

ECONOMIC DEVELOPMENT AND HOUSING
M E M O R A N D U M

DATE: April 17, 2009

TO: INTERESTED PARTIES

FROM: MEGAN BASINGER, PROGRAM SPECIALIST *MB*

SUBJECT: HOMELESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

The City of Santa Rosa (City) and the County of Sonoma (County) have been allocated HPRP funds of \$817,572 and \$516,527, for a total of \$1,334,099. These are McKinney-Vento homeless services funds that are governed by federal rules and regulations the U.S. Department of Housing and Urban Development (HUD) published on March 19, 2009.

Eligible Uses of Funds:

There are four categories of eligible activities for the HPRP program: financial assistance, housing relocation and stabilization services, data collection and evaluation, and administrative costs. These eligible activities are intentionally focused on housing—either financial assistance to help pay for housing, or services designed to keep people in housing or to find housing. Generally, the intent of HPRP assistance is to rapidly transition program participants to stability, either through their own means or through public assistance, as appropriate. HPRP assistance is not intended to provide long-term support for program participants, nor will it be able to address all of the financial and supportive services needs of households that affect housing stability. Rather, assistance should be focused on housing stabilization, linking program participants to community resources and mainstream benefits, and helping them develop a plan for preventing future housing instability. Grantee programs should therefore ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.

Local Public Input and Approval Process: The Sonoma County Continuum of Care Steering Committee (Steering Committee) discussed the HPRP funding opportunity at their February 24, 2009 meeting; the discussion was limited to conceptual ideas about how best to utilize HPRP funding. The Steering Committee favored using the funds for direct financial assistance to clients.

At the March 31, 2009 Steering Committee meeting, the Steering Committee had an opportunity to respond and react to more specific information provided by County and City staff, as shaped

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by the recently published HPRP regulations. The program proposal is based on input from the Steering Committee as well as substantial input from the Continuum of Care Coordinator, Jenny Abramson, various City and County staff members, and informal consultation with staff of area service provider agencies.

On April 14th, the Sonoma County Community Development Committee and the Technical Advisory Committee (TAC) held a concurrent hearing on the HPRP proposal and the Substantial Amendment submission and accepted testimony from the general public. Based on the testimony received, some changes to this proposal were made.

The City of Santa Rosa held a public meeting on April 16th and received public comment on the proposal. The City is accepting comments until May 4th and the City Council will hold a public hearing on May 5th.

Local Proposed Program: The City and the County agree to plan and coordinate their HPRP programs as one integrated program with each jurisdiction funding discrete elements of the overall City/County program, to the greatest extent feasible. Eligibility for program services is not dependent on which jurisdiction funds the program; all program elements will serve all Sonoma County residents. The local proposal is for the HPRP program to be two years in duration, from July 1, 2009 to June 30, 2011.

The proposed local program consists of seven program elements, summarized below:

1. **Financial Assistance; Homeless Prevention:** Generally, "one-time-only" financial assistance to a person or household to avoid imminent homelessness. While conceptualized as homeless prevention, individuals that are actually homeless would also be eligible, if this type of assistance is appropriate. Examples would include providing financial assistance to pay for a rental unit security deposit, paying rent in arrears, utility payments, and moving costs. Payments would be made to third party payees only such as landlords or utility companies. Aid would be in the form of a grant except in the cases of security or utility deposits in which case, repayment would be expected.
2. **Financial Assistance; Rental Assistance:** Sliding scale rental subsidy assistance for a maximum of 18 months per household. Amount of monthly assistance calculated based on the Housing Choice Voucher (Section 8) program. HPRP program would be administered by the Sonoma County Housing Authority (SCHA) and modeled after the existing HOME Tenant-Based Assistance and the McKinney-Vento Shelter Plus Care programs.
3. **HPRP Case Manager/Coordinator:** The function would serve as "gatekeeper," all clients provided HPRP financial assistance services from one or both of the above Financial Assistance programs would be required to have advance approval from the Case Manager/Coordinator to assure proper eligibility determination and data collection. Further, the Case Manager/Coordinator individual or team will administer the "one-time only" financial assistance program directly. Rental assistance provided by the SCHA will be by referral only from the Case Manager/Coordinator. This program element also

includes monitoring, data collection assurance, and general coordination of the various HPRP elements and activities.

4. HPRP Housing Placement Specialist: This function is dedicated to direct housing-specific client services only. The Housing Placement Specialist builds relationships with property managers and landlords and facilitates people getting into housing. The Housing Placement Specialist will primarily function to assist clients with obtaining appropriate and affordable housing and to provide client referrals to appropriate agencies and services.
5. Legal Services: This service is to assist people staying in their homes. Legal services provided by an attorney or another person under the supervision of an attorney to assist tenants 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.
6. Data Collection, HMIS, & Evaluation: This element is primarily for adapting the current Homeless Management Information System (HMIS) to accommodate HPRP activities and, as necessary, provide HMIS training and technical assistance to HPRP providers. The HPRP regulations mandate full HMIS participation as a condition of funding. The SCCDC houses the HMIS program and would therefore coordinate this element and the above Case Manager/Coordinator program element would also have a material role in assuring efficient collection of accurate and timely HMIS data.
7. Program Administration: General administration costs charged to this program are limited to 5% of the award. Both the City and the County are therefore budgeting 5% of their respective award amounts to fund pre-award and post-award costs associated with program design, RFP administrative, public hearing and public comment administration costs, contract administration costs, federal compliance and Treasury draw-down costs, et cetera.

HUD Requirements: A Substantial Amendment to the 2008/2009 Action Plan is required by HUD, inclusive of a program budget, by May 18, 2009. That budget delineates the program element of Financial Assistance into two categories, Homelessness Prevention and Rapid Re-Housing. Based on input received from the Continuum of Care Steering Committee, Sonoma County's public process, and the City's public process, the submission documents produced by the City and the County will collectively show a two-year budget for Homeless Prevention/Financial Assistance of \$490,701 and a two-year budget for Rapid Re-Housing/Financial Assistance of \$546,693 for a total in the Financial Assistance category of \$1,037,494. County and City staff are confident that the component parts of the total are flexible in practice.

The total, two-year HPRP budget shows the City, County and combined program budgets separately using the HUD budget format found in the Substantial Amendment. The County's expense category entitled "Housing Relocation and Stabilization Services" totaling \$220,000 consists of: 1) HPRP Case Manager/Coordinator (\$60,000); 2) HPRP Housing Placement Specialist (\$60,000); and 3) Legal Services (\$100,000).

Two-Year HPRP Budget Proposal (using HUD template)

HPRP Estimated Budget Summary: <u>Combined City and County</u>			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance	\$490,701	\$546,693	\$1,037,394
Housing Relocation and Stabilization Services	\$220,000	\$	\$220,000
Subtotal (add previous two rows)	\$710,701	\$546,693	\$1,257,394

Data Collection and Evaluation			\$10,000
Administration (up to 5% of allocation)			\$66,704
Total HPRP Amount Budgeted			\$1,334,098

HPRP Estimated Budget Summary: <u>City Only</u>			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance	\$490,701	\$	\$490,701
Housing Relocation and Stabilization Services		\$	
Subtotal (add previous two rows)	\$490,701	\$	\$490,701

Data Collection and Evaluation			\$
Administration (up to 5% of allocation)			\$25,826
Total HPRP Amount Budgeted			\$516,527

HPRP Estimated Budget Summary: <u>County Only</u>			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance		\$546,693	\$546,693
Housing Relocation and Stabilization Services	\$220,000		\$220,000
Subtotal (add previous two rows)	\$220,000	\$546,693	\$766,693

Data Collection and Evaluation			\$10,000
Administration (up to 5% of allocation)			\$40,878
Total HPRP Amount Budgeted			\$817,571

Time Line and Calendar: The local program proposal development process is shaped by the Federally-mandated time line. Thus, the development of program design details and of the associated Request for Proposals (RFPs) cannot occur prior to the May 18th submission deadline, nor is this level of detail required for producing a Substantial Amendment. The Substantial Amendment submission documents the public input process and establishes the broad program budget for HPRP funds. Program design, contracting and implementation details can and will follow the Substantial Amendment submission process.

The calendar for the process is as follows:

February 24	Continuum of Care Steering Committee meeting
March 31	Continuum of Care Steering Committee meeting
April 14	Sonoma County Community Development Committee and Technical Advisory Committee concurrent public hearings
April 16	Sonoma County Continuum of Care Planning Group
April 16	City of Santa Rosa public meeting
April 20 - May 4	Public comment period
May 5	Santa Rosa City Council meeting
May 12	Sonoma County Board of Supervisor meeting
May 18	Deadline to submit Substantial Amendments to HUD
May 19 - June 30	Finalizing development of program details, development and issuance of RFP materials, RFP selection process
July 1	Targeted program implementation date