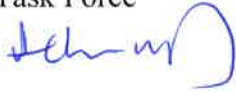




Harry Chen, ACTING SECRETARY  
DIXIE HENRY, DEPUTY SECRETARY

STATE OF VERMONT  
AGENCY OF HUMAN SERVICES

MEMORANDUM

**TO:** Department Commissioners  
**CC:** AHS Housing Director, AHS Housing Task Force  
**FROM:** Acting Secretary Harry Chen, MD.   
**DATE:** August 29, 2014  
**SUBJECT:** **AHS Review of Housing Proposals Serving Clients with Special Needs**

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**Background**

Housing developers who pursue tax credits, grants or loans through the Vermont Housing Finance Agency, Vermont Housing and Conservation Board or Vermont Community Development program may qualify for priorities or incentives with projects designed to provide quality residential alternatives for Vermonters who would otherwise be homeless or at risk for institutionalization. Depending on the model or funding source, such projects can be termed: Special Needs Housing, Supportive Housing, Service-Supported Housing or Transitional Housing.

Historically, developers have often sought project endorsement from the Agency of Human Services or its departments immediately prior to going before their prospective capital funders. Increasingly, the AIIS is being asked to provide more detailed project analyses. In other instances, the funders themselves have requested that the agency or a department enter into a formal memorandum of understanding around a given project. While creation or preservation of any housing is generally a positive for Vermont and Vermonters, it is essential that AHS have adequate time to review and weigh such proposals to ensure that:

- There is a short-term and long-term need for the project supported by data acceptable to AHS;
- Location and design can meet resident needs and efficiently provide services or access to services;
- The applicant has sufficient expertise and capacity to develop and manage the project;
- AHS has the capacity and funding to provide any supportive services referenced;
- The project will have a positive cost-to-benefit ratio;
- As an agency and state, we are doing our best to ensure parity between populations and regions.

While specific priorities, definitions and approaches may evolve in response to funding guidelines, current data or best practices, the AHS has adopted the following internal review process to ensure consistent evaluation of such proposals and increase predictability for departments and external partners.

## Agency of Human Services – Review of Housing Proposals Serving Clients with Special Needs

**Scope:** AHS will use the following process and criteria to review housing proposals (new construction, acquisition, rehab or preservation) that include *both*:

- Supportive services funded in whole or part by the Agency of Human Services or its departments;
- *And* development funded in whole or part by VHFA, VHCB, VCDP or Vermont Capital funds.

Limitations: This review process *does not* apply to institutional settings such as nursing homes, correctional facilities, hospitals or any state-owned buildings.

**Process:** Housing proposals seeking endorsement, analysis or financial commitment from the Agency of Human Services or its departments shall be routed through the AHS Secretary's Office. A written summary project description shall be submitted to the AHS Housing Director at least three weeks in advance. The project description should be no more than 8 pages in length and cover all of the following:

1. Population(s) to be served;
2. Project scale and location;
3. Proximity to services and employment, or how transportation challenges are mitigated;
4. Whether the housing proposed addresses the greatest relative local need;
5. Information on any on-site services provided, service plans and service partners;
6. Overall project budget and timeline;
7. Anticipated service costs to the Agency of Human Services and its Departments;
8. Demonstrated ability of the applicant and partners to develop and manage the project;
9. Any back-up plan for reuse of the project in the event of a change in need or funding.

Upon receiving the project description, the AHS Housing Director will confer with the relevant department(s) to evaluate the proposal. For proposals with the potential to touch multiple departments or client populations, the AHS Housing Director will work with the AHS Housing Task Force to ensure maximum coordination across departments. Departments may be asked for additional written analysis of service plans; a determination of whether the proposal comports with current definitions; and an assessment of how the proposed project addresses an identified unmet housing need.

Proposals will be evaluated using the following criteria: short-term local or statewide need; long-term local or statewide need; whether the proposal addresses the greatest relative housing need; appropriateness of design and scale; location and proximity to services and employment; reasonableness of service plan; demonstrated ability of any service partners; demonstrated ability of the applicant organization to achieve outcomes; budget and cost to benefit ratio; and reasonableness of any back-up plan for re-use. Availability of funding is a threshold requirement for AHS support. (*See evaluation tool on following page.*) Following initial review and evaluation, proposals shall be submitted to the AHS Secretary for consideration.

**Additional Agreements:** If a developer or funder is seeking formal written agreement with the AHS, the AHS Secretary's Office may require additional time to accommodate a legal review, financial review or review by the Agency of Administration. All such proposals will be reviewed on a case-by-case basis.

**Waiver Authority:** The Secretary of the Agency of Human Services, or their designee, may, at their discretion, waive any part of this process to expedite a review or in response to an emergent situation.

Vermont Agency of Human Services  
**Evaluation Form for Housing Proposals Serving Clients with Special Needs**

Project Name  Applicant

Project Type  Town/City

Reviewer  Date

Category	Factor	Determination <i>(Acceptable – Issues - N/A)</i>	
<b>Need</b>	Short-term local or statewide need		
	Estimated long-term local or statewide need		
	Does proposal address greatest relative housing need?		
<b>Appropriateness of Solution</b>	Appropriateness of design and scale		
	Location and proximity to services and employment		
	Reasonableness of service plan		
	Demonstrated ability of service partners		
<b>Project Viability and Sustainability*</b>	Demonstrated ability of applicant to achieve outcomes		
	Budget and cost to benefit ratio		
	Reasonableness of back-up plan for re-use		
<b>Other</b>	Additional special factors ( )		
<b>Overall Project Recommendation</b>			
Support	Do Not Support	Request Changes	Request more Information

*\*For proposals requiring AHS funding, availability of funds is a threshold requirement.*

Explain any issues identified or requests for changes or additional information. Attach additional sheets if necessary.