



**Substantial Amendment to the
Consolidated 2008-2009 Action Plan
Homelessness Prevention and
Rapid Re-Housing Program
(HPRP)**

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City of Fayetteville
Homeless Prevention and Rapid Re- Housing Plan

Executive Summary

The City of Fayetteville has seen homelessness as a major challenge for the Fayetteville/Cumberland County community. There are no simple solutions to this issue as the roots of homelessness are changing in social, economic, political and cultural conditions. Following the initiative of the National Alliance to End Homelessness (NEAH), homeless service providers in Fayetteville and Cumberland County have stepped forward in making the homeless assistance system more outcome-driven by tailoring solution-oriented approaches more directly to the needs of the various sub-populations of the homeless.

The City of Fayetteville, Cumberland County, the Cumberland County Continuum of Care Planning Council and a wide assortment of community leaders, service agencies, homeless individuals, and concerned citizens developed a Ten-Year Plan to End Homelessness in an effort to focus community attention to homelessness and work as a community to develop solutions that address the needs of the homeless population. The Ten-Year plan describes ten priorities that will increase homeless services and provide faster housing opportunities.

Concerns regarding panhandling, losses of services to the homeless, and increasing numbers of homeless persons becoming visible in the community have resulted in ordinances being developed to curtail panhandling and although this is one aspect of homelessness, the City is aware that there are many faces of homelessness with many contributing factors related to becoming homeless.

In the 2009 Point-in-Time survey (PIT) conducted by the Fayetteville/Cumberland County Continuum of Care (CoC), it was reported there were 965 homeless people counted in the Fayetteville/Cumberland County area. The total number of persons living in households with dependents was 554. Of that number, 367 were unsheltered. The total number of people without dependents was 411. And of this group, 335 were unsheltered. The PIT count includes single males, single females, families and veterans. These points are direct indicators of the need for homeless prevention programs and housing opportunities. The largest sub-population in the city/county is families with children. According to the PIT survey, respondents stated that the lack of employment or underemployment to be a reason for homelessness. Other reasons just as important were substance abuse, low education, and lack of affordable housing. The city is also working to improve the discharge planning of those released from public institutions or public systems of care.

Recently there has been a large number of housing problems with evictions, due to the cost of utilities (water, electric and gas), lack of employment or underemployment and rising rental rates. Current programs that help to prevent homelessness include utility assistance programs provided by the Salvation Army, the City and some of the local churches. Rental assistance is currently only offered at the Department of Mental Health P.A.T.H. program for patients that are served through agency. Some local churches will provide assistance with rent on a case by case basis.

The need for more affordable housing continues to be part of preventing homelessness in Fayetteville. Organizations that offer affordable housing maintain long waiting list with more request each month. The Metropolitan Housing Authority recently reported a waiting list of up to one year. This includes programs such as section 8 and other subsidized rental apartments. It is listed as one of the priorities in the Ten Year Plan to End Homelessness.

Homelessness Prevention and Rapid Re-Housing Program (HPRP)

Definition: The City of Fayetteville for the purpose of these Guidelines will be referred to as Lead Agency. A subcontractor of a Lead Agency will be referred to as a Subgrantee.

1. Program Overview

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) are funded by the Homeless Prevention Fund (HPF) created under Title XII of Division A of the American Recovery and Reinvestment Act (Recovery Act) of 2009. The City of Fayetteville is a grantee of the Department of Housing and Urban Development (HUD) and will administer this award for eligible agencies serving the population within city limits.

The purpose of the HPRP is to provide homelessness prevention assistance to households who would otherwise become homeless - many due to the economic crisis - and to provide assistance to rapidly re-house persons who are experiencing homelessness. The funds under this program are intended to target individuals and families who would be homeless but for this assistance. The funds will provide for a variety of assistance, including: short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management

2. Eligibility for Assistance – Who can receive support from the HPRP grant funds?

There are two populations facing housing instability that are eligible for assistance.

Prevention Eligible Individuals and Households: These people are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless.

Rapid Re-Housing Eligible Individuals and Households: These people are experiencing homelessness (living in emergency shelter or on the street) and need temporary assistance in order to obtain housing and retain it.

There are two initial intake criteria that apply to both populations.

- **Income Eligibility:** The individual or household must be at or below 50 percent of Area Median Income (AMI). The Housing Choice Voucher program (formerly Section 8) uses specific guidelines and data sets to determine eligibility and document income. Verification Guidance can be found on HUD's website at:
<http://www.hud.gov/offices/pih/publications/notices/04/verifguidance.pdf>

- **Assessment:** A **Subgrantee** providing assistance should utilize a process to assess, for all potential program participants, their level of service need, other resources available to them, and the appropriateness of their participation in the prevention or rapid re-housing assistance portion of HPRP. Program participants who require longer-term housing assistance and services should be directed to programs that can provide the requisite services and financial assistance.

Identified below are the eligibility requirements for an individual or household to receive assistance.

A. Prevention Eligible Individuals and Households

To be eligible individuals and households must meet both of the following circumstances: (1) no appropriate subsequent housing options have been identified; AND (2) the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

Additionally, a Subgrantee must target prevention assistance to those individuals and households at the greatest risk of becoming homeless, and who would otherwise be homeless but for this assistance. In order for a program participant to be eligible for financial assistance, including: short-term rental assistance (1 to 3 months), rental arrears (up to 6 months), security and utility deposits, utility payments (up to 3 months), moving cost assistance, and motel and hotel vouchers, **program participants must meet two of the following risk factors for homelessness:**

- 1) Sudden and significant increase in utility costs;
- 2) Mental health and substance abuse issues;
- 3) Physical disabilities and other chronic health issues, including HIV/AIDS;
- 4) Severe housing cost burden (greater than 50 percent of income for housing costs);
- 5) Homeless in last 12 months;
- 6) Young head of household (under 25 with children or pregnant);
- 7) Current or past involvement with child welfare, including foster care;
- 8) Pending foreclosure of rental housing;
- 9) Extremely low income (less than 30 percent of Area Median Income);
- 10) Past institutional care (prison, treatment facility, hospital);
- 11) Recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities;
- 12) Credit problems that preclude obtaining of housing; or
- 13) Significant amount of medical debt.

In order for a program participant to be eligible for financial assistance beyond 1-3 months, including: medium-term rental assistance (4 to 18 months), rental arrears (3 to 6 months), and utility payments (3 to 18 months) they must meet one of the following most urgent risk factors for homelessness:

- 1) Eviction within 2 weeks from a private dwelling (including housing provided by family or friends);
- 2) Discharge within 2 weeks from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals);
- 3) Residency in housing that has been condemned by housing officials and is no longer meant for human habitation; or
- 4) Sudden and significant loss of income.

And two of the following risk factors for homelessness:

- 1) Sudden and significant increase in utility costs;
- 2) Mental health and substance abuse issues;
- 3) Physical disabilities and other chronic health issues, including HIV/AIDS;
- 4) Severe housing cost burden (greater than 50 percent of income for housing costs);
- 5) Homeless in last 12 months;
- 6) Young head of household (under 25 with children or pregnant);
- 7) Current or past involvement with child welfare, including foster care;
- 8) Pending foreclosure of rental housing;
- 9) Extremely low income (less than 30 percent of Area Median Income);
- 10) High overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size);
- 11) Past institutional care (prison, treatment facility, hospital);
- 12) Recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities;
- 13) Credit problems that preclude obtaining of housing; or
- 14) Significant amount of medical debt.

B. Rapid Re-Housing Eligible Individuals and Households

To be eligible individuals and households must meet both of the following circumstances: (1) no appropriate subsequent housing options have been identified; AND (2) the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

Eligible individuals and households must also meet one of the following criteria:

- 1) Sleeping in an emergency shelter;
- 2) Sleeping in a place not meant for human habitation, such as cars, parks, abandoned building, streets/sidewalks;
- 3) Staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation (cars, parks, streets, etc.) immediately prior to entry into the hospital or institution;
- 4) Graduating from, or timing out of a transitional housing program; and
- 5) Victims of domestic violence.

3. Eligible Program Activities and Expenses – What can HPRP pay for?

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. Lead Agency programs should therefore ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.

In order for individuals or households to receive HPRP support, financial assistance or housing relocation and stabilization services, participants must have at least an initial consultation with a case manager or other authorized representative who can determine the appropriate type of assistance to meet their needs.

There are four categories of eligible program activities and expenses, described in detail below:

- A. Financial Assistance**
- B. Housing Relocation and Stabilization Services**
- C. Data Collection and Evaluation**
- D. Administrative costs**

These eligible activities are intentionally focused on housing: 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.

A. Financial Assistance

Subgrantees are responsible for verifying and documenting all payments made on behalf of the client whether it is rent, utilities, moving costs, hotel or motel payments etc in an easily identifiable manner which will be reviewed during grant monitoring by City of Fayetteville Community Development Department.

Subgrantees must not make payments directly to program participants, but only to third parties, such as landlords or utility companies. In addition, an assisted property may not be owned by the Lead Agency, or the parent, subsidiary or affiliated organization of the Lead Agency.

There are several types of eligible Financial Assistance outlined below.

- 1) Rental Assistance**
- 2) Security and Utility Deposits**
- 3) Utility Payments**
- 4) Moving Costs**
- 5) Hotel/Motel Vouchers**

6) Other costs, if approved by the City of Fayetteville Community Development Department

1) Rental Assistance

Tenant-based rental assistance can be for individuals and households to remain in their existing rental units (prevention) or to help them obtain and remain in rental units they select (rapid re-housing).

- A lease must be in place and the program participant must be on the lease.
- Subgrantee must certify income eligibility at least once every three months.

The following rental assistance is available:

Short-term rental assistance – Costs may not exceed rental costs accrued over a period of 1 to 3 months. After 3 months, if program participants receiving short-term rental assistance need additional financial assistance to remain housed, they must be evaluated for eligibility to receive up to 15 additional months of medium-term rental assistance, for a total of 18 months.

Medium-term rental assistance – Costs may not exceed rental costs accrued over a period of 4 to 18 months. No program participant may receive more than 18 months of rental assistance.

Amount of rental assistance - Subgrantee determine the amount of short-term and medium-term rental assistance provided, such as "shallow subsidies" (payment of a portion of the rent), payment of 100 percent of the rent charged, or graduated/declining subsidies. A Subgrantee may also set a maximum amount of assistance that a single individual or family may receive from HPRP funds, or may set a maximum number of times that an individual or family may receive assistance, as long as the total amount of assistance that any individual or family receives does not exceed an amount equal to 18 months of rental assistance. The Community Development Department will request the Subgrantee's emergency rental assistance policies and procedures with their funding application and will monitor each agency's performance against those documents.

Rental Arrears – Rental assistance may also be used to pay for up to 6 months of rental arrears for eligible program participants. Rental arrears may be paid if the payment enables the program participant to remain in the housing unit for which the arrears are being paid or move to another unit. If HPRP funds are used to pay rental arrears, arrears must be included in determining the total period of the program participant's rental assistance, which may not exceed 18 months.

Tenant Rent Share

Subgrantees may require program participants to share in the costs of rent, utilities, security and utility deposits, moving, hotel or motel, and other expenses as a condition of receiving

HPRP financial assistance. For example, a program may require a program participant to pay a portion of the rent expense for a unit. HPRP assistance should be "needs-based," meaning that Subgrantee should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless or returning to homelessness in the near term. This will also help communities to utilize program resources efficiently to serve as many households as possible.

When a participant resides with other persons (except a spouse, domestic partner, or other dependents) in a single unit, the combined rent and utilities paid by the participant and program must not exceed a prorated share of the total rent. For example: A unit rents for \$900/month and there are three persons sharing the unit. Only one of the renters is participating in HPRP. The combined rent and utilities, paid by the program and participant, must not exceed \$300 or 1/3 of the total rent.

Rent Reasonableness

The rental assistance paid cannot exceed the actual rental cost, which must be in compliance with HUD's standard of "rent reasonableness." "Rent reasonableness" means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units. To make this determination, the Subgrantee should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner. Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). For more information, see HUD's worksheet on rent reasonableness at:
www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc

Rental assistance payments cannot be made on behalf of eligible individuals or households for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program.

2) Security and Utility Deposits

HPRP funds may be used to pay for security deposits, including utility deposits, for eligible program participants.

3) Utility Payments

HPRP funds may be used for up to 18 months of utility payments, including up to 6 months of utility payments in arrears, for each program participant, provided that the program participant or a member of his/her household has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company.

4) Moving Costs

HPRP funds may be used for reasonable moving costs, such as truck rental, hiring a moving company, or short-term storage fees for a maximum of 3 months or until the program participant is in housing, whichever is shorter.

5) Motel and Hotel Vouchers

HPRP funds may be used for reasonable and appropriate motel and hotel vouchers for up to 30 days if no appropriate shelter beds are available and subsequent rental housing has been identified but is not immediately available for move-in by the program participants.

6) Staff costs to issue Financial Assistance

7) Inspections for Habitability Standards

B. Housing Relocation and Stabilization Services

HPRP funds may be used for services that assist program participants with housing stability and placement. These services are limited to the following eligible activities:

- 1) Case Management**
- 2) Outreach and Engagement**
- 3) Housing Search and Placement**
- 4) Legal Services**
- 5) Credit Repair**
- 6) Other costs, as approved by CTED**

1) Case Management

HPRP case management funds may be used for activities for the arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs of program participants and helping them obtain housing stability. Services and activities may include: counseling; developing, securing, and coordinating services; monitoring and evaluating program participant progress; assuring that program participants' rights are protected; and developing an individualized housing and service plan, including a path to permanent housing stability subsequent to HPRP financial assistance.

2) Outreach and Engagement

HPRP funds may be used for services or assistance designed to publicize the availability of programs to make persons who are homeless or almost homeless aware of these and other available services and programs.

3) Housing Search and Placement

HPRP housing search and placement funds may be used for services or activities designed to assist individuals or households in locating, obtaining, and retaining suitable housing. Services or activities may include: tenant counseling, assisting individuals and households to understand leases, securing utilities, making moving arrangements, representative payee services concerning rent and utilities, and mediation and outreach to property owners related to locating or retaining housing.

4) Legal Services

HPRP funds may be used for legal services to help people stay in their homes, such as services or activities provided by a lawyer or other person(s) under the supervision of a lawyer to assist program participants 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.

5) Credit Repair

HPRP funds may be used for services that are targeted to assist program participants with critical skills related to household budgeting, money management, accessing a free personal credit report, and resolving personal credit issues.

C. Data Collection and Evaluation

Federal rules require each Subgrantee to enter client data into a Homeless Management Information System (HMIS). If you are not currently entering client data into an HMIS system with a data sharing agreement with the Cumberland County Continuum of Care, to receive funds you must have a specific implementation plan to begin entering client data into an HMIS no later than July 30, 2009. The City of Fayetteville Community Development Department can help you identify who is managing the HMIS in your county.

Eligible costs include data collection, entry and analysis and staffing associated with the operation of the HMIS, including training costs directly associated with the HPRP.

Grant recipients not using an HMIS must collect the client data used in the HMIS on paper or by other means; so that it can be entered into the HMIS once the organization is connected. The City of Fayetteville Community Development Department will provide an Excel template that collects the required client data.

Organizations using the HMIS administered by Cumberland County Continuum of Care will be instructed on how to enter the required client data by Community Development staff.

Organizations serving in the City of Fayetteville are using an HMIS not directly managed by the Cumberland County Continuum of Care: HMIS users in counties are responsible for ensuring that they enter the following data elements into the HMIS for the clients they serve:

Universal Data Elements

- 2.1 Name
- 2.3 Date of Birth
- 2.4 Ethnicity and Race
- 2.5 Gender
- 2.6 Veterans Status
- 2.7 Disabling Condition
- 2.8 Residence Prior to Program Entrance
- 2.9 Zip Code of last permanent address
- 2.10 Program Entry Date
- 2.11 Program Exit Date

Program-Specific Data Elements

- 3.1 Income and Sources
- 3.2 Non-cash Benefits
- 3.2 Physical Disability
- 3.4 Developmental Disability
- 3.6 Mental Status
- 3.7 Substance Abuse
- 3.8 Domestic Violence
- 3.9 Services Received Including number of days and dollar amount of rental assistance provided
- 3.10 Destination

Program participants receiving HPRP assistance must be enrolled in a distinct program in the HMIS, so that a count of clients served by the program includes only clients received housing or services funded by HPRP.

Each Subgrantee must follow all state and federal laws governing HMIS, including collecting informed written consent from clients, not denying service based solely on client refusal to provide data to an HMIS, protecting client confidentiality, not collecting personally identifying information from clients that are victims of domestic violence, and other requirements defined in [RCW 43.185C.030](#), [43.185C.180](#), and [VAWA Reauthorization Section 605](#).

Client data collected by HMIS systems will be transmitted to Cumberland County Continuum of Care and the City of Fayetteville Community Development Department. Written client consent forms should reflect this data transmittal. Client data will be used for research purposes only and only viewed by research staff and HMIS system administrators. Client data will not be disclosed to staff involved in determining program eligibility, or used in any way to determine program eligibility.

Subgrantee may be required to collect basic identifying information from people turned away from service, as part of a research effort to measure program effectiveness.

D. Administrative Costs

Administrative expenses are also sometimes called indirect or overhead. Such expenses can include, but are not limited to the following: Executive Director/accounting/human resource salaries, benefits, supplies, space, equipment, etc.; general agency insurance; audits; preparing reports; board expenses; membership or association fees, dues and training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly dated to learning about HPRP.

In cost reimbursement contracts, grants or interagency agreements, administration/indirect/overhead expenses can be charged to the funding sources using either a cost allocation plan or a federally approved indirect cost rate. Regardless of the method used, the rate of reimbursement shall not exceed that specified in the contract. All reimbursements shall be based on actual expenses. Estimates such as 1/12th do not qualify for reimbursement.

Administrative costs *do not* include the costs of issuing financial assistance, providing housing relocation and stabilization services, or carrying out eligible data collection and evaluation activities, such as Subgrantee staff salaries, costs of conducting housing inspections, and other operating costs. These costs should be included under one of the three other eligible activity categories.

4. Ineligible and Prohibited Activities

- Mortgage costs or any homeowner costs needed to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable**
- Charging a program participant a fee for service
- Issuing funds directly to program participant
- Rental assistance exceeding 18 months
- 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
- Home furnishings
- Child care
- Pet care
- Entertainment activities
- Work or education related materials
- Cash assistance to program participants
- Employment training
- Certifications, licenses, and general training classes (training for case managers and program administrators is an eligible administrative cost as long as it is directly related to HPRP program operations)

****HPRP** is not a mortgage assistance program. However, homeowners who become homeless are eligible for all HPRP activities; provide they meet the other eligibility criteria. Homeowners who are housed but are at risk of becoming homeless and meet all other eligibility criteria (consultation with a case manager, below 50% AMI, and at risk of becoming homeless with not housing options and lack financial resources) may be assisted with the following: utility payments (including arrears but excluding deposits) and housing relocation and stabilization services (including credit repair, case management, and housing search/placement but excluding legal services).

5. Coordination with Recovery Act Resources and Other Resources

The Subgrantee is strongly encouraged, as part of local planning, to maximize all resources that may be available with Recovery Act funds other than HPRP. A Sub grantee's local plan for spending HPRP funds should coordinate closely with other Recovery Act funding streams, so that eligible activities under other Recovery Act programs are aligned with HPRP funds to create a comprehensive package of housing and service options available to eligible program participants. Case managers should work to link program participants to these other resources.

The Subgrantee must ensure that the individuals and households receiving service are not also receiving duplicated assistance from the Cumberland County Department of Social Services, the Department of Veterans Affairs or assistance from the North Carolina State Low-Income Home Energy Assistance Program.

6. Income Eligibility and Income Verification

For the HPRP, the City of Fayetteville Community Development Department requires that only one agency administer Financial Assistance for the county OR that if more than one agency is administering Financial Assistance, then **Income Eligibility** calculations and **Income Verification** determinations are the same for all the agencies funded in the county.

Income Eligibility: The individual or household must be at or below 50 percent of Area Median Income (AMI). There are three (3) options for determining Income Eligibility:

- 1) Refer to the following appendices for specific instructions on completing Income Eligibility calculations.

Appendix A	Types of Income to Count
Appendix B	Calculating Adjusted Income
Appendix C	Calculating TTP and subsidy

- 2) If the agency/agencies already administer Financial Assistance type activities and a process for calculating Income Eligibility is agreed upon, then the agency/agencies may continue to use that process. The process will be reviewed when Community Development Department monitors the Subgrantee.
- 3) If the agency/agencies do not have a process for calculating Income Eligibility, then Community Development Department requests that the Housing Choice Voucher program

(formerly Section 8) specific guidelines and data sets to determine eligibility and document income are utilized. Verification Guidance can be found on HUD's website at:
<http://www.hud.gov/offices/pih/publications/notices/04/verifguidance.pdf>

Income Verification: All income must be verified and documented by the contractor. Verification of income eligibility may include pay stubs, tax statements, verification from employers, DSHS/Employment Security/Social Security documents, or other verification approved by Community Development Department.

There are four acceptable methods of documenting Income Eligibility (in order of preference):

- 1) Written: The contractor gets third-party written verification directly from the information source; i.e., employer, CCDSS, Employment Security, Social Security, Veteran's Affairs.
- 2) Oral: If verification is oral, the contractor must document the conversation in the program participant's file. This documentation should include the name, telephone number, and position or title of the third party, the date and time of the conversation, and the name of the person requesting the verification.
- 3) Documented: This type of verification is used when the information desired does not require verification by a third party, such as birth certificates or social security cards.
4. Self-Declared: Program participant written statements or affidavits are acceptable only when other verifications are not available. Since this method is self-serving, it should be viewed with caution and accepted only as a last resort.

7. Documentation

A. Documentation needed for Homeless Prevention activities

The Subgrantee is required to maintain adequate and easily identifiable documentation to determine the eligibility of program participants served. A copy of the documentation for any Financial Assistance (as described under **Eligible Program Activities and Expenses – What can HPRP pay for?**) must also be maintained in the client file. At a minimum, documentation should include the following:

Situation	Documentation
Eviction	Eviction notice from landlord and copy of payment made on behalf of client.
Utility shut off	Notice of termination from the utility provider and copy of payment made on behalf of client.
Individual or family leaving shelter and needing any combination of first/last months rent, rent, security deposit, screening fee	Copy of payment(s) made on behalf of client.

B. Homelessness or At Risk of Homelessness Verification and Documentation

The Subgrantee is required to maintain adequate documentation of homelessness to determine the eligibility of persons served. A copy of the documentation must be maintained in the client file. Documentation should be as follows:

Situation	Documentation
Persons living on the street or in short-term emergency shelter	Information should be obtained to indicate that the participant is living on the street or in short-term emergency shelter. This may include names of organizations or outreach workers who have assisted them in the past, whether the client receives any general assistance checks and where the checks are delivered, or any other information regarding the participant's activities in the recent past that might provide documentation. If unable to verify that the person is living on the street or in short-term emergency shelter, the participant or a staff person may prepare a short written statement about the participant's previous living place. The participant should sign the statement and date it.
Persons coming from transitional housing for homeless persons	Obtain written verification from the transitional housing staff that the participant has been residing at the transitional housing facility. The verification should be signed and dated by the referring agency personnel.
Persons being evicted from a private dwelling	Obtain evidence of formal eviction notice indicating that the participant was being evicted within a week before receiving homeless assistance. If the participant's friends or family is evicting, a statement describing the reason for eviction must be signed by the friend or family member and dated. In other cases where there is no formal eviction process, persons are considered evicted when they are forced out of the dwelling unit by circumstances beyond their control. In those instances, obtain a signed and dated statement from the participant describing the situation. The Lead Agency must make efforts to confirm that these circumstances are true and have written verification describing the efforts and attesting to their validity. The verification should be signed and dated.
Persons being released from jail or prison, or leaving an inpatient mental health facility or chemical-dependency treatment facility	Obtain evidence from the referring facility's case manager or other authorized staff that the participant is being or was released/exited and has no identified housing option.
Persons fleeing domestic violence	Obtain written verification from the participant that he/she is fleeing a domestic violence situation. If a participant is unable to prepare verification, the case manager may prepare a written statement about the participant's previous living situation for the participant to sign and date.

8. Termination of Participation, Denial and Grievance Procedures

A. Termination of Participation and Grievance Procedures

Causes for termination from the program may include, but are not limited to, failure to abide by the program requirements. The Subgrantee may resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, the Lead Agency must provide a formal process that recognizes the rights of individuals receiving Subgrantee assistance to due process of law. This process, at a minimum, must consist of:

- 1) Written notice to the program participant containing a clear statement of the reasons for termination;
- 2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
- 3) Prompt written notice of the final decision to the program participant.

B. Applicant Denial and Grievance Procedures

Causes of denial of assistance include, but are not limited to, the individual or household's ineligibility for the program or failure to provide verifiable evidence of eligibility, etc. Subgrantee must have in place a procedure that governs applicant denial and grievance process. These procedures should describe the program requirements and in which an applicant may not qualify or be denied. The grievance procedure could be the same as a program participant terminated. This would include, for example, allowing applicants to request a hearing regarding the termination of their denial.

The termination, denial, and grievance procedures should be readily available to participants either in written information or by posting the policy in a public place. It is important to effectively communicate these procedures to program participants and ensure that the procedures are fully understood.

9. Nondiscrimination and Equal Opportunity Requirements

The Subgrantee must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, Subgrantee must make known that HPRP rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about HPRP and equal access to the financial assistance and services provided under this program. Among other things, this means that each Subgrantee must take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964. This may mean providing language assistance or ensuring that program information is available in the

appropriate languages for the geographic area served by the jurisdiction and that limited English proficient persons have meaningful access to HPRP assistance. This will be a particular issue for state Subgrantees that may not be aware of LEP speaking populations in jurisdictions that are not normally served with Emergency Shelter Grant (ESG) funds. To assist Subgrantees, the Department published the "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" (72 Federal Register 2732; January 22, 2007). In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6. If the procedures that the Subgrantee intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the Subgrantee must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

10. Affirmatively Furthering Fair Housing

Under section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Subgrantees will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Examples of affirmatively furthering fair housing include: (1) marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency; (2) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities (see, for example, HUD's rule on effective communications at 24 CFR 8.6); (3) providing fair housing counseling services or referrals to fair housing agencies; (4) informing participants of how to file a housing discrimination complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1- 800-669-9777; and (5) recruiting landlords and service providers in areas that expand housing choice to program participants.

11. Lead-Based Paint Requirements

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.), as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.) and implementing regulations at 24 CFR part 35, subparts A, B, M, and R shall apply to housing occupied by households receiving assistance through HPRP.

12. Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and HUD'S implementing regulations at 24 CFR part 21 apply to HPRP.

13. Equal Participation of Religious Organizations

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HPRP. Neither the federal government nor a Subgrantee shall discriminate against an organization on the basis of the organization's religious character or affiliation.

Organizations that are directly funded under HPRP may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under HPRP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under WRP, and participation must be voluntary for the program participants.

A religious organization that participates in HPRP will retain its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HPRP funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide HPRP-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a HPRP-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

An organization that participates in the HPRP program shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, the requirements listed above apply to all of the commingled funds.

14. Lobbying and Disclosure Requirements

The disclosure requirements and prohibitions of section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (the Byrd Amendment), and implementing regulations at 24 CFR part 87, apply to HPRP. Applicants must disclose, using Standard Form LLL (SF-LLL), "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of Congress, or congressional staff regarding specific grants or contracts.

15. Confidentiality of Client Records

The Subgrantee must have policies and procedures ensuring client records are maintained in a confidential manner, and that the address or location of any assisted housing will not be made

public, except to the extent that this prohibition contradicts a preexisting privacy policy of the Lead Agency. To comply with this requirement, Subgrantee should, for example, keep written records or files pertaining to clients under lock and key with designated personnel granted access to those files.

16. Criminal Background Checks

The Subgrantee must initiate criminal history background checks pursuant to WA State RCW 43.43.832 and 43.43.834 for all prospective employees and volunteers who may have unsupervised access to children.

17. Habitability Standards and Inspections

Organizations providing rental assistance with HPRP funds will be required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Units should be inspected on an annual basis and upon a change of tenancy. The minimum habitability standards are listed in Appendix A.

Complete records of inspections and follow-up actions must be maintained in client files.

Tenants must receive a copy of the North Carolina Landlord-Tenant law, Chapter 42 Article I. General Provisions & the City of Fayetteville Fair Housing Ordinance, and be informed on how to use this law when problems arise. Copies of the law are available at the City of Fayetteville Human Relations Department at 433 Hay Street, Fayetteville, NC 28301 or call at (910) 433-1696.

18. Program Administration

A. Subgrantee Eligibility

An eligible Subgrantee must:

- 1.) Be a unit of local government in the state, and/or
- 2.) Be a private non-profit organization or housing authority, if the local government for the locality in which the program is located certifies that it approves the program.

Organizations that are religious or faith-based are eligible, on the same basis as any other organization. However, organizations may not engage in inherently religious activities, such as worship, religious instruction or proselytization as part of the programs or services funded under HPRP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under HPRP, and participation must be voluntary for the program participants. An organization that participates in the HPRP program shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

B. Subgrantee's Responsibilities

1) Subgrantee contracts

A Subgrantee cannot subgrant work or services contemplated under this program without prior authorization from City of Fayetteville. It is the responsibility of the Lead Agency to ensure that subgrantees meet eligibility requirements. The intent to subcontract shall be included in the Lead Agency's application to City of Fayetteville. Approval of the Lead Agency's application, including the intent to subcontract, shall constitute authorization.

Subgrantee(s) must enter into legally binding written grant agreements to ensure that all City of Fayetteville grant terms and conditions are passed on to subgrantees. This must include a signed grant that details the budget to be reimbursed and all of the City of Fayetteville grant terms and conditions.

2) Deadlines for Using Grant Award

Each Subgrantee must draw down 70 percent of the award amount within the first two years of the date signed on the executed contract with The City of Fayetteville, and 100 percent of the award amount within three years of this date.

3) Monitoring and Compliance of Subgrantees

It is the responsibility of the City of Fayetteville to monitor subgrantees at a minimum of once every program year. The monitoring may consist of either a desk monitor or on-site visit. Terms and conditions of the grant and program guidelines need to be reviewed for compliance. At least one month of back up documentation needs to be reviewed to substantiate charges made to the program.

The City of Fayetteville must review the accounting practices of subgrantees that do not have an independent audit.

The Subgrantee must ensure all funds are expended in a timely manner, and according to the terms and conditions of the grant.

C. Billing Procedures

Subgrantee must bill the City of Fayetteville no more than monthly for reimbursement of allowable costs, using the provided reporting method prescribed by City. Payment will be made upon receipt of all required documents and reports. If required reports are not submitted in a timely manner, the City will delay payment until the reports are received. If the Subgrantee fails to file an invoice within a two-month period, without a reasonable explanation, The City will not authorize payment and may elect to terminate the contract.

Lead Agencies may be paid in advance pursuant to procedures outlined in 24 CFR 84.22 for non-profit organizations and 24 CFR 85.21 for units of government.

D. Financial Records

The Lead Agency must maintain copies of all reimbursement requests and backup documentation including those from subgrantees. The Lead Agency must maintain records that disclose all costs, including subgrantee costs, charged to the CTED contract.

E. Reports

The Lead Agency is responsible for submitting required reports by the dates due using required forms. The reports include, but are not limited to, the following:

Report	Due Date
Invoice Voucher	No more than monthly, due on the 15 th of month following the provision of services.
Client Data Report	To be determined
Quarterly Performance Report	To be determined

F. Budget Amendments

The approved budget will be identified in the contract documents. Budget revisions require a contract amendment. Requests must be submitted to, and approved by, the City before the Subgrantee submits expenditure reports reflecting the revisions.

G. Lead Agency Monitoring

A monitoring schedule will be sent to the City by the end of 2009 outlining desk and on-site visits for the contract period. At a minimum, a Subgrantee can expect desk monitoring once a year.

H. Changes to Guidelines

The City may issue revised or new guidelines at any time. All Subgrantee(s) will be sent revised copies as they are published. It is the City's responsibility to pass on the revisions to subgrantees.

Appendix A

Organizations providing rental assistance with HPRP funds will be required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Following are the habitability standards that Subgrantees must follow:

(1) State and local requirements. Each Subgrantee under this Notice must ensure that housing occupied by a family or individual receiving HPRP assistance is in compliance with all applicable state and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the housing is located regarding the condition of the structure and the operation of the housing or services.

(2) Habitability standards. Except for less stringent variations as are proposed by the City or Subgrantee and approved by HUD, housing occupied by a family or individual receiving

HPRP assistance must meet the following minimum requirements:

(1) Structure and materials. The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from the elements.

(2) Access. The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.

(3) Space and security. Each resident must be afforded adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.

(4) Interior air quality. Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.

(5) Water supply. The water supply must be free from contamination.

(6) Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.

(7) Thermal environment. The housing must have adequate heating and/or cooling facilities in proper operating condition.

(8) Illumination and electricity. The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.

(9) Food preparation and refuse disposal. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.

(10) Sanitary condition. The housing and any equipment must be maintained in sanitary condition.

(11) Fire safety.

- (a) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing-impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
- (b) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.