funding or Coordinated Entry (CE) providers in the system. However, to allow for the greatest impact on the largest number of clients, Fund uses in excess of certain annual amounts



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

for individuals and households are reviewed by the CE Manager for compliance with these Policies and Procedures and for system improvement efforts.

Diversion from Homelessness and County Homeless System of Care¹

While the Fund supports access to housing for persons experiencing or imminently at risk of homelessness, it is not intended to be a resource for homelessness prevention. Instead, resources from the Fund are aimed at providing quick housing stability solutions for persons at risk of becoming homeless *within the next two weeks*. This diversion from homelessness and the homeless system of care (specifically, the few available emergency shelters) is a strategy that helps persons at imminent risk of homelessness identify immediate alternate housing arrangements and connects those persons to services, which can include financial assistance. The Fund relies on both Housing Navigators and Diversion Services to make this process work. This has the added advantages of reducing the number of persons that may become homeless, the demand for shelter beds, and CoC resources.

Related Benefits for Landlords Renting to CE Clients

The Fund further supports CE clients by offering certain property owners (excluding CoC-funded housing providers who own or master lease properties) who agree to rent to CE clients limited additional protections, in the form of vacancy payments and unit holding fees. Eligible clients may also request assistance with security deposits, rental and utility arrears, or landlord reimbursement for unit damages (beyond normal wear and tear and what is covered by the security deposit) to support client efforts to acquire new housing or retain housing when imminently at risk of homelessness.

2. SYSTEM OVERVIEW AND WORKFLOW

Contra Costa's Health, Housing, and Homeless Services Division ("H3") oversees the administration of the Fund and the Contracted Provider Agencies approved to provide services

¹ Prevention is generally defined as the provision of supports and services aimed at housing retention for persons at risk of experiencing homelessness. By contrast, diversion serves persons who are currently experiencing homelessness or an imminent housing crisis, offering alternative housing situations and supports that redirect people away from homelessness and the homeless system of care.



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

and resources from the Fund. Provider Agencies contract with H3 to obtain an allotment of money from the Fund to provide flexible diversion and housing support. Resources from the Fund are available to clients through two access points: the contracted Provider Agencies.

A. Client Eligibility

All clients participating in County CoC-funded diversion or housing navigation services who are homeless or within two weeks of becoming homeless are eligible for resources to (1) obtain or move into a new rental unit, (2) maintain their current housing, or (3) support diverting them from homelessness or the homelessness response system.

Contracted Provider Agencies will make determinations about eligibility for resources. That determination will include ensuring the client first tries and exhausts all other available resources to address their housing crisis.

B. Access

The Fund is part of Contra Costa County's Coordinated Entry (CE) System. Consumers may connect to Fund resources through one of two portals:

- **Diversion Services:** Centralized diversion services divert clients in crisis from the homeless system of care through short-term counseling and financial supports, including homelessness diversion counseling, family mediation services, landlord/tenant conflict resolution, goal-oriented case management, and other services.
- **Housing Navigation Services:** Housing Navigation services aim to quickly house persons who are homeless or at risk of homelessness. Housing Navigators use a variety of tools including, housing plans and assessments, housing readiness and location assistance, referrals, close support and housing placement aftercare, as needed.

Consumers may access Diversion and Housing Navigation Services by way of referral from 2-1-1 or the CE Coordinated Outreach and Referral Engagement (CORE) teams. Access may also be available at CE access points, including designated Coordinated Assessment Referral and Engagement Centers (CARE Centers) where mobile Diversion or Housing Navigation services are provided.

C. Funding Determinations

Contracted Provider Agencies will screen all clients seeking or being referred for services. This screening must include: (1) identifying which resources for which the client is eligible and (2)



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

exhausting those resources before using Fund-sponsored resources. All eligibility information must be entered into HMIS.

Contracted Provider Agencies determine the type and amount of assistance to be provided to clients for eligible uses after ensuring all other avenues of funding for the eligible use are exhausted. For eligible uses in excess of \$3,000 per year for households comprised of an individual and \$5,000 per year for households comprised of families (annual threshold amounts), the Contracted Provider Agency must submit a request for review by the CE Manager. The CE Manager will approve, conditionally approve, or deny such funding requests.

There are no appeals to CE Manager funding determinations or denials of requests for funding. If there is a material change in circumstances, the Contracted Provider Agency may submit a new request to the CE Manager.

D. Fund Disbursement

Contracted Provider Agencies may use the funds already allocated to them per their Housing Security Fund contract with H3 to cover any eligible costs. In the event the Provider Agency lacks sufficient funding for the eligible use, the Provider Agency may request additional funds prior to the next contracting period. If the proposed use goes beyond the terms of the Provider Agency's contract or clearly defined eligible Fund uses outlined above, the Provider Agency must submit a request for review by the CE Manager.

3. ELIGIBLE AND INELIGIBLE USES

The primary purpose of the Housing Security Fund is to provide funds to assist persons experiencing or at imminent risk of homelessness with housing placement, renter retention, and consumer diversion efforts. The Fund is intended to be a flexible tool allowing contracted providers to assess the amount of funds and time necessary to address each consumer's situation. These are flexible funds of last resort—available for use by contracted Provider Agencies only after other avenues of funding and service provision for the eligible use have been tried and exhausted.

Landlords and other housing providers are not eligible to request money from the Fund. The Fund directly supports client access to housing and diversion from homelessness. The benefit of providing resources for client security deposits, rental and utility arrears, and reimbursement for repairs for damages to the client's unit, is passed on to landlords who ultimately receive the funds by way of reimbursement and stable tenancies, which serves as an incentive to rent to clients. Other Fund uses, including unit holding fees and vacancy payments, may also be used at



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

the discretion of the Contracted Provider Agencies to incentivize landlords to rent to housing navigation and diversion clients.

Similarly, there are no direct referrals to access points for purposes of receiving money. Instead, the Fund functions as a tool for contracted Diversion and Housing Navigation providers to provide services in the manner that they deem most effective for the client's needs—services, various resources, or funding other eligible uses. Therefore, any referrals to Contracted Provider Agencies will not automatically qualify the referred client for support from the Fund.

The following list describes eligible and ineligible uses of Fund resources. Any uses not specifically listed must be approved by the CE Manager. These and any future uses approved by the CE Manager must meet the threshold requirements of (1) supporting persons who are homeless or imminently at risk of homelessness from entering the Contra Costa emergency shelter system, and (2) the use must directly support **housing** the client and not be merely a preventative step to avoid homelessness or *only* tangentially related to curing the individual's or household's housing crisis.

A. Eligible Uses of Funds

Consumer Supports

- Application fees for rental unit
- Credit and background checks for rental unit
- Diversion support for persons at imminent risk (within 2 weeks) of homelessness or entry into the shelter system
- Late, unpaid, or back rent (arrears) owed to assist with qualification for new rental housing or renter housing retention for those imminently at risk of homelessness (within 2 weeks)
- Repairing damage to units beyond normal wear and tear
- Short-term rental assistance
- Utility deposits for rental unit
- Utility arrears to avoid eviction or enable qualification for new rental housing
- Security deposits, including increased security deposits, reallocated security deposits, and first month's rent to assist with move-in
- Other unique uses not otherwise classified as eligible, as approved by the CE Manager

Landlord Incentives

- Unit holding fees



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

- Vacancy payments (to incentivize the landlord to hold a unit vacated by a person placed in the unit through CES so long as the landlord agrees to rent the unit to a person working with a Contracted Provider Agency)

B. Ineligible Uses of Funds

- Prevention services (support for persons not at imminent risk of homelessness within the next two weeks)
- Mortgage payments or support (because no imminent risk of homelessness within two weeks)
- CoC-funded providers with master leases or provider-owned properties
- Funding for uses that are funded through other sources

4. ROLES & RESPONSIBILITIES

A. Fund Holders

Money for the Fund is provided by a variety of sources, including private donors, and local government agencies. The Fund is held by two entities and administered by H3 to disburse in contracted allotments to H3-specified Provider Agencies. There are no functional access, maintenance, or distribution differences between the two fund holders. Funds from both entities comprise the Housing Security Fund and will be used exclusively for all purposes outlined in these Policies and Procedures.

Contra Costa Regional Health Foundation: The Contra Costa Regional Health Foundation, a registered 501(c)(3) nonprofit, holds the money donated to the Housing Security Fund from the general public. This is administered by H3.

Health Services Trust Account: The County Health Services Trust Account is administered by Contra Costa Health Services. It is an interest-bearing account administered by H3. This account holds funds from government agencies and large contributors.

B. Contra Costa Health, Housing, and Homeless Services Division

H3 provides oversight of the Fund and the Contracted Provider Agencies using money from the Fund by ensuring funds are distributed in line with provider agency contract terms, the Contra Costa homelessness response system, and the needs and eligibility of the persons served. H3 contracts directly with Provider Agencies, which act as access points and resource distributors for services and funds allotted through the Fund.



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

H3's oversight role extends to vetting Provider Agencies for additional funding or requests for uses of funding over annual threshold amounts or approving unique uses not previously classified as eligible. The CE Manager will make determinations of permissible Fund uses not otherwise classified as eligible by administering a litmus test of the proposed Fund use. Such an examination will require the Contracted Provider to show the proposed use: (1) is intended to divert the client from the emergency shelter system, or (2) the use can directly facilitate housing the client.

H3 may approve, conditionally approve, or deny any request. H3 will also ensure the collection of data from the Fund and Provider Agencies to increase the effectiveness of the Fund and to support marketing efforts.

C. Contracted Provider Agencies

Provider Agencies contracted with H3 to provide resources from the fund will enter into a contract with H3 to receive allotments from the Fund. Those contracts may identify permissible uses and amounts of funds available for use by the Contracted Provider Agency. Contracted Provider Agencies will make determinations about the type and amount of Fund-sponsored resources to use for a client after exhausting other resources in line with annual threshold amounts unless special use or permission is received from the CE Manager.

Contracted Provider Agencies may make requests for additional funds through the Contra Costa CE Manager or H3's Chief of Operations. The CE Manager or Chief of Operations will approve or deny fund requests. While there is no appeal process for denials or conditional approvals, H3 may re-evaluate a new request if the Provider Agency can show a material change in circumstances. Provider Agencies will ensure funds are provided directly to the entity owed (e.g., Utility Provider or Landlord) and not to the client.

All Provider Agencies will be required to adhere to the Contra Costa CES Non-discrimination and HMIS policies, which are incorporated here by reference, and uphold any client and resource eligibility requirements.

5. ACCESS POINTS

The Fund is specifically for clients in need of Diversion and Housing Navigation Services. Funds for those services or related eligible resources may only be accessed by contracted Diversion and Housing Navigation service providers. Any client accessing resources from the Fund must be a client of a contracted Diversion or Housing Navigation services provider.

A. Diversion Services



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

Centralized diversion services divert clients imminently at risk of homelessness (within two weeks) from the homeless system of care. Diversion Services specializes in assisting clients with accessing and receiving health and behavioral health supports. However, Diversion Services are also equipped to support clients with time-limited case management to support clients imminently at risk of losing their housing or clients able to obtain stable housing with less traditional resources. Based on the needs of the client, Diversion services also provides referrals to resources and creative resources designed to divert persons from the homeless system of care. Diversion Services are mobile and can meet clients at a variety of locations within Contra Costa County.

B. Housing Navigation Services

Housing Navigation services aim to quickly house persons who are homeless or imminently at risk of homelessness by ensuring they are housing ready and that they have access to units that match their needs. Housing Navigators develop housing plans and provide assessments, housing readiness and location assistance, referrals, and close support and aftercare post-housing placement. Housing navigation services are mobile and available through various parts of the coordinated entry system, including at CARE Centers.

6. FUND DETERMINATIONS AND DISBURSEMENTS

A. Provider Agency Contracts

H3's contracts with Provider Agencies will outline the scope of services Provider Agencies may provide, which influence the referrals Provider Agencies may accept and service and fund determinations that Provider Agencies may make. Provider Agency contracts may impose guidelines or state with specificity the types of eligible uses the Provider Agency is permitted to fund with resources from the Housing Security Fund. For the most part, Provider Agencies are free to make fund determinations for eligible uses and provide services and resources accordingly.

B. HMIS: Eligibility and Referrals

HMIS will be used to document eligibility and accept or reject referrals. A screening tool will be used to support determining eligibility for Diversion and Housing Navigation services.

Documenting Eligibility

The Contracted Provider Agency must take appropriate steps to screen the client for eligibility for services. All eligibility determinations should be documented in HMIS. Where HMIS includes



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

fields for client, referral, use, or funding data, Contracted Provider Agencies are required to input the relevant data into HMIS.

Contracted Provider Agencies must document in HMIS all referrals that are accepted and any subsequent disbursement details, including amounts, dates of disbursement, and entity receiving payment, for each disbursement. If available, Contracted Provider Agencies are encouraged to upload to HMIS or otherwise store per CoC and CE requirements receipts, invoices, or other documentation related to the reimbursement (e.g., invoice for repairs to unit beyond normal wear and tear; bus ticket receipt for client to move in with relative, etc.).

Accepting or Rejecting Referrals

Contracted Provider Agencies may accept client referrals for services or resources from any CoC-participating provider through HMIS.

If a Contracted Provider Agency determines the referral is inappropriate or incomplete, the Contracted Provider Agency is encouraged to follow up with the referring provider or with the client before rejecting the referral. In instances where the Contracted Provider Agency decides to reject the referral, the Contracted Provider Agency must document the reason for the rejection and any subsequent referrals for the client in HMIS.

C. Disbursement Procedures

H3 will make annual disbursements of money to Contracted Provider Agencies from the Housing Security Fund. Contracted Provider Agencies are expected to use funds annually allotted to them per their Housing Security Fund contract to cover all eligible costs. In the event the Provider Agency lacks sufficient funding for the eligible use, the Contracted Provider Agency may petition H3 for an additional allotment of funds to cover the estimated costs of a specific request or any projected future requests for funding until the next allotment or contracting period is due. In the event the Contracted Provider Agency wishes to fund an eligible use in an amount in excess of \$3,000 per year for households comprised of an individual and \$5,000 per year for households comprised of families, the Contracted Provider Agency must seek approval from the CE Manager. These are annual threshold amounts that may be disbursed once to an individual or family once in a 12-month period. This is intended to ensure resources are available to the most people throughout the year.

H3 may approve, conditionally approve (e.g. approve for a different amount), or deny any request. All approvals will be funded within 10 business days of the notice of approval. While there is no appeal process for denials or conditional approvals, H3 may re-evaluate a new request if the Contracted Provider Agency can show a material change in circumstances.



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

Contracted Provider Agencies must consider the most reasonable means of diverting persons from homelessness, including the sustainability of their support and the amount of time support may be required. Contracted Provider Agencies may consider annual threshold amounts in making resource assessments.

Payments of (Rent or Utility) Arrears to Access New Housing

Contracted Provider Agencies must obtain verification of rental or utility arrears in the form of notices, invoices, receipts or other documentation. Payments or reimbursement for rental or utility arrears must be made to the landlord or agency to which the client owes the outstanding debt. Payments should not be made to the client.

Enhanced Security Deposits

Occasionally, landlords will request higher than normal security deposits due to a client's rental or credit history, based on previous experience with the client, or concerns about damages. To encourage landlord continued participation in housing persons experiencing or at risk of homelessness, Contracted Provider Agencies may use their best judgment as to what is appropriate for an enhanced security deposit. Enhanced security deposits are still security deposits. They are not intended to be windfalls or increased income for landlords. The enhanced security deposit is solely to cover any damage or repairs to the unit beyond normal wear and tear.

Security Deposit Reallocation

Under this program, a security deposit that is provided for a tenant renting from a specific landlord may be carried over to the next tenant placed through the homeless system of care in a unit with *that* landlord. The landlord will agree that any unused portion of the initial security deposit may be applied to another unit with that landlord filled through the Contracted Provider Agency. Any deductions from the security deposit must be documented by the landlord and submitted to the Contracted Provider Agency within a reasonable time after the tenant to whom the security deposit applied has moved out. The Contracted Provider Agency must maintain records of the security deposit reallocation, including (1) the remainder of the initial deposit that is being reallocated to the next tenant; (2) any additional funds provided to the landlord to supplement the existing security deposit that will eventually be included in any future reallocations; and (3) the lease term the reallocated security deposit covers for the new tenant.

Unit Holding Fees



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

In circumstances where the market does not provide for adequate affordable housing within range of the typical Housing Navigation or Diversion consumer, it may be necessary to provide a landlord with a holding fee while the Contracted Provider Agency secures a tenant match or negotiates lease terms. Contracted Provider Agencies are strongly encouraged to require the unit holding fee go towards the security deposit if the landlord agrees to rent to the matched tenant or be fully refundable if the landlord later declines to rent to the matched tenant.

Vacancy Payments

To avoid loss of the unit to market rate or other uses outside of the homeless system of care, Contracted Provider agencies are permitted to make vacancy payments to a landlord who currently or previously offered a unit for rent to a client through the Contra Costa County homeless system of care. If a tenant leaves a unit secured through funding or a program affiliated with the Contra Costa Coordinated Entry System, the Contracted Provider Agency may make a payment to the landlord of that unit for the equivalent of 30 days of rent. This payment is to incentivize the landlord to hold the unit so long as the landlord agrees to rent the unit to a person working with a Contracted Provider Agency. Housing Navigators may be used to facilitate the disbursement of these payments.

Repairs to Units

In instances where a client must pay for damages to their unit to avoid eviction within two weeks or cannot not obtain new housing and is homeless or at risk of homelessness within the next two weeks due to damages to a current or prior unit, the client may need to reimburse their former landlord for repairs.

All damage costs must first be deducted from the security deposit. If costs exceed what is available in the security deposit, Contracted Provider Agencies may use their allotted Fund resources to cover any additional costs necessary to support the client's housing retention or qualification for new housing.

When possible, the Provider Agency staff will conduct a damage inspection of the unit or obtain photographs of the damage to the unit. For damages that have already been repaired by the landlord, the Contracted Provider Agency will obtain from the landlord an invoice or receipt for the costs of the repairs. For damages that have not yet been repaired, when possible, the Contracted Provider Agency will obtain from the landlord an estimate of the costs of the repairs prior to payment for the damages.



7. SPECIAL CONSIDERATIONS

A. Screening

As the Fund is a resource of last resort, any CoC-provider agency referring a client for Diversion or Housing Navigation Services, must first ensure that all other resources available for that use, including existing CoC-funded provider services and other housing and diversion resources, have been explored and exhausted. No Fund resources may be expended without verification and documentation in HMIS that this initial screening is completed.

B. Consumer Repayment

Occasionally, consumers may experience bureaucratic delays or other challenges (e.g., payee control of client finances, state and federal assistance or benefits delays) that may risk limiting their ability to obtain housing quickly. In instances where Diversion and Housing Navigation clients experience these challenges, Contracted Provider Agencies may use resources from the Fund in advance of confirmed consumer fund availability to pay for approved uses to secure client housing. Contracted Provider Agencies are permitted to request repayment of those advanced funds from the consumer.

C. Exceptions

There are many programs in the Contra Costa County Homelessness System of Care, that support clients in need of quick and flexible housing resources (i.e., Rapid Re-housing, housing navigation support in the course of case management). For these programs, it is imperative that CoC-funded programs and services specifically for those purposes be tried and exhausted first. If there is an instance, where a client loses their housing under one of these funded programs and is otherwise eligible for Diversion and Housing Navigation services, the CE Manager Committee *may in their discretion* explore a resolution with the Diversion Services or Housing Navigation provider about services to assist the client.

D. Role of CE Oversight Committee

H3, through the CE Manager, will make final funding determinations and disbursement decisions. The Council on Homelessness CE Oversight Committee will review Fund processes and continued Fund integration into the CES. This may include reviewing aggregate policy and administrative decisions about Fund use or intermittently at regularly scheduled CE Oversight



POLICIES & PROCEDURES FOR THE USE OF THE CE HSF

Committee meetings as issues arise, assisting with troubleshooting, or updating these Policies and Procedures.