



Ohio Homelessness Prevention and Rapid Re-Housing Program Formula Allocation

Guidelines

June 1, 2009

Background

As the result of the enactment of the American Recovery and Reinvestment Act (ARRA) of 2009, the U.S. Department of Housing and Urban Development (HUD) received \$1.5 billion of Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds to provide eligible applicants with financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. Of those funds, Ohio will award \$24,541,800 to nonprofit organizations and local governments across Ohio, which will be recommended/approved by the local Continuum of Care (CoC) and Board(s) of County Commissioners in each service area, using a formula funding allocation methodology.

Overview

The HPRP is designed to provide financial assistance and services to prevent individuals and families from becoming homeless (homelessness prevention), or help those who are experiencing homelessness to be quickly re-housed and stabilized (rapid re-housing). Eligible HPRP activities include financial assistance, housing relocation and stabilization services, data collection and evaluation and administrative costs. Stabilization services may include the provision of other mainstream resources, including cash assistance, supportive services, housing assistance, health care, job training, and food and nutrition services.

Transformation to a Housing Stability Approach

The HPRP presents a unique opportunity to transform local homeless systems and facilitate a more long-term approach to ending homelessness. For example, the HPRP will enable communities to transform a local shelter-based approach, which focuses on the immediate needs of the homeless person or family, to a housing stability approach, which focuses on meeting the long-term needs of the homeless person or family, with a goal of ending homelessness and creating housing stability. To achieve transformation, Ohio HPRP award recipients are encouraged to develop strategies and corresponding assessments to identify eligible program participants, review existing models for prevention and rapid re-housing programs and create a plan that employs all ARRA available resources to provide a comprehensive array of assistance/services.

Award recipients must create a uniform process for targeting assistance, develop a uniform assessment process based on known risk factors, develop a common set of performance measures, implement a system for tracking performance, coordinate homeless assistance with mainstream resources and build and expand capacity. For more detail regarding those steps, visit the National Alliance to End Homelessness website located at <http://www.endhomelessness.org>.

Common Intake Assessment

Award recipients must develop a uniform intake process for targeting, assessing and providing appropriate referrals and services for homeless persons and persons threatened with homelessness. Generally, communities with effective homeless systems have a coordinated process for determining who will receive assistance and the types of assistance to be provided. This can be facilitated by designing a system to: assess the risk of homelessness for persons in precarious housing situations; assess immediate barriers to stable housing for persons who are homeless or at high risk; and prioritize interventions depending on need.

Assessments should be based on known risk factors, such as support networks, deep poverty, domestic violence, disability and employment history. The assessment process should be uniform across each intake location and program, so that individuals and families are likely to receive the same intervention, no matter where they present.

Interventions should be prioritized based on risk and cost. Persons with a low risk of homelessness and fewer barriers to housing stability should receive less intensive interventions, while persons with higher risk and more barriers should receive more intensive interventions. Most importantly, the assessment and targeting processes should be continuously updated based on outcomes data, including information about who becomes homeless in the community and which interventions successfully prevent or end homelessness.

Common Performance Measures

Creating a common set of performance measures is essential for prioritizing and selecting primary outcomes; and will help direct finite resources into activities that will best achieve these goals. In general, successful communities prioritize a small number of important outcomes that are used across programs, including:

- reducing the length of stay in shelter or in homelessness;
- reducing the number of persons experiencing homelessness for the first time;
- increasing the number of persons who are diverted from shelter to stable housing;
- reducing repeat episodes of homelessness; and
- reducing the number of persons overall who are homeless.

Normally, successful homelessness assistance systems have performance expectations that are clear and precise. The systems also use performance to influence their funding decisions. In addition, transparency and communication are critical, so that program staff understand expectations and manage their programs appropriately to achieve the desired results. Also, successful programs assess and communicate results and provide technical assistance on a regular basis. Ideally, such a system can report on the return on investment by funders. System-wide performance information can also generate political good will and drive funding decisions made by political leaders. Political momentum can be generated by regularly reporting on the effectiveness of homelessness assistance and ensuring that the public is fully aware of the impact of funding decisions, both positive and negative, made by political leaders. Given that HPRP represents only a one-time infusion of federal resources, increasing political buy-in will be particularly important, so that award recipients can leverage additional funds.

Coordinate Homelessness Assistance with Mainstream Resource

Generally, the placement of emergency shelter at the center of the homelessness assistance system encourages mainstream systems to turn to the homelessness assistance system to meet the needs of their most challenging clients. In contrast, placing housing stability at the center of a homelessness system is transformative, as it helps bring other mainstream resources to the table, including benefits and cash assistance, supportive services, housing assistance, health care, job training, and food and nutrition services. This helps spread the responsibility of preventing and ending homelessness across the community. Homeless systems and mainstream systems each have a role to play: homelessness systems for crisis intervention; and mainstream systems for treatment and ongoing support.

The HPRP provides communities an opportunity to re-define the roles and responsibilities of the homelessness and mainstream assistance systems. The roles might include:

- Homelessness Assistance
 - shelter persons who cannot be diverted to other appropriate housing;
 - provide rapid re-housing assistance for persons who become homeless and are categorically ineligible for public benefits;
 - provide homelessness prevention, including short-term assistance for rent, utilities, or other housing costs for persons who are categorically ineligible for public benefits; and
 - provide street outreach and nutrition to persons who are homeless.
- Mainstream Systems
 - Public Housing Authorities - provide long-term subsidies to persons at highest risk of becoming or remaining homeless;
 - Temporary Assistance for Needy Families - assess families for risk of homelessness and offer resources to providers to do homelessness prevention and re-housing assistance for families with children;
 - Mental Health and Public Health Agencies - provide services in permanent supportive housing for persons who are unable to maintain housing even with a subsidy because of a disability;

- Veterans Administration - assess veterans for risk of homelessness and offer resources to providers to do homelessness prevention for veterans;
- Corrections - perform effective discharge planning to identify stable housing situations upon discharge and offer resources for providers to re-house persons who do not have stable housing upon exit; and
- Employment Agencies - prioritize employment assistance to persons who are homeless or at risk of homelessness.

Capacity Building/Best Practices

HPRP development and implementation should be matched to the need in the community, based on the local Homeless Management and Information System (HMIS), surveys, and other data. In some cases, existing prevention and homelessness assistance programs can take on new responsibilities. In other cases, new programs may need to be created. In addition to expanding programs, increasing the skills of or approaches used by program staff will improve the impact of prevention and rapid re-housing programs. HPRP can be used to ensure that funded programs employ data-driven, cost-effective strategies.

An effective system includes community-based prevention, shelter diversion and rapid re-housing. All of these programs should aim to:

- provide just enough (and no more) assistance to help a person stabilize their current housing situation or move to more stable housing; and
- connect persons to other community resources to meet their needs for employment, public assistance, education and other services.

The best community-based prevention programs also:

- use partnerships with providers, agencies, community leaders and other entities that interact with persons who may be at risk of homelessness;
- prioritize persons who are most likely to become homeless based on local HMIS or other data, or if no local data is available, risk factors used by “similar” communities;
- constantly improve performance by reviewing shelter admission data to see who was served but still became homeless and who was not served and became homeless;
- screen everyone who requests shelter to see if they can be diverted to stable housing; and
- provide services that are flexible, client-driven and home-based, to the extent appropriate.

The best rapid re-housing programs also:

- quickly assess and address persons’ immediate barriers to housing; and
- use a housing locator or partnerships with community organizations to locate housing.

Program Categories (Note: Programs may not charge fees to HPRP participants.)

Homelessness Prevention

Homelessness prevention includes financial assistance and services designed to prevent individuals and families from becoming homeless and divert homeless persons from entering homeless shelters. Funds must be targeted to individuals and families who would be homeless, but for this assistance, and meet the following minimum criteria: have at least an initial consultation with a case manager or other authorized representative who can determine the appropriate type of assistance to meet their needs; be at or below 50 percent of area median income; and be at risk of losing housing and having no appropriate subsequent housing options and lacking the financial resources and support networks needed to remain in their existing housing.

Award recipients are responsible for verifying and documenting the individual’s risk of homelessness to qualify the recipient for assistance. The amount of assistance must be determined based on the minimum amount needed to prevent the program participant from becoming homeless. Funds can be used to provide a variety of assistance, including short-term or medium-term rental assistance; and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management.

While much of the rental assistance under this category will be short term—no more than three months, households receiving short-term rental assistance can receive up to an additional 15 months of rental assistance, provided they are certified as eligible for additional assistance.

Award recipients providing **homelessness prevention assistance** are strongly encouraged to target those individuals and families at the greatest risk of becoming homeless. The following risk factors should be considered when determining the level of assistance needed and whether or not households can be reasonably expected to maintain housing stability following receipt of the assistance:

- eviction within two weeks from a private dwelling (including housing provided by family or friends);
- discharge within two weeks from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals);
- residency in housing that has been condemned by housing officials and is no longer meant for human habitation;
- sudden and significant loss of income;
- sudden and significant increase in utility costs;
- mental health and substance abuse issues;
- physical disabilities and other chronic health issues, including HIV/AIDS;
- severe housing cost burden (greater than 50 percent of income for housing costs);
- homeless in last 12 months;
- young head of household (under 25 with children or pregnant);
- current or past involvement with child welfare, including foster care;
- pending foreclosure of rental housing;
- extremely low income (less than 30 percent of Area Median Income);
- high overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size);
- past institutional care (prison, treatment facility, hospital);
- recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities;
- credit problems that preclude obtaining of housing; or
- significant amount of medical debt.

Rapid Re-Housing

Rapid re-housing programs provide short- or medium-term rental assistance and services for households that are currently homeless, but are likely to sustain housing after the subsidy ends. Persons served in this category must be homeless according to HUD's definition. This includes persons who are: sleeping in an emergency shelter; sleeping in a place not meant for human habitation, such as cars, parks, abandoned buildings, streets/sidewalks; staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation (cars, parks, streets, etc.) immediately prior to entry into the hospital or institution; graduating from or timing out of a transitional housing program (in limited cases); and victims of domestic violence.

Rapid re-housing provides a flexible array of financial assistance to enable households to become and remain stably housed. This assistance can be provided in the form of rental assistance (including rental arrears for a maximum of six months where the household has been unable to pay), utility deposits, security deposits and/or moving costs.

The assessment process is essential for determining participant eligibility, the level of need, other available resources and appropriateness for the program. Award recipients are encouraged to tailor the amount of assistance to the needs and circumstances of the household so that only the minimum amount needed to obtain housing stability is provided. Award recipients should use a process to assess, for all potential program participants, their level of service need, other resources available to them, and the appropriateness of their participation in the rapid re-housing assistance portion of HPRP. Program participants who require longer-term housing assistance and services should be directed to programs that can provide the necessary services and financial assistance.

Eligible Activities

Financial Assistance

Financial assistance includes short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance and motel and hotel vouchers designed to prevent individuals and families from becoming homeless; or help those who are experiencing homelessness to be quickly re-housed and stabilized. HPRP assistance should be “needs-based,” meaning that award recipients should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless or returning to homelessness in the near term. Payments must not be made directly to program participants, but only to third parties, such as landlords or utility companies. In addition, an assisted property may not be owned by the award recipient.

Rental Assistance

Award recipients may provide up to 18 months of rental assistance to enable individuals and families to remain in their existing rental units, or to help them obtain and remain in appropriate rental units they select. Award recipients may provide short-term rental assistance, which may not exceed rental costs for up to a period of three months; or medium-term rental assistance, which may not exceed actual rental costs for a period of 4 to 18 months. Program participants must be evaluated for eligibility at least once every three months. Families and individuals receiving short-term rental assistance can receive up to an additional 15 months of rental assistance, provided they are certified as eligible for additional assistance.

Award recipients may:

- pay 100 percent of the rent charged, pay a portion of the rent, or provide a graduated/declining subsidy in which the portion of rent provided for program participants decreases over time;
- set a maximum amount of assistance that an individual or family may receive from HPRP funds;
- set a maximum number of times that an individual or family may receive assistance, provided that the total number of months does not exceed 18; and
- require program participants to share in the costs of rent, utilities, security and utility deposits, moving, hotel or motel vouchers and other expenses as a condition of receiving HPRP financial assistance.

The rental assistance must be in compliance with the U.S. Department of Housing and Urban Development’s (HUD’s) standard of “rent reasonableness,” in which the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units. For more information, see HUD’s worksheet on rent reasonableness at: www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc.

Rental Arrears

Rental assistance may also be used to pay up to six months of rental arrears for eligible program participants. Rental arrears may be paid if the payment enables the program participant to remain in the housing unit for which the arrears are being paid or move to another unit. If HPRP funds are used to pay rental arrears, arrears must be included in determining the total period of the program participant’s rental assistance, which may not exceed 18 months.

Security and Utility Deposits

HPRP funds may be used to pay for security deposits, including utility deposits, for eligible program participants.

Utility Payments

HPRP funds may be used for up to 18 months of utility payments, including up to six months of utility payments in arrears, for each program participant, provided that the program participant or a member of his/her household has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company.

Moving Cost Assistance

HPRP funds may be used for reasonable moving costs, such as truck rental, hiring a moving company or short-term storage fees for a maximum of three months or until the program participant is in housing, whichever is shorter. HPRP funds cannot be used to purchase furnishings.

Motel and Hotel Vouchers

HPRP funds may be used for reasonable and appropriate motel and hotel vouchers for up to 30 days, if no appropriate shelter beds are available and subsequent rental housing has been identified, but is not immediately available for move-in by the program participants.

Housing Relocation and Stabilization Services

Housing relocation and stabilization services are designed to either help prevent individuals and families from becoming homeless; or help those who are experiencing homelessness to be quickly re-housed and stabilized. Eligible activities include case management, outreach and engagement, housing search and placement services, legal services and credit repair.

Case Management

Funds may be used for the arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs of program participants and helping them obtain housing stability. Services and activities may include counseling; developing, securing, and coordinating services; monitoring and evaluating program participant progress; assuring that program participants' rights are protected; and developing an individualized housing and service plan, including a path to permanent housing stability subsequent to HPRP financial assistance.

Outreach and Engagement

HPRP funds may be used for services or assistance designed to publicize the availability of programs to make persons who are homeless or nearly homeless aware of these and other available services and programs.

Housing Search and Placement Services

HPRP housing funds may be used to assist individuals or families in locating, obtaining, and retaining suitable housing. This may include tenant counseling, helping individuals and families to understand leases, securing utilities, making moving arrangements, representative payee services concerning rent and utilities and mediation and outreach to property owners related to locating or retaining housing.

Legal Services

HPRP funds may be used for legal services to help people stay in their homes, such as services or activities provided by a lawyer or other person(s) under the supervision of a lawyer to assist program participants with legal advice and representation in administrative or court proceedings related to tenant/landlord matters or housing issues. Legal services related to mortgages are not eligible.

Credit Repair

HPRP funds may be used for services that are targeted to assist program participants with critical skills related to household budgeting, money management, accessing a free personal credit report and resolving personal credit issues.

Data Collection and Evaluation

Data collection and evaluation costs include appropriate costs associated with operating an HMIS for purposes of collecting and reporting data required under HPRP. Eligible costs include the purchase of HMIS software and/or user licenses (non-balance of state areas); leasing or purchasing needed computer equipment for providers; costs associated with data collection, entry and analysis; and staffing associated with the operation of the HMIS, including training. HMIS activities that are ineligible include planning and development of an HMIS, development of new software systems, contracting for program evaluation and replacing state and local government funding for an existing HMIS.

Administrative Costs

HPRP funds may be used for accounting of grant funds, preparing reports, obtaining program audits, similar costs related to administering the grant after the award and staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly related to learning about HPRP. The amount of administrative funds awarded may be found at <http://development.ohio.gov/cdd/ohcp/HPRP.htm>.

Administrative costs do not include the costs of issuing financial assistance, providing housing relocation and stabilization services or carrying out eligible data collection and evaluation activities, as specified above, such as staff salaries, costs of conducting housing inspections and other operating costs. These costs should be included under one of the three other eligible activity categories.

Ineligible Activities

The following activities are ineligible for funding under HPRP:

- financial assistance to pay for expenses that are available through other ARRA programs, including child care and employment training;
- mortgage costs;
- legal fees for homeowners;
- construction or rehabilitation;
- credit card bills or other consumer debt;
- car repair or transportation costs;
- travel costs;
- food;
- medical or dental costs or medicines;
- clothing and grooming;
- home furnishings;
- pet care;
- entertainment;
- work- or education-related materials;
- cash assistance;
- developing discharge planning programs in mainstream institutions; and
- certifications, licenses, and general training classes.

Requirements

HMIS

Award recipients providing HPRP assistance/services must report client-level data into the CoC's HMIS. This is applicable for all homelessness prevention and rapid re-housing activities.

Housing Inspections

Organizations using HPRP rental assistance funds to place a homeless household into housing, or move a household to different housing will be required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Units should be inspected on an annual basis and upon a change of tenancy.

Lead-Based Paint Inspection Requirements

Housing occupied by families with children under the age of six must comply with requirements of the Lead Based Paint Poisoning Prevention Act. The lead-based paint requirements are more stringent than the habitability standards, and apply to all housing in which families assisted with HPRP funds will reside, whether it is for prevention or rapid re-housing. Specifically, the regulations apply to the unit and to common areas servicing the unit when HPRP assistance is provided to a unit in which a child under the age of six will be residing, unless it meets one of the following circumstances: it is a zero-bedroom or single-room occupancy-sized unit, or it is housing for the elderly and there are no children under the age of six, or a lead-based paint inspection has been conducted in accordance with HUD regulations and found not to have lead-based paint, or if the property has had all lead-based paint identified and removed in accordance with HUD regulations, or if it meets any of the other exemptions described in 24 CFR Part 35.115(a). An initial visual assessment and periodic inspections are required for as long as HPRP funds are being used to assist the family in the unit.

In addition, the unit must be inspected again when a new family assisted with HPRP funds moves into the unit, at which time the clock for periodic inspections is reset. Finally, the owner must provide a notice to occupants if an evaluation and hazard reduction activities have taken place, in accordance with 24 CFR Part 35.125. Visual assessments can be conducted by a HUD-Certified Visual Assessor under HPRP, and must meet the requirements as outlined in the Lead-Based Poisoning Prevention Act, as noted in Section VII.F of the Notice. To view the persons listed by the Ohio Department of Health to perform lead-hazard control activities in HUD-assisted housing, visit http://www.odh.ohio.gov/odhPrograms/dspc/lp_prev/lp_list1.aspx.

Expenditure Rate

The national HPRP guidance requires award recipients to expend at least 60 percent of HPRP funds within two years and all funds within three years.

Reporting

Award recipients are responsible for ensuring that HPRP amounts are administered in accordance with program guidelines and other applicable laws. Award recipients will provide quarterly reports (due five days after the end of each quarter) and annual reports (due 30 days after the end of the federal fiscal year).

Confidentiality

Each HPRP award recipient must develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided with assistance and that the address or location of any assisted housing is not made public, except to the extent that this prohibition contradicts a pre-existing privacy policy of the award recipient.

Other Federal Requirements

HPRP funds are subject to additional requirements related to the following issues, which are described further in the national HPRP guidance:

- conflicts of interest;
- nondiscrimination and equal opportunity requirements;
- affirmatively furthering fair housing;
- uniform administrative requirements;
- equal participation of religious organizations;
- lobbying and disclosure requirements;
- drug-free workplace requirements; and
- procurement of recovered materials.

Questions

To provide Ohio HPRP applicants with consistent information in a timely manner, the Office of Housing and Community Partnerships (OHCP) will post additional Ohio HPRP information, guidance and notices, if necessary, on <http://development.ohio.gov/cdd/ohcp/HPRP.htm>. In addition, a ***Frequently Asked Questions*** section will be added to the HPRP web page to respond rapidly to inquiries regarding the Ohio HPRP. Therefore, it is imperative that applicants visit the site frequently.

Questions regarding the Ohio HPRP may also be directed to the OHCP Supportive Housing Section staff at (614) 466-2285.