

HOMELESSNESS PREVENTION/RAPID RE-HOUSING PROGRAM

“Would this family be homeless but for this assistance?”

Background:

The American Recovery and Reinvestment Act, signed on February 17, 2009, provides 1.5 billion, allocated according to the current Emergency Shelter Grants formula with a grant minimum of \$500,000, to help families who are either homeless or at risk of becoming homeless to pay rent, make security deposits, pay utility bills and cover other housing expenses. It also provides funds to help these families receive appropriate services related to housing search and retention. Contra Costa County is expected to receive \$1.4 million and the City of Richmond \$559,735.

Program Description:

Congress enacted the Recovery Act to help persons affected by the current economic crisis. The purpose of the Homelessness Prevention and Rapid Re-Housing Program (HPRP) is to provide homelessness prevention assistance to households who would otherwise become homeless and to provide assistance to rapidly re-house persons who are homeless. It will provide temporary financial assistance and housing relocation and stabilization services to individuals and families who are homeless or would be homeless *but for this assistance*. HPRP is not a mortgage assistance program and is not intended to provide long-term support. Grantees are required to expend 60 percent of HPRP grant funds within two years and 100 percent of funds within three years of the date funds become available to the grantee. There is no match requirement.

Eligible Activities:

There are four categories of eligible activities

- 1) Financial Assistance - Short-term rental assistance (3 months); medium-term rental assistance (4 to 18 months; may also be used for up to six months of rental arrears); security deposits, utility deposits, utility payments (up to 18 months, including up to 6 months of arrears), moving cost assistance and motel/hotel vouchers up to 30 days. Payments must be made to third parties, such as landlords or utility companies. Assistance should be based on the minimum amount needed to prevent the program participants from becoming homeless or returning to homelessness in the near term.
- 2) Housing Relocation and Stabilization Services – Services that assist program participants with housing stability and placement including case management, outreach, housing search and placement, legal services and credit repair.
- 3) Data Collection and Evaluation – Data collection and reporting for HPRP must be conducted through the use of the Homeless Management Information Systems (HMIS) or a comparable client-level database. Reasonable and appropriate costs associated with operating an HMIS for the purpose of collecting and reporting data required under HPRP are eligible. Grantees and subgrantees must comply if asked to participate in HUD-sponsored research and evaluation of HPRP.

- 4) Administrative Costs – Pre-award administrative costs; preparing reports for submission to HUD; similar costs related to administering the grant; staff salaries associated with these administrative costs; training for staff who will administer the program or case managers who will serve program participants. No more than 5% of the total HPRP grant may be spent on administrative costs.

Ineligible and Prohibited Activities:

Financial assistance or services to pay for expenses that are available through other Recovery Act programs, including child care and employment training, are not eligible. Also ineligible: mortgage costs; construction or rehabilitation; credit card bills or other consumer debt; repair or transportation; food; medical/dental bills; work or education related materials; cash assistance to program participants; discharge planning programs in mainstream institutions such as hospitals, jails or prisons.

Eligible Program Participants:

HPRP targets two eligible populations: persons who are still housed but at risk of becoming homeless and persons who are already homeless. Grantees and/or subgrantees should consider the expected ability of the program participant to achieve stable housing, unsubsidized or subsidized, outside of HPRP and must evaluate and certify the eligibility of program participants at least once every three months. In order to receive financial assistance or services, individuals and families must at least meet the following criteria:

- 1) Must have at least an initial consultation with a case manager or other authorized representative.
- 2) Household must be at or below 50 percent of Area Median Income (AMI).
- 3) Household must be either homeless or at risk of losing its housing and (a) no appropriate subsequent housing options have been identified and (b) the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

Risk Factors for Consideration for At-Risk Families: eviction within two weeks from a private dwelling; 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 and hospitals); residency in housing that has been condemned; sudden and significant loss of income; pending foreclosure of rental housing; extremely low income; significant amount of medical debt.

Risk Factors for Rapid Re-Housing for Persons who are Homeless: sleeping in an emergency shelter; sleeping in a place not meant for human habitation; staying in a hospital or other institution for up to 180 days but homeless prior to entry; graduating or timing out of transitional housing programs; victims of domestic violence.

HUD Homelessness Prevention and Rapid Re-Housing Program information – www.hudhre.info/index.cfm?do=viewHPRP