

# **HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)**

## **PROPOSED SUBSTANTIAL AMENDMENT**



Prepared by:  
VIRGIN ISLANDS HOUSING FINANCE AUTHORITY  
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# **Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)**

## **INTRODUCTION**

Under Title XII of the American Recovery and Reinvestment Act of 2009 (the “Recovery Act”), Congress created the Homelessness Prevention and Rapid Re-Housing Program (“HPRP”) to provide financial assistance and services to prevent homelessness or to help those who are experiencing homelessness to be quickly re-housed and stabilized.

The Territory of the U.S. Virgin Islands was allocated the sum of \$775,978 under the Homeless Prevention fund. In order to receive the funds that have been allocated, the Territory was required to submit to HUD an application outlining the Territory’s plan for the use of the funds; the application was approved and a grant agreement was executed on July 16, 2009.

In accordance with the HPRP governing regulations, the Territory was required to submit its application for the HPRP grant, and any subsequent amendments, as a substantial amendment to its Consolidated Plan 2008 Action Plan. The Action Plan is a document which updates the goals and objectives to be pursued and the projects to be funded with funding available for that year under the Consolidated Plan programs.

Pursuant to the program regulations, there are four categories of HPRP eligible activities:

- Financial Assistance – Rental assistance, security and utility deposit assistance, utility payment assistance, moving cost assistance and hotel vouchers
- Housing Relocation and Stabilization – Case management, outreach housing search and placement, legal services, and credit repairs services
- Data Collection and Evaluation
- Program Administration Costs

In its approved grant application, the Territory proposed to allocate funds for three of the four activities as follows: financial assistance activities, housing relocation and stabilization services, and program administration.

The Federal Recovery Act places a strong emphasis on performance and measureable results. Comprehensive, structured data forms the basis of the evaluation of program performance; thus, the Territory now proposes to amend the program budget to make funds available for data collection and evaluation. The funds will support expansion of the capacity of the Homeless Management Information System (HMIS) to accommodate the additional data collection and reporting as required by the HPRP regulations. HMIS is an electronic data collection system that stores person-level demographic information about persons who access the homeless services system.

The proposed change entails a revision of the program budget as follows:

<u>Grant Activity</u>	<u>Current Funding</u>	<u>Proposed Funding</u>
Financial Assistance	\$624,665	\$539,210
Housing Relocation & Stabilization	\$112,515	\$112,515
Data Collection and Evaluation	\$0	\$85,455
Program Administration	\$38,798	\$38,798

HUD regulations require preparation of a substantial amendment when there are proposed changes to the goals and objectives or projects to be funded under the Action Plan or the grantee proposes to carry out an activity not previously described in the annual Action Plan. HPRP grantees are required to follow their Consolidated Plan's citizen participation process, including consultation with the Continuum of Care (CoC). Additionally, the regulations stipulate that a draft of any proposed substantial amendment to the Action Plan is to be made available for public review and comment prior to its adoption and submission to HUD.

In accordance with the Territory's Citizen Participation Plan, the draft of the proposed substantial amendment is hereby made available for a 30-day public review and comment period beginning on February 1, 2011. Hard copies of the draft amendment are available at the offices of the Virgin Islands Housing Finance Authority located at 3202 Demarara (Frenchtown Plaza), Suite #200 (St. Thomas) and Frits Lawaetz Complex, Suite #210, Frederiksted (St. Croix). An electronic copy of the draft amendment can also be viewed at VIHFA's official website, which is [www.vihfa.gov](http://www.vihfa.gov). The last day for the public to submit written comments will be March 4, 2011.

**GENERAL GRANT INFORMATION**

<b>Grantee Name</b>	<b>Territory of the U.S. Virgin Islands</b>
<b>Name of Entity or Department Administering Funds</b>	Virgin Islands Housing Finance Authority
<b>HPRP Contact Person</b> (person to answer questions about this amendment and HPRP)	<b>Julio Rhymer</b>
<b>Title</b>	Chief Financial Officer Virgin Islands Housing Finance Authority
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<b>City, State, Zip Code</b>	St. Thomas, VI 00802
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<b>Authorized Official</b> (if different from Contact Person)	Honorable John P. deJongh, Jr.
<b>Title</b>	Governor
<b>Address Line 1</b>	Government House
<b>Address Line 2</b>	21-22 Kongens Gade
<b>City, State, Zip Code</b>	St. Thomas, VI 00802
<b>Telephone</b>	(340) - 774-0001
<b>Fax</b>	
<b>Email Address</b>	
<b>Web Address where this Form is Posted</b>	<a href="http://www.vihfa.gov">www.vihfa.gov</a>

<b>Grant Number</b>	<b>S09-DY-78-0001</b>
<b>Grant Amount</b>	<b>\$775,978</b>

## **Citizen Participation and Public Comment**

The HPRP regulations state that, when there are proposed changes to the goals and objectives or projects to be funded under the Action Plan or the grantee proposes to carry out an activity not previously described in the annual Action Plan, the grantee must prepare and submit to HUD for approval a substantial amendment to its 2008 Action Plan. The regulations also state that the grantee must prepare the substantial amendment in accordance with the amendment process described in the jurisdiction's Consolidated Plan. The Territory's Citizen Participation Plan prescribes that any substantial amendment to the Consolidated Plan or Annual Action Plan shall be made available for a 30-day comment period. The Citizen Participation Plan also prescribes that the comment period shall be publicized in newspapers of general circulation and, further, the published notice shall include a summary of the proposed changes and information on where to obtain a copy of the entire proposed amendment.

In accordance with the provisions of the Citizen Participation Plan, the draft of the proposed substantial amendment is hereby made available for a 30-day public review and comment period beginning on February 1, 2011. A summary of the amendment will be published in two local newspapers of general circulation on several occasions throughout the comment period as well as for from February 1 -25 on the electronic media sites collectively known as VI Source. The legal notice lists two locations where interested parties could obtain a hard copy of the proposed amendment – i.e., the offices of the Virgin Islands Housing Finance Authority located at 3202 Demarara (Frenchtown Plaza), Suite #200 (St. Thomas) and Frits Lawaetz Complex, Suite #210, Frederiksted (St. Croix). An electronic copy of the draft amendment can also be viewed at VIHFA's official website, which is [www.vihfa.gov](http://www.vihfa.gov). The last day for the public to submit written comments will be March 4, 2011.

(Copies of the legal notices are included herewith at Appendix A).

The Citizen Participation Plan requires the Territory to consider any comments or views of citizens received, if any, in preparing the substantial amendment to the Consolidated Plan. Further, the Citizen Participation Plan provides that the final substantial amendment shall include a summary of the comments or views submitted and the reasons for not accepting comments received.

**Public comments were received as follows:**

<A summary of each comment received, if any, will be inserted here. Discussion of the disposition of each comment (i.e., accepted/rejected) will also be included.>

## **PROGRAM IMPLEMENTATION**

The V.I. Housing Finance Authority administers the HPRP funds on behalf of the Territory of the U.S. Virgin Islands. The HPRP regulations stipulate that a grantee which is a territory may directly carry out eligible activities or may distribute all or part of the grant monies to private nonprofit organizations to carry out HPRP activities. In the approved grant application, VIHFA decided that it would directly implement the HPRP grant. Specifically, the V.I. Housing Finance Authority proposed to collaborate with the local Department of Human Services (DHS). DHS in turn collaborated with various nonprofit partners who provide the direct interaction with the program applicants/participants including, but not limited to, outreach and engagement, intake services, participant eligibility determination, case management, coordination with support services, and data collection/compilation.

The decision to collaborate with the local Department of Human Services was made based on DHS' existing capabilities in many of the areas which comprise the key components of the HPRP program. The Department's mission is to provide social services that will enhance the quality of life for individuals and families with diverse needs. The Office of Intake and Emergency Services accepts, screens, and provides general intake services through case work, advocacy, and referral services. As such, the Department would be able to offer a "one-stop" shop concept. The staff has significant case management experience, as well as experience administering a utility assistance program. Further, DHS also has established partnerships with the local Department of Labor helping clients register for job training and job placement services to help them achieve financial stability.

Upon notification of grant approval, VIHFA entered into a Memorandum of Agreement with the local Department of Human Services - which agreement outlines the roles and responsibilities of each party, eligibility criteria for program participants, the priority factors for homeless prevention assistance and rapid re-housing assistance, budgets for each activity, timeliness of drawdowns, and the statutory deadlines for expenditure of funds. DHS also entered into partnership agreements with each non-profit agency that participates as a frontline practitioner.

The HPRP regulations establish certain minimum criteria for individuals and families – whether homeless or housed- to receive financial assistance or services funded by the HPRP:

The VIHFA has chosen certain risk factors to receive priority for services and financial assistance. The priority factors for homelessness prevention assistance include extremely low income (income less than 30 percent of Area Median Income); sudden

and significant loss of income; imminent discharge from institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, and hospitals); homeless within the past twelve (12) months; pending foreclosure of rental housing; and recent traumatic life event, such as death of a spouse of primary care provider or recent health crisis that is directly responsible for preventing the household from meeting its financial obligations.

The priority factors for rapid re-housing include persons transitioning out of transitional housing and victims of domestic violence. The VIHFA believes that the risk factors which have been chosen for priority attention are in keeping with the goal of focusing primarily on those households whose situations are due to economic crisis and to provide prevention assistance and or rapid re-housing to such households.

### **COLLABORATION WITH OTHER AGENCIES**

The success of the HPRP initiative will be enhanced by the collaboration with other agencies that also provide assistance and services to the target population. The VIHFA's chosen partner agency in this endeavor, the local Department of Human Services (DHS) is the recipient of funds from the federal Department of Health & Human Services; DHS is slated to receive significant funding under the American Recovery and Reinvestment Act. The primary reason for choosing to partner with the DHS for the administration of the HPRP is that DHS has within it a wealth of existing resources which can be incorporated into a holistic strategy for providing assistance to the target population.

DHS has established partnership with various local non-profit agencies which serve as the frontline practitioners providing intake and case management functions. Those agencies are St. Croix Mission Outreach, Frederiksted Baptist Church, Catholic Charities and MTOC. DHS and its partner agencies have significant case management experience, which includes knowledge of the various other mainstream resources that are available via various local agencies and programs. In addition, various other agencies such as the Domestic Violence Sexual Abuse Council (DVSAC), Family Resource Center, VI Partners in Recovery, My Brother's Table, and Ten Thousand Helpers are all expected to make referrals of clients needing housing assistance. Many of these organizations are participating members of the Continuum of Care.

In designing its HPRP program, the VIHFA has taken great care to ensure that the proposed uses of HPRP grant funds are consistent with the Territory's Consolidated Plan as follows:

1. The development of the substantial amendment for the HPRP followed the guidelines as outlined in the Citizen Participation Plan which was adopted in conjunction with the Consolidated Plan

2. The designation of certain risk factors for receiving priority assistance as follows:

The priority factors for prevention assistance include: extremely low income (i.e., income at or below 30% of the area median income), imminent discharge from institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, and hospitals); homeless within the past twelve (12) months; pending foreclosure of rental housing; and recent traumatic life event, such as death of a spouse of primary care provider or recent health crisis that is directly responsible for preventing the household from meeting its financial obligations., and homeless within the past twelve (12) months.

The priority factors for rapid re-housing are persons transitioning out of transitional housing and victims of domestic violence.

All these priority factors are consistent with the major objectives outlined in the Territory's Consolidated Plan – more specifically, Objective #5: "Support programs and activities that assist the homeless to become as self-sufficient as possible through new or improved housing and facilities, supportive services and prevention services".

3. The Consolidated Plan also addresses monitoring of grant activities. Monitoring determines program compliance and also serves as an opportunity to assess program performance and provide training and technical assistance regarding program requirements. As part of its HPRP program design, the VIHFA will develop a monitoring tool based on the HPRP program regulations. The monitoring procedures will include but shall not be limited to: site visits (no less than semi-annually) to those particular sites where the program is administered, participant file review, direct interviews with clients based on a random sampling, interviews with implementing staff to assess the intake process and compliance with the established policy for eligibility determination and the procedures for determining the type/level/duration of assistance to be provided. All concerns and findings identified will be outlined in a monitoring report; corrective actions will be undertaken as necessary. DHS is also required to monitor the activities of its non-profit partner agencies.

## PROPOSED REVISION:

**Purpose:** To amend the approved HPRP grant application to provide funding for data collection and evaluation.

**Background:** The Federal Recovery Act places a strong emphasis on performance and measurable results. The Act requires data collection and reporting of client-level data such as the number of persons served and demographic information about those persons assisted by HPRP funding. In its approved grant application, the Territory had acknowledged the data collection and reporting requirements as set forth in the HPRP regulations, which prescribe the use of the Homeless Management Information System (HMIS) or a comparable client-level database. HMIS is an electronic data collection system that stores person-level demographic information about persons who access the homeless services system.

Given that an HMIS had been implemented by the Territory's Continuum of Care, the VIHFA indicated that the HMIS would be used to collect and report on outputs and outcomes relative to the HPRP. Since there were systems already in place, the VIHFA had decided that it would not be necessary to allocate any of the HPRP funding to facilitate the collection and reporting of the requisite information.

Unfortunately, VIHFA had not anticipated that the capacity of the existing HMIS would need to be expanded in order to facilitate the additional data collection and reporting as required by the HPRP regulations. The local HMIS administrator, which is Methodist Training & Outreach Center, Inc., submitted a request to the VIHFA seeking funding for the HPRP HMIS activity. The request is supported by a narrative and budget outlining various hardware and software needs as well as incremental operating, system administration, training, and personnel costs.

The VIHFA recognizes that comprehensive, structured data forms the basis of the evaluation of program performance. In addition, representatives of HUD's Community Planning & Development Division as well as the HUD-contracted training and technical assistance provider relative to HPRP, advised VIHFA that it is necessary to make provisions for the funding the costs associated with the HPRP HMIS activity. Costs associated with operating HUD-approved Homeless Management Information Systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds are eligible under the data collection and evaluation activity; eligible costs include the purchase of HMIS software and/or user licenses, leasing or purchasing needed computer equipment for HPRP providers and the central server, costs associated with data collection, entry and analysis, and staffing associated with the operation of the HMIS, to include training.

**Action:** The Territory now proposes to amend its HPRP grant to make funds available to support expansion of the capacity of the Homeless Management Information System (HMIS) to accommodate the additional data collection and reporting as required by the HPRP regulations.

The proposed amendment entails a revision of the HPRP program budget which was included as part of the approved HPRP grant. The revision which is being sought is based on the funding request as submitted by the HMIS administrator was thoroughly reviewed by VIHFA with significant assistance from HUD; the line items were determined eligible and the proposed costs reasonable. Pursuant to the HPRP regulations, the VIHFA has drafted this substantial amendment in accordance with the amendment process described in the Territory's Consolidated Plan.

Under the proposed revision, the Territory will continue to utilize its HPRP funds for the following categories of eligible activities: financial assistance, housing relocation and stabilization, and evaluation, and program administration but it will now also allocate \$85,455 for data collection and evaluation. The largest portion of the grant funds will continue to be reserved for financial assistance activities; under the revised budget, the amount reserved for financial assistance will decrease to \$539,210.00. Of that amount, \$393,715 will be used for financial assistance related to prevention of homelessness – i.e., assistance to those individuals and families at greatest risk of becoming homeless – and \$145,495 will be used to facilitate the rapid re-housing of persons who are homeless as defined by HUD. In general, the term “homeless” or “homeless individual or homeless person” includes (1) an individual who lacks a fixed, regular, and adequate nighttime residence; and (2) an individual who has a primary nighttime residence that is (A) a shelter designed to provide temporary living accommodations, (B) an institution that provides a temporary residence for persons intended to be institutionalized; or (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. Rapid re-housing assistance is also available to persons who are graduating from, or timing out of, a transitional housing program as well as victims of domestic violence.

Approximately 14.5% of the HPRP funds, or a total of \$112, 415, has been budgeted for housing relocation and stabilization services to include primarily outreach, case management, and housing search and placement. As with the financial assistance funds, the greater portion of the housing relocation and stabilization funds will be directed toward the prevention component. This amount will not be affected by the proposed substantial amendment.

Finally, in accordance with the HPRP regulations the VIHFA budgeted 5% of the HPRP funds (or \$38,798) for program administration to include certain pre-award costs such as the cost of publication of the Substantial Amendment related to the application for

HPRP funds. In addition, program administration funds defray the costs of tracking the use of grant funds, travel associated with training and technical assistance, preparing reports, and similar costs related to general program administration. This amount will not be affected by the proposed substantial amendment.

The table directly below provides a graphic presentation of the proposed revised budget.

**REVISED BUDGET SUMMARY**

<b>Proposed Budget (revisions highlighted in red)</b>			
	<b>Homelessness Prevention</b>	<b>Rapid Re-housing</b>	<b>Total Amount Budgeted</b>
<b>Financial Assistance</b> <sup>1</sup>	<b>\$393,715.00</b>	\$145,495.00	<b>\$539,210.00</b>
Housing Relocation and Stabilization Services <sup>2</sup>	\$ 73,717.00	\$ 38,798.00	\$112,515.00
<b>Subtotal</b> (= sum of the previous two rows)	<b>\$467,432.00</b>	<b>\$184,293.00</b>	<b>\$651,725.00</b>

<b>Data Collection and Evaluation</b> <sup>3</sup>	<b>\$ 85,455.00</b>
Administration (up to 5% of allocation)	\$ 38,798.00
<b>Total HPRP Amount Budgeted</b> <sup>4</sup>	<b>\$775,978.00</b>

<sup>1</sup> Financial assistance includes the following activities as detailed in the HPRP Notice: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers.

<sup>2</sup> Housing relocation and stabilization services include the following activities as detailed in the HPRP Notice: case management, outreach, housing search and placement, legal services, mediation, and credit repair.

<sup>3</sup> Data collection and evaluation includes costs associated with operating HUD-approved homeless management information systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds.

<sup>4</sup> This amount must match the "Grant Amount" shown in Table A above.

***Conclusion:***

The Federal Recovery Act places a strong emphasis on performance and measureable results. Comprehensive, structured data forms the basis of the evaluation of program performance. The Act requires that data collection and reporting for HPRP be conducted through the use of the Homeless Management Information System (HMIS) or a comparable client-level database; therefore, reasonable and appropriate costs associated with operating an HMIS for collection and reporting data required under HPRP and analyzing patterns of use of HPRP funds are eligible.

In the original approved grant application, no funds were budgeted for data collection and evaluation. In recognition of the need to rectify this oversight, the Territory now proposes to amend the program budget to make \$85,455 available for this activity. The funds will support expansion of the capacity of the Homeless Management Information System (HMIS) to accommodate the additional data collection and reporting as required by the HPRP regulations.