



REQUEST FOR PROPOSALS (RFP)

APPLICATION GUIDEBOOK

FOR:

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

**HARRIS COUNTY COMMUNITY SERVICES DEPARTMENT
OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
8410 LANTERN POINT DRIVE
HOUSTON, TX 77054
(713) 578-2000**

APPLICATION SUMMARY

Prior to responding to the application, each qualified organization is urged to review this Guidebook and read the instructions carefully. Before submitting the application, check all calculations and review the package for completion of all forms and sections. Inaccuracies, omissions and use of application forms from previous competitions will be grounds for rejection. All proposals will become part of Harris County's official files.

Application Submittal

- Applications are due **to 8410 Lantern Point Drive, Houston, TX 77054** by **August 7, 2009 at 10 a.m.** Late submissions will not be accepted. Please contact Development Staff at (713) 578-2000 with questions regarding the application.
- Bind only with binder clips. Insert labeled tabs for the sections as outlined in the Application Checklist. Do not use sticky notes as a substitute for tabbed dividers.
- **Submit three (3) copies (one original and two copies) of the proposal and one electronic copy on disk.** Indicate whether the proposal is an original or copy on the first page of each application. All proposals must:
 - ✓ Include all attachments in their entirety as outlined on the Application Checklist.
 - ✓ **Each copy of the proposal must be in an individually sealed envelope and clearly marked as "Original" or "Copy."**
 - ✓ All originals **must** be signed in **blue** ink.

GENERAL INFORMATION

Consolidated Plan*

The U.S. Department of Housing and Urban Development (HUD) requires all participating jurisdictions to submit a long-range strategic planning document called the Consolidated Plan. The PY2008-2012 Consolidated Plan describes the housing and community development needs of Harris County for a five-year period. This document represents Harris County's vision for improving the quality of life in the low-income areas of the County. It also gives specific details on what will be accomplished and how it will be done. It is through the Consolidated Plan that Harris County determines its funding priorities each program year.

Annual Action Plan*

The Annual Action Plan (AAP) is the annual update to the Consolidated Plan. The AAP describes resources available, how those resources are to be utilized, including funded projects, and the geographic distribution of those resources. The AAP process has been specifically created to assist in mapping one-year actions for community development and making good use of available federal, state and local resources.

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

On February 17, 2009, the U.S. Congress passed the American Recovery and Reinvestment Act of 2009 (ARRA). In turn, HUD announced the availability of \$4,463,961 to fund the Homelessness Prevention and Rapid Re-Housing Program (HPRP) for Harris County as an eligible grantee. All grantees eligible to receive funds under the HPRP are required to complete a substantial amendment to their Consolidated Plan's 2008 Action Plan. This Amendment to the Consolidated Plan outlines the grantee's proposed expenditures and activities for the three years of HPRP.

***These documents may be viewed on our website at www.csd.hctx.net.**

PROGRAM GUIDELINES

What is HPRP?

The Homelessness Prevention and Rapid Re-housing Program (HPRP) was authorized as the Homeless Prevention Fund under Title XII of the American Recovery and Reinvestment Act of 2009 (ARRA). This funding provides \$1.5 billion to the Department of Housing and Urban Development (HUD) in homeless prevention and rapid re-housing throughout the nation.

Funds are allocated to eligible grantees through the formula used for the Emergency Shelter Grants (ESG) Program. In order to receive funding, each eligible grantee was required to submit a substantial amendment to the Consolidated Plan 2008 Annual Action Plan. In Harris County there are three jurisdictions that are eligible grantees to receive HPRP funds: City of Houston, City of Pasadena and unincorporated Harris County.

The HPRP is a one-time funding source that requires grantees meet the statutory requirement to spend 60 percent of their funds within 2 years. If a grantee is unable to meet this requirement, HUD will recapture and reallocate unused funds.

HPRP Purpose

The focus of HPRP is housing stabilization. HPRP provides temporary assistance and/or services to help persons gain housing stability as a bridge to long-term stability. It is intended to serve individuals who are homeless or would be homeless *but not for this assistance*. 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. 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. Agencies must provide the minimum amount of assistance need to stabilize a client.

Population Served

HPRP will fund homelessness prevention assistance to individuals and households who would otherwise become homeless – many due to the economic crisis – and assistance to re-house persons rapidly who are homeless, as defined by §103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11303). Applicants will be required to use Harris County's HPRP Client Assessment Form to determine eligibility for HPRP.

Definition of At Risk of Homelessness and Homeless

1. Pursuant to (42 U.S.C. §11303), the phrase "at risk of homelessness" includes "An individual currently in housing but at risk of becoming homeless and in need of temporary rent or utility assistance to prevent homelessness."
2. The term "homeless" or "homeless individual" includes:
 1. An individual who lacks a fixed, regular, and adequate nighttime residence or
 2. An individual who has a primary nighttime residence that is:
 - a. a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

- b. an institution that provides a temporary residence for individuals 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.

Eligible Applicants

Non-profit organizations, municipalities and local governments who deliver services to homeless or at risk of homeless clients in Harris County may apply for funding. All non-profit organizations must have 501(c)(3) status with supporting documentation from the IRS at the time of application to receive funding through Harris County.

Due to the expedited nature of these funds, Harris County will only be able to consider applicants with federal funding experience within the past five years. In addition, applicants must have experience providing either financial assistance or rapid re-housing. Harris County will not consider new or start up programs. Applicants currently funded by Harris County must be in good standing with the County (i.e. have no outstanding reporting delinquencies, monitoring findings, or program capacity issues) to be considered for funding.

Match Requirements

Unlike many federal grant programs, there is no required match for HPRP. While there are no federal match requirements for HPRP funds, Harris County highly recommends that organizations provide leverage funds. Leverage fund sources include contributions derived from other federal and nonfederal sources and the value of third party in-kind contributions, (i.e. volunteers, personnel, office space, materials, equipment and supplies). Applications will receive favorable scoring based on higher leveraged funds.

Limitations of the RFP

Harris County Community Services Department (HCCSD) reserves the right to accept or reject any and all proposals received. In addition, HCCSD reserves the right to negotiate with all qualifying organizations or to cancel in whole or in part an application if deemed in the best interest of Harris County as it relates to the Consolidated Plan. Organizations selected for funding may participate in negotiations and resubmit any proposed expenses, technicality, or other revisions of their proposal as requested by HCCSD.

Service Area

Whereas the Harris County service area is usually comprised of the unincorporated areas of Harris County and 15 incorporated cooperative cities; for the purpose of this RFP, HCCSD will be able to consider projects that are located in and serve clients throughout Harris County. This includes unincorporated Harris County, the 15 cooperative cities, the City of Baytown, Pasadena and Houston as well other small cities in Harris County.

Available Funds

The table below provides a breakdown of Harris County's proposed distribution of funds, based on its Amendment. Harris County anticipates receiving \$4,463,961 from HUD in HPRP funds. HPRP is a one-time, three-year program and all funds must be expended within three years.

Table 1. HPRP Funding Availability

| HPRP Objective | Funds Available Under RFP | Total Funds Available |
|--------------------------------|----------------------------------|------------------------------|
| Homeless Prevention | \$ 565,383 | \$ 3,565,383 |
| Rapid Re-housing | \$ 565,380 | \$ 565,380 |
| Data Collection and Evaluation | - | \$220,000 |
| Administration | \$62,038 | \$ 223,198 |
| Total | \$ 1,192,801 | \$ 4,463,961 |

Disbursement of Funds

Harris County funds are provided to awarded applicants on a **reimbursement basis only**. This means that funds will be available to the organization *after* it has paid for eligible project costs; however, no costs incurred prior to contract approval may be reimbursed. Harris County requires that organizations provide documentation of at least three months of working capital to cover project costs or have an open line of credit through a financial institution. Working capital must be in the form of liquid assets. Funding through donations, capital campaigns or other grant sources are not considered working capital.

Contract Structure

Awarded applicants will enter into a contract with Harris County on an annual basis. Each contract will reflect one third of the applicant’s total request. Requested funding will be distributed over a three year period and will require that, at minimum, 60 percent of the funding be expended within the first two years and 100 percent by the end of the third year. A semi-annual review of expenditures will be conducted to ensure timely use of funds. Applicants that maintain a timely use of funds will receive contract renewals. Delays in the use of funds will result in the possible de-obligation of awarded funds.

Eligible Activities*

HPRP funding must be used to assist persons who are homeless or would be homeless but for this assistance. Awarded agencies must interview prospective clients to determine initial eligibility for program services. Initial interviews will include assessment of the client’s eligibility and appropriateness for HPRP as well as any barriers to self-sufficiency. Case managers will be responsible for providing case management and determining which eligible activities would best assist the client.

Eligible activities to assist these individuals include the following:

Financial Assistance

All financial assistance must be issued to a third party (landlord or utility company), NOT directly to program participants. Clients must receive the minimum assistance required to achieve stabilization.

- Short term rental assistance (up to 3 months)
 - Up to 100 percent of total monthly rent, not to exceed 120 percent of HUD’s Fair Market Rent (FMR).

- Medium term rental assistance (3-18 months)
 - Clients must be re-evaluated by a case manager every three months to determine need. Up to 100 percent of total monthly rent for the first 3 months, not to exceed 120 percent FMR and decreasing by at least 10 percent after each evaluation. This can include up to 6 months of arrears, counting toward the total assistance (i.e. a client receiving 12 months of assistance can receive payment for 6 months of arrears and 6 months moving forward).
- Utility payments (up to 18 months)
 - Clients must be re-evaluated by a case manager every three months to determine need. Up to 100 percent of total payment, not to exceed \$800 per month, for the first 3 months and decreasing by 10 percent after each evaluation. This can include up to 6 months of arrears, counting toward the total assistance.
 - Prepaid utilities are not eligible.
- Security/utility deposits
 - While no limit is set for security and utility deposits, requests must be reasonable.
- Moving assistance
 - Reasonable costs include but are not limited to truck rental, hiring a moving company, short term (up to 3 months) storage fees.
- Motel/ hotel vouchers
 - Up to 30 days only if housing has already been identified but is not immediately available.

Housing Relocation & Stabilization Services

- Outreach/ engagement
 - Costs associated with publicity and/or access of programs to eligible individuals.
- Case management
 - Costs associated with arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs of program participants and helping them obtain housing stability. Rates not to exceed \$45K annually.
- Housing search/ placement
 - Costs that will assist individuals and families in locating, obtaining and retaining suitable housing such as tenant counseling, moving arrangements, securing utilities, mediation and outreach to property owners.
- Legal Services
 - Costs for referral and contract services incurred as part of case management

Administrative

- Costs related to audit, financial staff and administrative support
 - Limited to 5 percent of total request

*Please note that this funding is different than Emergency Shelter Grants (ESG) Program funding. HPRP funds cannot be spent on shelter operations or housing renovation or repair.

Priority Populations

Harris County is giving priority to applications that meet the needs of the following two groups:

1. Youth aged out of foster care
2. Formerly incarcerated individuals

It is important to note that funds assisting individuals in either of these priority groups may not be used while clients are still receiving services or are members of these groups. Discharge planning is ineligible, as institutions are required by law to provide these services.

Program Eligibility

HPRP funds administered by Harris County are to be used for services to low-income persons, as defined by HUD. Any household receiving HPRP funds must be at or below 50 percent of the Median Family Income (MFI) for Harris County. The MFI for the Houston, Texas, Primary Metropolitan Statistical Area is \$61,500 for a family of four. The table below denotes income limits for HPRP. Please note that these limits are updated annually.

Table 2. Income Limits

| 2009 Income Levels | Household Size | | | | | | | |
|-----------------------------|----------------|----------|----------|----------|----------|----------|----------|----------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 30 % of Median | \$13,400 | \$15,300 | \$17,250 | \$19,150 | \$20,700 | \$22,200 | \$23,750 | \$25,300 |
| Very Low Income 31 – 50% | \$22,350 | \$25,500 | \$28,700 | \$31,900 | \$34,450 | \$37,000 | \$39,550 | \$42,100 |

To determine eligibility, agencies will be required to use 24 CFR Part 5 guidelines to consider the participant’s current income rather than anticipated income based on past earnings. This will allow for consideration of possible loss of employment. A participant’s income must be evaluated every 3 months while assistance is being provided.

Property Requirements

Prior to the disbursement of funding to a third party as part of any rental assistance, Harris County will ensure compliance with rent reasonableness standards found at www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc. Habitability inspections will be required any time a participant moves into housing assisted through HPRP and must be re-inspected at least annually. Inspections will not

be required where participants are staying in their current housing. Additionally, rental assistance and security deposits for families with a child under the age of six triggers lead-based paint requirements, including an initial “visual assessment” upon occupancy, periodic inspections and inspection any time occupancy changes.

Table 3. Reasonable Rate for Rent

| Apartment Bedroom Size | FY 2009 FMR | 120% FMR |
|-------------------------------|--------------------|-----------------|
| 1 bedroom | \$714 | \$856 |
| 2 bedrooms | \$866 | \$1039 |
| 3 bedrooms | \$1154 | \$1384 |
| 4 bedrooms | \$1451 | \$1741 |

Monitoring Reviews

Monitoring is an important component of the Grants Management process. Therefore, it is critical that Harris County and subrecipients maintain the appropriate documentation to support their activities in accordance with federal guidelines and Harris County Community Services reporting requirements.

In conducting performance reviews, Harris County will primarily rely on information obtained from the subrecipient’s performance reports, records from on-site monitoring, and audit reports. Performance monitoring reviews typically result in a formal written report from Harris County summarizing the monitoring review and indicating whether the subrecipient was found to be in noncompliance with any applicable regulations or requirements.

Because of the timeliness of this funding source, Harris County will require monthly reporting and will monitor based on reports. A semi-annual review of expenditures will be conducted to ensure timely use of funds. Delays in the use of funds for 6 months will result in the de-obligation of awarded funds.

Recordkeeping

Accurate recordkeeping is crucial to the successful management of grant-funded activities. Insufficient documentation will likely lead to monitoring findings. Please pay careful attention to guidelines outlined within the eligible activities section of this guidebook. Organizations must complete an HPRP Client Assessment Form for each individual and household client and maintain supporting documentation in participant files. If it is determined that the supporting documentation is incorrect or insufficient, reimbursement will be denied for costs associated with the ineligible expense.

HMIS

All grantees receiving HPRP funds are required, as mandated through the ARRA, to “collect data on the use of funds awarded and persons served with this assistance in HUD’s Homeless Management Information System (HMIS) or other comparable database.” The HMIS for Harris County is managed by the Houston/Harris County Coalition for the Homeless.

For those agencies that provide services to survivors of domestic violence, data entry into the HMIS is not a requirement, though all data must be collected in a comparable database that complies with HUD HMIS Data and Technical Standards. Victim service providers may suppress aggregate data on specific client characteristics in the HPRP APR when the following two conditions are met:

1. the aggregate number of persons reported for a particular reporting field is less than either one percent of the total number of clients or five persons, whichever is greater, and
2. provider staff reasonably believe that the inclusion of such information may constitute a threat to a client by allowing a victim’s stalker or abuser to identify the location of a client with an uncommon demographic profile.

Access to Records

HUD and the Comptroller General of the United States, or their authorized representatives in addition to Harris County Staff, have the right to access Grantee and subrecipient program records.

HPRP Timeline

| Activity | Due Date |
|---|--------------|
| Publication of Notice of Allocation | March 19 |
| Public Notice | April 21 |
| Public Hearing | April 28 |
| HUD approval/disapproval of all amendments submitted | July 2 |
| Applications available for downloading on CSD website | July 13 |
| Applicant conference | July 21 |
| Applications due to CSD | August 7 |
| Post proposed projects on CSD website | September 5 |
| Commissioners Court approval of grant agreement and proposed projects | September 15 |
| Commissioners Court approval of subrecipient agreements | September 29 |
| HUD required obligation of HPRP funds | September 30 |