

Substantial Amendment to the Year 34 Consolidated Plan Emergency Shelter Grant Program

The City of Philadelphia has been notified that it will receive funds through the American Recovery and Reinvestment Act of 2009 (ARRA) for Homeless Prevention Services. These funds are part of the Emergency Shelter Grant (ESG) program of the U. S. Department of Housing and Urban Development. ESG is one of four HUD programs which are part of the City's annual *Consolidated Plan*. ESG funds are administered by the City's Office of Supportive Housing (OSH). The ESG funds made available under ARRA are made available for the Homeless Prevention and Rapid Re-Housing Program (HPRP).

The City is proposing the following Substantial Amendment to the Year 34 Consolidated Plan to outline the activities which it intends to carry out using these funds.

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

Grantees eligible to receive funds under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) are required to complete a substantial amendment to their Consolidated Plan 2008 Action Plan. This form sets forth the required format for this substantial amendment. A completed form is due to HUD within 60 days of the publication of the HUD HPRP notice.

To aid grantees in meeting this submission deadline, the HPRP Notice reduces the requirement for a 30-day public comment period to no less than 12 calendar days for this substantial amendment. With this exception, HPRP grantees are required to follow their Consolidated Plan's citizen participation process, including consultation with the Continuum of Care (CoC) in the appropriate jurisdiction(s). Grantees are also required to coordinate HPRP activities with the CoC's strategies for homeless prevention and ending homelessness. To maximize transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed.

A complete submission contains the following three documents:

- 1) A signed and dated SF-424,
- 2) A completed form HUD-40119 (this form), and
- 3) Signed and dated General Consolidated Plan and HPRP certifications.

For additional information regarding the HPRP program, visit the HUD Homelessness Resource Exchange (www.hudhre.info). This site will be regularly updated to include HPRP resources developed by HUD and its technical assistance providers.

A. General Information

Grantee Name	Office of Housing and Community Development
Name of Entity or Department Administering Funds	Office of Supportive Housing
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Dainette M. Mintz
Title	Director
Address Line 1	1401 John F. Kennedy Boulevard
Address Line 2	10 th Floor
City, State, Zip Code	Philadelphia, PA 19102
Telephone	215-686-7106
Fax	215-686-7126
Email Address	dainette.mintz@phila.gov
Authorized Official (if different from Contact Person)	Michael A. Nutter
Title	Mayor
Address Line 1	City Hall
Address Line 2	10 th Floor
City, State, Zip Code	Philadelphia, PA 19102
Telephone	215-686-2181
Fax	215-686-2180
Email Address	michael.nutter@phila.gov
Web Address where this Form is Posted	www.phila.gov/ohcd , www.phila.gov/rfp www.oneneighborhood.org

Amount Grantee is Eligible to Receive*	\$21,486,240
Amount Grantee is Requesting	\$21,486,240

*Amounts are available at <http://www.hud.gov/recovery/homelesspreventrecov.xls>

B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

Response:

Consistent with the City of Philadelphia’s Office of Housing and Community Development’s (OHCD) Consolidated Plan, the Office of Supportive Housing (OSH) has strongly encouraged citizen participation in the preparation of this substantial amendment. OSH established a work group comprised of 15 public and private sector stakeholders who represent the local McKinney Continuum of Care Strategic Planning Committee, homeless emergency, transitional and permanent housing providers, housing counseling agencies and private sector homeless advocates. The workgroup members selected a subcommittee and provided input on program design and implementation of the proposed activities. Each of the subcommittees met four times and focused on one of the following program components of HPRP: Prevention, Diversion or Rapid Re-Housing.

Additionally, advertisements giving notice and seeking public comment on the proposed use of the ARRA funds was published in four local newspapers and posted on three websites. A mailing was sent to over 60 OSH contracted providers and other interested parties. Following a 14-day public comment period, OSH reviewed and compiled the public comments into one document that was shared with public and private work group members via email and in two final workgroup meetings. Each individual who submitted a public comment on the proposed HPRP activities received a written response regarding the acceptance or rejection of their comment(s). Following the public comment period and workgroup committee input, OHCD presented a resolution to City Council for approval of this Substantial Amendment as an amendment to the Year 34 Consolidated Plan.

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options:
 - Grantee did not receive public comments.
 - Grantee received and accepted all public comments.
 - Grantee received public comments and did not accept one or more of the comments.
3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

Response: OSH proposed activities in line with the Homelessness Prevention and Rapid Re-Housing program components: Prevention, Diversion and Rapid Re-Housing and responded to public comments accordingly.

Prevention public comments included: 1) Subpopulations such as veterans, homeless youth, homeless with behavioral problems and refugees should have access to HPRP programs; 2) Prevention providers should ensure adequate capacity to link participants to needed services; and, 3) City should ensure enough dollars for housing stabilization staff are allocated to provide follow up services to households.

OSH incorporated recommendations to address the above comments for the prevention program design and RFP process. Prevention services will be offered city-wide, and providers will have to demonstrate their capacity to serve all subpopulations by providing financial assistance and appropriate service linkages. The City will require providers to demonstrate that adequate funding for housing stabilization services is budgeted to cover the target number of households to be served.

Diversion public comments affirmed the Diversion Subcommittee's recommendation to screen all households entering emergency housing and refer those that could be readily diverted from shelter to one of the contracted prevention providers. OSH will ensure a smooth transition from the shelter intake center to the prevention provider.

Rapid Re-Housing public comments included: 1) Concerns about the need for long-term case management and financial assistance to support the most fragile individuals and families beyond the 18 months outlined in the HUD NOFA; 2) Need to develop partnerships with low-income housing providers; and 3) Need to prioritize housing placements of street homeless with the greatest mortality risk.

OSH recognizes that fragile and very low income households are the most likely to have difficulty sustaining market rate housing and will continue to work with agencies that can provide subsidized housing opportunities such as the Philadelphia Housing Authority. OSH will allocate \$1 million of the HPRP dollars to assist the chronic street homeless who often have the greatest mortality risk, with 1st month's rent, security deposit, first month's utility payment and medium term rental assistance to help them move into Housing First opportunities.

An additional comment was to set aside a small "innovations fund" to go towards a new eligible activity that would be determined later. OSH agreed to consider this during the 2nd year of HPRP funding.

The comment of creating a new "one-stop" shop or day program for engaging chronically street homeless was not accepted since HPRP funds cannot be used to support other program operations.

C. Distribution and Administration of Funds

Reminder: The HPRP grant will be provided by means of a grant agreement executed by HUD and the City (grantee). The three-year deadline to expend funds begins when HUD signs the grant agreement. Grantees should ensure that sufficient planning is in place to begin to expend funds shortly after grant agreement.

1. Check the process(es) that the grantee plans to use to select subgrantees. Note that a subgrantee is defined as the organization to which the grantee provides HPRP funds.

Competitive Process

Formula Allocation

Other (Specify: _____)

2. Briefly describe the process(es) indicated in question 1 above (limit 250 words).

Response:

OSH will utilize a competitive Request for Proposal (RFP) process to solicit sub-grantees for the Homelessness Prevention and Rapid Re-Housing program components. Each of these program components will include financial assistance and housing stabilization or short-term case management services that are housing focused and linked to financial assistance. Proposals will be evaluated and ranked by review committees comprised of public and private sector homeless community representatives. Each proposal will be reviewed for consistency with the RFP proposal and review criteria. All review committees will submit funding recommendations to the Director of OSH who will make the final sub-grantee selections. It is anticipated that (3) three to (5) five private providers will be awarded contracts for Prevention services and that (2) two to (3) three private providers will be awarded Rapid Re-Housing contracts. OSH is prepared to increase the number of sub-grantees if needed to make services available across the city. Each sub-grantee will receive a (1) one year contract for the proposed activities and will re-apply for funding each subsequent year.

Using the guidance of both the stakeholder workgroups and public comments, OSH will also establish a Homeless Diversion program component operated in conjunction with the City's existing centralized emergency housing (shelter) intake process for homeless families and single persons. Individuals and families who meet the criteria for diversion will be assessed by OSH staff and referred to a Prevention provider for financial assistance and housing stabilization services.

3. Briefly describe the process the grantee plans to use, once HUD signs the grant agreement, to allocate funds available to sub grantees by September 30, 2009, as required by the HPRP Notice (limit 250 words).

Response:

In anticipation of approval of this Substantial Amendment, OSH intends to issue the RFP's for Homelessness Prevention and Rapid Re-Housing services on June 1, 2009. Proposals will be due to OSH by June 29, 2009, and the selection process for sub-grantees will be completed by August 7, 2009. OSH plans to have contracts in place with all of the Homelessness Prevention and Rapid Re-Housing providers by September 30, 2009.

4. Describe the grantee's plan for ensuring the effective and timely use of HPRP grant funds on eligible activities, as outlined in the HPRP Notice. Include a description of how the grantee plans to oversee and monitor the administration and use of its own HPRP funds, as well as those used by its sub grantees (limit 500 words).

Response:

OSH has created a Homeless Prevention Program unit to administer and monitor the use of the HPRP funds. Dedicated staff will include a Homeless Prevention Director, Homeless Prevention Program Reporting Manager, Program Analysts, and an administrative professional. Staff have developed a timeline to carry out the recommendations of the workgroups and ensure that Prevention and Rapid Re-Housing providers are ready to deliver services by Oct. 1, 2009.

OHCD is experienced with IDIS and will ensure that funds are drawn down and transferred to OSH quarterly for program administration. OSH plans to distribute up to 25% of a providers' contract in advance to ensure that funds are available to provide financial assistance to households who need HPRP funded services immediately. OSH will draw down 60% of the HPRP grant funds within 2 years of the date that HUD signs the grant agreement and 100% of the funds within three years of the grant agreement date.

In designing the Homeless Prevention and Rapid Re-Housing programs, the capacity of OSH and potential sub-grantees has been assessed for the effective distribution of funds. OSH has involved current housing providers in the program design, and with their input, has begun to develop procedures that will ensure fair and consistent delivery of services. Using the program design developed by the various sub-committees, OSH will continue to involve public and private sector homeless community representatives in a planning and evaluation process. OSH has seven years of experience utilizing HMIS and will require sub-grantees to demonstrate in the RFP process that they have the capacity to collect data and monitor use of funds and persons served through daily, weekly and monthly reporting in HMIS. OSH will monitor internal programmatic activities and sub-

grantee programmatic activities monthly to ensure that established goals for the number served and quarterly expenditures are met.

OSH will follow the requirements established by HUD through the Office of Management and Budget to prepare and submit quarterly and annual reports.

Finally, OSH is creating a series of assessment tools and internal reporting requirements to ensure:

- 1) All three proposed activities including, Housing Prevention, Housing Diversion and Rapid Re-housing as described in this Substantial Amendment are performed in compliance with the HPRP guidelines
- 2) Households that would be homeless *but for this assistance* and those in emergency and transitional housing are served.
- 3) Ensure that households are accurately assessed for level of need and linked to mainstream benefits and other needed services.
- 4) All work is transparent and recorded in HMIS
- 5) Target populations are consistent with the Continuum of Care established in Philadelphia.
- 6) Monies are expended timely with 60% of funds spent by the end of year 2 and 100% of funds are spent by end of year 3.

D. Collaboration

1. Briefly describe how the grantee plans to collaborate with the local agencies that can serve similar target populations, which received funds under the American Recovery and Reinvestment Act of 2009 from other Federal agencies, including the U.S. Departments of Education, Health and Human Services, Homeland Security, and Labor (limit 250 words).

Response:

The city planning process includes identifying all local agencies that may receive American Recovery Funds and collaborating on the use of the collective resources. OSH will seek additional information about ARRA funded state and federal programs and create forums for sharing that information with the Prevention and Rapid Re-Housing sub-grantees. Sub-grantees will be expected to ensure that their staff are informed, sharing resources, and making appropriate referrals for the individuals and families they serve.

For example, in the Rapid Re-Housing program, OSH and sub-grantees build on the OSH partnership with the Philadelphia Housing Authority (PHA) to place low-income singles and families currently in emergency or transitional housing in permanent subsidized housing. OSH is working with the Pennsylvania Department of Community and Economic Development to identify projects that could be funded under its competitive HPRP allotment. Many of the singles and

families who are homeless or near homeless need employment assistance, and sub-grantees will refer those households to ARRA funded job training and placement programs. Additionally, OSH is working with the local Emergency Food and Shelter Grant (EFSG) Board that intends to use ARRA funds for rent, mortgage and utility assistance for the unemployed.

2. Briefly describe how the grantee plans to collaborate with appropriate Continuum(s) of Care and mainstream resources regarding HPRP activities (limit 250 words).

Response:

OSH is the city agency responsible for the Continuum of Care for Homeless services in Philadelphia. Through the public/private workgroups, the City has engaged many providers that work within the Continuum of Care to ensure that planning around collaboration of resources was included in the program designs.

OSH and the public/private workgroup created a resource development committee that will focus on gathering program and contact information on a wide range of social services offered by various for and non-profit providers throughout Philadelphia that can be used as linkages for HPRP households. Information on resources such as utility assistance, job counseling and training, budget counseling, and credit repair will be gathered and used to assist households.

3. Briefly describe how HPRP grant funds for financial assistance and housing relocation/stabilization services will be used in a manner that is consistent with the grantee's Consolidated Plan (limit 250 words).

Response:

OSH proposes to utilize the funding as follows:

- A. Homeless Prevention- City-wide Community Based - provide homeless prevention and retention assistance to low-moderate income city residents who have delinquencies in rent and utilities. Housing Stabilization Specialists will assess each household's level of need using a uniform Self-Sufficiency Assessment, coordinate housing stabilization services, and provide financial assistance.
- B. Housing Counseling- – provide mortgage foreclosure counseling to low-moderate income households.
- C. Homeless Diversion- Intake Center Based - conduct initial Self-Sufficiency Assessment of households requesting shelter placement at Appletree Family or Ridge Ave. Single Intake Centers to determine if the household can be diverted from shelter. Provide family or landlord remediation to ensure

stable housing until other housing or service linkages or made. Make referrals to Homeless Prevention Provider, or short-term shelter placement.

- D. OSH Philadelphia Emergency Relocation Assistance Program (PERA) – increase amount of funding for rent and utility delinquency assistance available to prevent homelessness to low-income households. Provide 1st month rent and security deposits for victims of cease operations, court evictions, PHA evictions and natural disasters.

- E. Rapid Re-Housing – targeted to residents of City-funded Emergency and Transitional Housing- provide rapid re-housing assistance: providing 1st month rent, security deposit and short term (3 months) or medium term (4-18 months) rental assistance to families and single persons experiencing homelessness. Provide security deposits to homeless households leaving emergency or transitional housing as needed to facilitate rapid re-housing into subsidized housing resources. Provide medium term assistance to singles entering the Pathways Housing First program.

E. Estimated Budget Summary

HUD requires the grantee to complete the following table so that participants in the citizen participation process may see the grantee’s preliminary estimated amounts for various HPRP activities. Enter the estimated budget amounts for each activity in the appropriate column and row. The grantee will be required to report actual amounts in subsequent reporting.

HPRP Estimated Budget Summary			
	Homelessness Prevention (Includes Diversion)	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$7,661,558.10	\$6,416,791.50	\$14,078,349.60
Housing Relocation and Stabilization Services ²	\$3,283,524.90	\$2,750,053.50	\$6,033,578.40
Subtotal (add previous two rows)	\$10,945,083	\$9,166,845	\$20,111,928
Data Collection and Evaluation ³			\$300,000
Administration (up to 5% of allocation)			\$1,074,312

Total HPRP Amount Budgeted⁴	\$ 21,486,240
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¹Financial 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.

²Housing 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.

³Data 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.

⁴This amount must match the amount entered in the cell on the table in Section A titled “Amount Grantee is Requesting.”

F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

Signature/Authorized Official

Date

Title

Signed certifications and the completed Form 424 will be provided upon submission of the Substantial Amendment to HUD.