



City of Kalamazoo and LISC Affordable Housing Partnership

Homeless Prevention and Rapid Re-Housing Program (HPRP) Program Overview

Program Description

The Homeless Prevention and Rapid Re-Housing Program (HPRP) is funded through the American Recovery and Reinvestment Act (ARRA) of 2009. The purpose of the HPRP funding is to provide homelessness prevention assistance to households who would otherwise become homeless, many due to economic crisis, and to provide assistance to rapidly re-house persons who are homeless as defined by Section 103 of the McKinney Vento Homeless Assistance Act (42 U.S.C. 11302). These funds are one time only funds, not ongoing, and are designed to serve as a catalyst for preventing homelessness because of the recession, and hold the promise of addressing homelessness through prevention and rapid re-housing which will result in a significant decrease in shelter usage.

Target Population

According to HUD, this program is targeted to individuals and families who are homeless and/or at risk of homelessness. There are two target populations:

1. Those who are currently in housing but are at risk of becoming homeless and need short term (1-3 months) leasing and/or utility assistance to prevent them from becoming homeless with incomes at or below 40%-50% of Area Median Income (AMI), and
2. Those who are residing in shelters or on the street and need medium term assistance (4-12 months) in order to obtain and sustain housing (rapid re-housing) with incomes at or below 30%-50% of Area Medium Income (AMI).

A general rule for program participants is: “Those most in need and most likely to succeed”. Specifically, individuals and families that will be served with HPRP funds are those that do not need long-term assistance and with limited support can recover from their current housing crisis.

Evolution of the Program

Since HPRP was initially introduced by the City of Kalamazoo, there have been numerous developments.

HUD made two separate allocations to the community: one directly to the City of Kalamazoo (\$758,089) and the other to MSHDA to the local Continuum of Care - known locally as the Affordable Housing Partnership or AHP (\$392,770).

Per MSHDA directives, the AHP and City have worked to develop a unified program that joins direct HUD allocations with MSHDA allocations. This model was encouraged by MSHDA across the state in an effort to increase the positive impact/benefit to the community and maximize efficiencies through a shared vision.

Addressing homelessness requires collaboration between and among all levels of government as well as providers, advocates, researchers, and consumers of service in the community. As a result, the City of Kalamazoo and the AHP are working on a partnership to develop a shared program, making the process as seamless as possible for potential clients. To oversee this funding, an Oversight Committee was created, which contains membership from both City staff and the AHP. Members of this committee include representatives from the following organizations:

Oversight Committee

- City of Kalamazoo
- City of Portage
- Kalamazoo County
- Local Initiatives Support Corporation
- YWCA of Kalamazoo
- Catholic Family Services
- Kalamazoo Community Mental Health and Substance Abuse Services
- Greater Kalamazoo United Way
- Affordable Housing Partnership

With HUD recognizing the MSHDA plan as one of the top three plans in the nation, it was a logical decision to align the City's allocation with the MSHDA guidelines, while retaining some flexibility to serve persons at a higher AMI bracket (allowed within the HUD guidelines.)

In addition to guidance from HUD and MSHDA, the Oversight Committee has reviewed statewide and national best practice models for HPRP funding. The partnership that the City of Kalamazoo and the AHP have forged is in alignment with many other communities, such as Kent County and Washtenaw County.

Use of Funds

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 obtain housing. This 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 participants develop a plan for preventing future housing instability.

Financial assistance activities include: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, and utility payments.

Housing relocation and stabilization services include: case management, mediation and outreach to property owners, housing search and placement, legal services (working with existing non-profit legal services providers), and credit repair.

It is estimated that HPRP funds will provide 200 – 225 households with Homeless Prevention assistance and 50 – 75 households with Rapid Re-Housing assistance during the two-year duration of the program.

Ineligible Activities

These funds cannot be used for shelter operations, to expand the number of beds in an existing shelter, to supplant existing mainstream resources, or for mortgage payments. Payments can only be made to third parties, such as landlords or utility companies; payments cannot be made to program participants.

Other ineligible activities include:

- Shelter focused case management.
- Mortgage payments or mortgage refinancing costs to make it affordable.
- Rental assistance payments cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types are being provided through another federal, state or local housing subsidy program.
- Moving expenses (Funding for this activity is available through State Emergency Relief (SER))
- Motel/hotel vouchers (Funding for this activity is available through the statewide DHS shelter contract with the Salvation Army).
- Furniture (Grantees are encouraged to use existing community resources).
- Pet care.
- Construction or rehabilitation.
- Credit card bills or other consumer debt.
- Car repair or other transportation costs.
- Travel costs.
- Food.
- Medical or dental care and medicines.
- Clothing and grooming.
- Entertainment activities.
- Work or education related materials.
- Cash assistance to program participants.
- Development of discharge planning programs in mainstream institutions such as hospitals, nursing homes, jails or prisons. However, persons who are being imminently discharged into homelessness from such public funded institutions are eligible for receiving financial assistance through HPRP.
- Payment of license, certifications, and general classes.

Request for Proposal

Initially the Oversight Committee considered a joint Request For Proposal (RFP) and application review process to award the HPRP. However, MSHDA advised against a RFP process due to the swift turnaround of funds and their intent for a single “Lead Agency” to oversee the entire program.

Per MSHDA, the requirements for this “Lead Agency” are quite restrictive and include the following:

- Actively engaged in the Continuum of Care planning process for the past 2 years;
- Experienced in providing services specifically targeted to people who are homeless (minimum of two years experience);
- Experienced with HMIS data collection;
- Experienced administering MSHDA or HUD rental assistance programs;
- Experienced serving all homeless populations;
- Exhibit the financial capacity to administer funds as demonstrated through an audited federal financial statement;
- Approved by the local Continuum of Care;
- Operating its principle place of business in the State of Michigan;
- Exhibit the capacity to partner with others and administer this program;
- A 501 c (3) agency or a local governmental agency;
- Able to perform a Housing Quality Standard (HQS) inspection.

After reviewing local agencies, it was determined by the Oversight Committee that Housing Resources, Inc was the most qualified candidate for this role, due to their extensive involvement in prevention and rapid re-housing initiatives, significant involvement with HMIS, and their capacity to administer the funding.

Given the change in direction from a RFP process to the selection of a lead agency to administer HPRP funding, AHP and the City staff have developed a communication plan that includes the distribution of current HPRP information to interested parties, convening a meeting with homeless advocacy groups, and information to the Kalamazoo County Board of Commissioners and the Kalamazoo City Commission.

Community Need

Though there is a significant need in the community for longer-term rental assistance and services targeted to the chronically homeless, this funding is not permanent in nature and is intended to assist those that can be quickly re-housed or are currently housed but are at risk of losing their housing.

Need for Prevention:

Data from the 2007 American Community Survey showed that the poverty rate in Kalamazoo County was 16.4 percent. The need becomes further evident when looking at the rising housing cost burden in Kalamazoo County. In 2005, 51 percent of renters were paying more than 30 percent of their income for rent; in 2007, this figure had risen to 56 percent of renters.

Many of these individuals and families are one crisis away from losing their homes. HPRP funding will help to stabilize families and individuals in crisis so that they can retain their housing units.

Need for Rapid Re-Housing: In 2007, shelter nights provided in Kalamazoo County numbered 120,579 nights. This number had risen significantly from the 2004 figure of 92,904 nights. Further, a Shelter Provider Report dated October, 2007 to September, 2008 showed that 721 people, on average, were staying in a shelter in Kalamazoo County each month.

Though only a portion of the clients residing in a shelter on any given night will qualify for the HPRP funding, based on federal and state guidelines for program admission, the number of residents of Kalamazoo County in need of housing is startling. HPRP funding will assist in re-housing those households that need assistance to regain a safe and stable housing situation and are ultimately able to maintain their housing without a long-term subsidy.

Proposed City of Kalamazoo and AHP Joint Program

Budget:

City of Kalamazoo Allocation (through HUD): \$758,089
 AHP Allocation (through MSHDA): \$392,770

Total Combined Allocation: \$1,150,859

The following proposed budget is based on the combined City of Kalamazoo and AHP funding allocations.

HPRP Estimated Budget Summary – Combined City of Kalamazoo & AHP			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance	\$375,690	\$429,255	\$ 804,945
Housing Relocation and Stabilization Services	\$133,212	\$133,212	\$ 266,424
Subtotal	\$508,902	\$562,467	\$1,071,369
Data Collection and Evaluation			\$ 22,855
Administration (up to 5% of allocation)			\$ 56,635
Total HPRP Amount Budgeted			\$1,150,859

Uses

With oversight by the City of Kalamazoo and the AHP, Housing Resources, Inc and its subcontractors will provide financial assistance (short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, and utility payments) and housing relocation and

stabilization services (case management, outreach, housing search and placement, legal services, mediation, and credit repair).

Partner agencies

In an effort to ensure the best services are given to each client, the program allows for partner agencies to participate. The following details the requirements for partner agencies, based on MSHDA regulations:

- Actively involved in the Continuum of Care planning process;
- Experienced in providing services to people who are homeless;
- Experienced with HMIS data collection;
- Exhibit the financial capacity to administer funds as demonstrated through an audited federal financial statement;
- Approved by the local Continuum of Care;
- Operating its principle place of business in the State of Michigan;
- Exhibit the capacity to partner with others;
- A 501 c (3) agency or a local governmental agency;
- Executed sharing QSOBAA to allow sharing within HMIS.

The Lead Agency will work with other partner agencies to provide case management to clients within HPRP. Potential partners have been identified based on the requirements set by MSHDA detailed above. Prospective agencies are currently evaluating the potential for partnership within this program. All partner relationships will be evaluated following the initial year of the program and new partnerships will be identified, as needed.

Getting Started

HPRP will have a target start date of October 1, 2009.

At that time, potential clients requiring Homeless Prevention assistance can call 2-1-1 for initial screening and referral. Potential clients will also be screened as part of the newly created Kalamazoo County Eviction Diversion Partnership Pilot. The Partnership, comprised of government agencies, non-profit organizations, the courts, and business involved in the housing sector, developed a pilot project to improve the coordination of legal and social service interventions to help people with low incomes avoid eviction.

For persons requiring Rapid Re-Housing assistance, current residents at one of the following shelters can be screened against the initial eligibility criteria for referral to HRI:

- Kalamazoo Gospel Mission
- HRI Family Shelter
- The Ark
- YWCA
- The Oakland House (formerly known as the County Overnight Shelter)
- Open Door
- Next Door

In addition, the following daytime shelters can screen their members (verified to be homeless) against the initial Rapid Re-Housing assistance eligibility criteria for referral to HRI:

- Ministry with Community
- Keystone Shelter

HPRP funding requires both prevention and rapid re-housing assistance be provided on a first come, first served basis. If an individual is determined to be ineligible for HPRP assistance upon completion of the intake and/or assessment phase, as appropriate, either 2-1-1 or the service provider will attempt to identify another community resource in an effort to meet the client's needs.

The program is a two-year program, with all funds required to be spent by October 1, 2011. The Oversight Committee will meet on a quarterly basis to monitor the spending of the funds and a formal program evaluation will take place following the first year of the program, at which time adjustments will be made to the process, as needed.

Next Steps

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| • HPRP update meeting with homeless service providers and advocacy groups | September 14, 2009 |
| • Kalamazoo City Commission meeting – HPRP Update | September 21, 2009 |
| • HRI screening / referral orientation for identified service providers | September 24, 2009 |
| • City of Kalamazoo contracts with HRI to serve as Lead Agency administrator | September 30, 2009 |
| • HPRP implementation begins | October 1, 2009 |
| • Kalamazoo County Board of Commissioners Presentation | October 6, 2009 |
| • HPRP one-year evaluation | October 1, 2010 |
| • HPRP deadline for program completion | October 1, 2011 |