DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5307-N-01]

Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recovery and Reinvestment Act of 2009

AGENCY: Office of the Secretary, HUD.

ACTION: Notice of funding allocations and requirements.

SUMMARY: This Notice advises the public of the allocation formula and allocation amounts, the list of grantees, and requirements for the Homelessness Prevention Fund, hereafter referred to as the "Homelessness Prevention and Rapid Re-Housing Program (HPRP)," under Title XII of the American Recovery and Reinvestment Act of 2009 ("Recovery Act"). Congress has designated $1.5 billion for communities to provide financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. In order to receive these funds, eligible grantees must submit a substantial amendment to the Consolidated Plan 2008 Action Plan (referred to in this Notice as the "substantial amendment").

EFFECTIVE DATE: March 19, 2009

OVERVIEW INFORMATION

A. Federal Agency Name: Department of Housing and Urban Development, Office of Community Planning and Development.

B. Funding Opportunity Title: Funding Availability for the Homelessness Prevention Fund created under Title XII of Division A of the American Recovery and Reinvestment Act of 2009 ("Recovery Act"), referred to in this Notice as the "Homelessness Prevention and Rapid Re-Housing Program (HPRP)."

C. Publication: This Notice is initially being published on HUD's web site. It will also be published in the Federal Register. All HUD materials will be posted on the HUD Homelessness Resource Exchange at: www.hudhre.info.

D. Catalog of Federal Domestic Assistance (CFDA) Number: 14.257: Homelessness Prevention and Rapid Re-Housing Program (HPRP).

E. Dates: Substantial amendments submitted pursuant to this Notice must be received by HUD no later than 60 days from the date of publication of this Notice. HUD will complete its review of all correctly completed substantial amendments no later than July 2, 2009. HUD intends to execute all grant agreements no later than September 1, 2009. Grantees must obligate funds to their subgrantees by September 30, 2009. The Recovery Act requires grantees to expend 60 percent of HPRP grant funds within two years of the date that funds become available to the grantees for obligation (the date that HUD signs the grant agreement), and 100 percent of funds within three years of this date.

F. Additional Overview Content Information:

1. Funding Allocations. As required by the Recovery Act, funds will be allocated according to the formula used for the Emergency Shelter Grants (ESG) Program. Pursuant to HUD's discretion under the Recovery Act, HUD has set a minimum grant amount of $500,000. Funds for communities that would receive less than this amount will be reallocated to the state in which the community is located. A list of eligible grantees is provided in Appendix A.

2. Modified Requirements for the Consolidated Plan. The requirements at 24 CFR part 91, as modified by this Notice, shall apply to the application and approval process for HPRP funds. Specifically, the following requirements shall apply:

a. In order to receive HPRP funds, each eligible grantee must prepare and submit a substantial

amendment to its Consolidated Plan 2008 Action Plan ("substantial amendment") in accordance with section IV.E. below. The substantial amendment and other required documents must be received by HUD within 60 days of the publication of this Notice.

b. In preparing the substantial amendment, each eligible grantee must follow its citizen participation plan in accordance with 24 CFR part 91, except that the minimum time period for citizens to comment on the substantial amendment shall be reduced to 12 days. HUD does not require that grantees establish a second period of public comment regarding the process for determining subgrantees, but if a grantee has this requirement in place locally, this public comment period may be reduced to 3 days.

c. Each substantial amendment submitted to HUD will be subject to the approval process set forth in 24 CFR 91.500, except that: HUD will approve or disapprove the substantial amendment by July 2, 2009; jurisdictions with disapproved substantial amendments may revise and resubmit a substantial amendment within 15 days after HUD sends the first notification of its disapproval; and HUD will approve or disapprove the revised substantial amendment within 15 days of receiving the resubmission.

d. Grantees are not required to report on uses of HPRP funds in their Consolidated Annual Performance and Evaluation Report (CAPER). Instead, the use of HPRP funds will be subject to the reporting requirements established by the Recovery Act, as specified by HUD and the Office of Management and Budget (OMB).

3. Recovery.gov web site: To encourage transparency, HUD will require grantees receiving assistance under HPRP to provide reports that will be used for postings on the Recovery.gov web site. This portal is designed to provide one centralized location for the public to find and analyze information, and report potential fraud, waste, and abuse pertaining to the Recovery Act.

G. For Further Information: For questions about HPRP, please call 1-800-998-9999. For more information about the HPRP, or to view a copy of the Recovery Act, go to www.hudhre.info. Written questions may be sent to: Ann Marie Oliva, Director, Office of Special Needs Assistance Programs, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7266, Washington, DC, 20410. Persons with hearing or speech impairments may access the above telephone number via TTY by calling the Federal Information Relay Service at 800-877-8339.

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I. Funding Opportunity Description

A. Program Description

1. Description. Congress enacted the Recovery Act to help persons affected by the current economic crisis. The purpose of the Homelessness Prevention and Rapid Re-Housing Program (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 homeless as defined by section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302). While HUD will allow grantees the discretion to develop prevention and/or rapid re-housing programs that meet locally-defined needs, HUD also expects

that these resources will be targeted and prioritized to serve households that are most in need of this temporary assistance and are most likely to achieve stable housing, whether subsidized or unsubsidized, outside of HPRP after the program concludes. Grantees should take this opportunity to develop strategies to identify eligible program participants, review existing models for prevention and rapid re-housing programs, and create a plan that utilizes all resources available through the Recovery Act in order to provide a comprehensive menu of services to assist eligible program participants.

HPRP is focused on housing for homeless and at-risk households. It will provide temporary financial assistance and housing relocation and stabilization services to individuals and families who are homeless or would be homeless *but for* this assistance. The funds under this program are intended to target two populations of persons facing housing instability: 1) individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit (prevention), and 2) individuals and families who are experiencing homelessness (residing in emergency or transitional shelters or on the street) and need temporary assistance in order to obtain housing and retain it (rapid re-housing). Although all eligible activities (described in section IV.A. below) can be used for both populations, considering two eligible populations is a framework for targeting funds that grantees might find useful in establishing local programs and considering the most effective use of funds. HUD is establishing eligibility requirements for program participants (described in section IV.D. below).

It is important to note that HPRP is not a mortgage assistance program. Congress has established other programs to assist with the current mortgage crisis. HPRP funds are only eligible to help program participants—whether they are renters or homeowners about to become

homeless—pay for utilities, moving costs, security deposits and rent in a new unit, storage fees, and other financial costs or services as described in this Notice. HPRP funds are not eligible to pay for any mortgage costs or legal or other fees associated with retaining homeowners' housing.

2. Match. Grantees are not required to match HPRP funds with any other funding source.

3. New Program. Although the funding allocation is based on that of the ESG program, HPRP is a separate program, with a different program purpose and requirements. The table in Appendix B highlights the differences between ESG and HPRP.

B. Definitions

Applicant means a state, territory, metropolitan city, or urban county that submits a substantial amendment and other required documents pursuant to the provisions of this Notice.

Certification means a written assertion, based on supporting evidence, that must be kept available for inspection by HUD, by the Inspector General of HUD, and by the public. The assertion shall be deemed to be accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

Consolidated Plan means the plan prepared in accordance with 24 CFR Part 91.

Grantee means the legal entity to which HUD awards an HPRP grant and which is accountable for the use of the funds provided.

Homeless means as the term is defined by section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

HUD means the U.S. Department of Housing and Urban Development.

Metropolitan city means a city that was classified as a metropolitan city under section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) for Fiscal Year 2008.

Non-profit subgrantee means any private non-profit organization to which a grantee provides funds to carry out the eligible activities under the grant and which is accountable to the grantee for the use of funds provided.

Private non-profit organization means an organization described in 26 U.S.C. 501(c) that is exempt from taxation under subtitle A of the Internal Revenue Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance.

Program participant means an individual or family with or without children that is provided HPRP financial assistance or housing relocation and stabilization services through a rapid re-housing or prevention program. In this Notice, the term "household" refers to individuals or families.

State means each of the several States and the Commonwealth of Puerto Rico.

State subgrantee means any unit of general local government or private non-profit organization to which a state distributes HPRP grant amounts.

Subgrantee means any private non-profit organization or unit of general local government to which a grantee provides funds to carry out the eligible activities under the grant and which is accountable to the grantee for the use of the funds provided.

Territory means each of the following: the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

Unit of general local government means any city, county, town, township, parish, village, or other general purpose political subdivision of a state.

Urban county means a county that was classified as an urban county under section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) for Fiscal Year 2008.

II. ALLOCATIONS

A. Initial Allocation

1. Allocation Formula. The Recovery Act directs HUD to allocate funds to grantees that are eligible under the ESG program, as defined and designated in sections 411 and 412 of subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, pursuant to the formula authorized by section 413 of that Act. States, urban counties, metropolitan cities, and U.S. territories are eligible grantees under HPRP. Of the $1.5 billion total appropriated by the Recovery Act for HPRP, Congress set aside 0.5 percent ($7.5 million) for a portion of HUD's administration of this assistance, including staffing, training, technical assistance, technology, monitoring, research, and evaluation activities. Therefore, $1,492,500,000 is available for allocation to eligible grantees. Pursuant to law, U.S. territories received 0.2 percent of the total amount of the funding allocation, or $3,000,000, to be distributed among the several territories based on the ESG formula. After subtracting the grant amount designated for territories, HUD used the ESG formula to allocate the remaining amount, or $1,489,500,000, to metropolitan cities, urban counties, and states.

2. Minimum Grant Size. Under the ESG program, if, after allocation, any metropolitan city or urban county would receive a grant less than 0.05 percent of the funds available, such amount would be instead reallocated to the state. The Recovery Act provides that the Secretary may establish a minimum grant size for HPRP. The Secretary has utilized this discretion to set the grant minimum at $500,000, rather than 0.05 percent (or approximately $750,000), in order to increase the number of metropolitan cities and urban counties eligible to directly receive formula funds under HPRP. Funds for urban counties and metropolitan cities that fell under this threshold were reallocated to the state in which the jurisdiction was located. The $500,000 grant

minimum resulted in 485 metropolitan cities and urban counties eligible to receive funding, compared to 305 metropolitan cities and urban counties funded under the ESG program. This represents an increase of 180 eligible metropolitan cities and urban counties. Including states and territories, a total of 540 grantees are eligible to receive HPRP funds.

3. Eligible Grantees. Attachment A of this Notice lists all HPRP eligible grantees and the amounts they are eligible to receive.

B. Reallocation

1. Reallocation of Initial Grant. HUD encourages each local jurisdiction receiving an allocation to carefully consider its administrative capacity to use the funds within the statutory deadlines, compared to the capacity of the state administrator. HUD expects that, after such consideration, some jurisdictions may choose to apply for less than the full amount, which will allow the balance of their grants to be reallocated to the state.

a. Declining the grant. If an eligible grantee receiving an allocation of funds under this Notice (as designated in Attachment A) wishes to decline its allocation, the legally authorized official must notify its local HUD field office in writing of its intent to do so. A list of field office contacts is available at: http://www.hud.gov/offices/cpd/about/staff/fodirectors/.

b. Requesting less than the allocation. If an eligible grantee wishes to request less than the total allocation amount for which it is eligible, the legally authorized official must notify its local HUD field office in writing of the amount it will request on or before May 18, 2009.

c. Failure to submit a complete application. If an eligible grantee fails to submit a substantially complete substantial amendment for its grant allocation within the timeframes established in sections IV.E. and IV.F. of this Notice, HUD will notify the jurisdiction of the cancellation of its allocation amount and proceed to reallocate the funds.

d. Distribution of reallocated funds. In the case where an urban county or metropolitan city refuses or requests less than its allocation, HUD will reallocate the funds to the state in which the jurisdiction is located. For a state or territory that refuses or requests less than its allocation, HUD will reallocate the funds nationally according to the original formula.

2. Reallocation at 2-Year Statutory Expenditure Deadline. The Recovery Act requires HUD to obligate all funds to grantees by September 30, 2011. In order to meet this requirement and allow for reallocation if grantees have not spent 60 percent of their funds within 2 years, HUD will be closely tracking grantee expenditures via quarterly reporting and the Integrated Disbursement and Information System (IDIS). If any grantee fails to meet the statutory requirement to expend at least 60 percent of its grant amount within 2 years of the date of the grant agreement, or, for grants signed after July 30, 2009 where it appears that the grantee will fail to meet this requirement, HUD will notify the grantee no later than August 1, 2011, and allow the grantee 21 days to submit information to HUD regarding any additional eligible expenses of HPRP funds accrued within the 2-year period in order to bring grantees into compliance with the 60 percent expenditure threshold. If the grantees cannot do this, HUD may then proceed to recapture the unused HPRP funds and reallocate them. The Secretary will determine the process for reallocation of HPRP funds and notify grantees regarding details at a later date. Grantees should note that all reallocated funds received must be expended within 3 years of the date of the grantee's original grant agreement.

III. WHO MAY CARRY OUT ELIGIBLE ACTIVITIES

A. States

A state grantee must make available all of its formula allocation, except for an appropriate share of funds for administrative costs, to the subgrantees listed below to carry out all eligible

activities. Any organization receiving HPRP funds shall be subject to all of the requirements that apply to the grantee under this Notice.

1. Units of general local government in the state, which may include metropolitan cities and urban counties that receive grant amounts directly from HUD.

2. Private non-profit organizations, if the local government for the locality in which the program is located certifies that it approves of the program.

B. Metropolitan Cities, Urban Counties, and Territories

Metropolitan cities, urban counties, and territories, or an agency of those governments, may directly carry out eligible activities, or may distribute all or part of their grant amounts to private non-profit organizations to carry out HPRP activities. Any organization receiving HPRP funds shall be subject to all of the requirements that apply to the grantee under this Notice.

C. Alternate Grant Arrangements

Any local government grantee may enter into a subgrant with another local government to carry out the program. A local government grantee may choose this arrangement because another local government has greater capacity or because the grantee wants its program to be cooperatively carried out with another local government. Any organization receiving HPRP funds shall be subject to all of the requirements that apply to the grantee under this Notice.

IV. REQUIREMENTS FOR FUNDING

A. Eligible Activities

Grant funds must be used for eligible activities as described in this Notice. There are four categories of eligible activities for the HPRP program: financial assistance, housing relocation and stabilization services, data collection and evaluation, and administrative costs. These eligible activities are intentionally focused on housing—either financial assistance to help pay

for housing, or services designed to keep people in housing or to 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. 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. Grantee programs should therefore ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.

1. Financial Assistance. Financial assistance is limited to the following activities: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel and hotel vouchers. Grantees and 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 grantee, subgrantee or the parent, subsidiary or affiliated organization of the subgrantee.

a. Rental Assistance.

(1) Short- and medium-term rental assistance are tenant-based rental assistance that can be used to allow individuals and families to remain in their existing rental units or to help them obtain and remain in rental units they select. Short-term rental assistance may not exceed rental costs accrued over a period of 3 months. Medium-term rental assistance may not exceed actual rental costs accrued over a period of 4 to 18 months. No program participant may receive more than 18 months of assistance under HPRP. 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. HUD is requiring grantees and subgrantees to certify eligibility at least once every 3 months for all program participants receiving medium-term rental assistance. HUD additionally encourages grantees and subgrantees to provide ongoing case management, as needed, to all program participants receiving rental assistance in order to transition them to independence, including permanent housing arrangements (subsidized or unsubsidized).

(2) The grantee determines 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 grantee 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. Grantees 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 grantees and/or subgrantees 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.

(3) Rental assistance may also be used to pay 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.

(4) 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 grantee or 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.

(5) Rental assistance payments cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program. Cost types are the categories of eligible HPRP financial assistance: rent, either the client portion or the subsidy; security deposits, utility deposits, utility payments, moving cost assistance, and hotel/motel vouchers.

b. Security and utility deposits. HPRP funds may be used to pay for security deposits, including utility deposits, for eligible program participants. In contrast to the requirements regarding rental assistance payments, security and utility deposits covering the same period of time in which

assistance is being provided through another housing subsidy program are eligible, as long as they cover separate cost types. One example of this would be providing a security deposit for a participant in the HUD-VA Supportive Housing (HUD-VASH) program, which provides rental assistance and services. A program description of HUD-VASH can be found at: http://www.hud.gov/offices/pih/programs/hcv/vash/index.cfm.

c. 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.

d. Moving cost assistance. 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.

e. 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.

2. 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:

a. 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. Component 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.

b. 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.

c. Housing search and placement. HPRP housing search and placement funds may be used for services or activities designed to assist individuals or families in locating, obtaining, and retaining suitable housing. Component services or activities may include: tenant counseling; assisting individuals and families 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.

d. 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.

e. 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.

3. Data Collection and Evaluation.

a. Data Collection. The Recovery Act requires that data collection and reporting for HPRP be

conducted through the use of Homeless Management Information Systems (HMIS) or a comparable client-level database. Therefore, reasonable and appropriate costs associated with operating an HMIS for purposes of collecting and reporting data required under HPRP and analyzing patterns of use of HPRP funds are eligible. Eligible costs include the purchase of HMIS software and/or user licenses, leasing or purchasing needed computer equipment for providers and the central server, costs associated with data collection, entry and analysis, and staffing associated with the operation of the HMIS, including training. HMIS activities that are ineligible include planning and development of HMIS systems, development of new software systems, and replacing state and local government funding for an existing HMIS. Only those jurisdictions that do not have an HMIS already implemented may use a portion of these funds for HMIS implementation or start-up activities.

b. Evaluation. Grantees and subgrantees must comply if asked to participate in HUD-sponsored research and evaluation of HPRP. HPRP funds are eligible for costs to the grantee of participating in HUD research and evaluation of the program.

4. Administrative Costs.

a. Administrative costs may be used for: pre-award administrative costs, as defined in section b. below; accounting for the use of grant funds; preparing reports for submission to HUD; obtaining program audits; similar costs related to administering the grant after the award; and grantee or subgrantee staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly related to learning about HPRP. 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, as specified above, such as grantee or 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.

b. Pre-award administrative costs. Given the urgent need in many communities for this funding and the short timeframe set forth in section V.A.1. for obligation to grantees, grantees will need to act quickly to prepare the HPRP substantial amendment and to undertake other administrative actions. Therefore, HUD is granting permission to grantees receiving a direct allocation of HPRP funds (see Attachment A) to incur pre-award costs in accordance with OMB Circular A-87, Attachment B, paragraph 31 (24 CFR part 225, Appendix B, paragraph 31). All costs and activities funded with pre-award HPRP funds must comply with the Recovery Act statutory language relevant to HPRP, and they must comply with the requirements of HPRP as described in this Notice. Eligible pre-award costs that grantees may incur are costs that are directly related to preparing the application for submission to HUD, starting with the publication of this Notice and ending with the submission of the substantial amendment or, if applicable, the revised substantial amendment. This includes, but is not limited to, staff costs for preparing the substantial amendment and publication, other costs related to the public comment process, or costs related to participation in HUD-sponsored HPRP training.

c. Limitations on administrative costs. No more than 5 percent of the total HPRP grant to the grantee may be spent on administrative costs, whether by the grantee or subgrantee(s). In addition, all administrative costs must be incurred, and all funds for administrative costs must be drawn down from IDIS (defined in section V.B.), prior to the 3-year expenditure deadline (described in section V.A.2).

d. Sharing of administrative funds. Grantees shall share a reasonable and appropriate amount of

their administrative funds with subgrantees.

B. Ineligible and Prohibited Activities

1. Coordination with Recovery Act Resources. Grantees are strongly encouraged, as part of local planning, to maximize all resources that may be available with Recovery Act funds other than HPRP (see chart on Recovery Act resources located at www.hudhre.info). A 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. The intent of HPRP is to provide funding for housing expenses to persons who are homeless or who would be homeless if not for this assistance. Therefore, financial assistance or services to pay for expenses that are available through other Recovery Act programs, including child care and employment training, are not eligible. Case managers should work to link program participants to these other resources.

2. Mortgage Costs are Ineligible. Financial assistance may not be used to pay for any mortgage costs or costs needed by homeowners to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable.

3. Other Ineligible and Prohibited Activities. HPRP funds may not be used to pay for any of the following items: 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; pet care; entertainment activities; work or education related materials; and cash assistance to program participants. HPRP funds may not be used to develop discharge planning programs in mainstream institutions such as hospitals, jails, or prisons. Finally, while training for case managers and program administrators is an eligible

administrative cost as long as it is directly related to HPRP program operations, HPRP funds may not be used to pay for certifications, licenses, and general training classes. Programs may not charge fees to HPRP program participants. Any HPRP funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are funds eligible to be issued directly to program participants. If funds are found to be used for ineligible activities as determined by HUD, the grantee will be required to reimburse its line of credit.

C. Discharge Coordination Policy

Grantees must agree to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions), in order to prevent such discharge from immediately resulting in homelessness for such persons. Developing or updating system discharge plans and policies is not an eligible expense under HPRP. However, persons who are being imminently discharged into homelessness from such publicly funded institutions are eligible to receive financial assistance or services through HPRP as long as they meet the minimum requirements as discussed in section D.2. below.

D. Eligible Program Participants

1. General. HUD allows grantees significant discretion in program design and operation while targeting those who are most in need of temporary homelessness prevention and rapid re-housing assistance. When establishing local programs, grantees should consider how their programs will identify eligible program participants and meet their needs as intended by the Recovery Act. Grantees should consider serving two eligible populations with HPRP funds: persons who are

still housed but at risk of becoming homeless and persons who are already homeless. Although persons in both target populations are eligible to receive financial assistance and services under HPRP, creating this distinction can help communities serve households most in need of temporary assistance, as well as track the funds used for rapid re-housing and prevention. Since not all program participants in either of the target populations will have the same level of need, it is not expected that all persons in each target population will receive identical levels of assistance. For example, the scope and intensity of assistance provided to a homeless family may be greater than that provided to a homeless individual. Likewise, a family on the verge of becoming homeless within a few days may require more services or a higher level of assistance than a family whose risk of homelessness is not as imminent or one who may only need a shorter period of financial assistance. Grantees are responsible for verifying and documenting the individuals' risk of homelessness that qualifies them for receiving rental assistance. HUD requires grantees and/or subgrantees to evaluate and certify the eligibility of program participants at least once every 3 months for all persons receiving medium-term rental assistance. Similarly, grantees and subgrantees should carefully assess a household's need and appropriateness for HPRP. If the household needs more intensive supportive services or long-term assistance, or if a household is not at risk of homelessness, grantees and subgrantees should work to link them to other appropriate available resources.

2. Requirements for All Program Participants. In order to receive financial assistance or services funded by HPRP, individuals and families—whether homeless or housed—must at least meet the following minimum criteria:

1) Any individual or family provided with financial assistance through HPRP 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. HUD encourages communities to have a process in place to refer persons ineligible for HPRP to the appropriate resources or service provider that can assist them.

2) The household must be at or below 50 percent of Area Median Income (AMI). Income limits are available on HUD's web site at: http://www.huduser.org/DATASETS/il.html. Grantees should use HUD's Section 8 income eligibility standards for HPRP.

3) The household must be either homeless or at risk of losing its housing and 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.

3. Prevention Assistance. While HUD's definition of homelessness is well-understood, it can be more challenging to identify persons who are housed but who have a very high risk of becoming homeless. There are many people who are housed and have great need but would not become homeless if they did not receive assistance. HUD strongly encourages grantees and subgrantees to target prevention assistance to those individuals and families at the greatest risk of becoming homeless. It is helpful to remember that the defining question to ask is: "Would this individual or family be homeless *but* for this assistance?"

The requirements set forth in paragraph 2 of this section establish HUD's minimum conditions that an individual or family must meet in order to receive assistance through HPRP. However, HUD strongly encourages communities to consider more factors when designing their local programs and determining a household's level of need for receiving assistance through HPRP. To aid grantees and subgrantees in targeting HPRP funds toward persons most at risk of becoming homeless, a number of potential "risk factors" are listed below that could indicate that

a person or family is at a higher risk of becoming homeless. This list represents examples of some commonly identified risk factors for homelessness from scholarly research and practical experience drawn from existing homelessness prevention programs. One way a grantee or subgrantee could use these factors would be to consider the first four criteria on this list as indicative of the most urgent need, and could require that a program participant meet one of these criteria in order to receive the most expensive benefit, "medium-term" rental assistance. Likewise, a grantee might require that a program participant have at least two or more of the risk factors to qualify for any assistance. Grantees and subgrantees should note, however, that this list is optional and not exhaustive; grantees and subgrantees may consider other risk factors or other ways to target persons at risk of homelessness when developing local programs and requirements. Grantees and subgrantees may also consider the expected ability of the program participant to achieve stable housing, unsubsidized or subsidized, outside of HPRP. HUD will provide technical assistance to communities to assist them in developing local programs.

The risk factors for homelessness for consideration by grantees and subgrantees in developing their programs are as follows:

- Eviction within 2 weeks from a private dwelling (including housing provided by family or friends);
- 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);
- Residency in housing that has been condemned by housing officials and is no longer meant for human habitation;
- Sudden and significant loss of income;
- Sudden and significant increase in utility costs;

- Mental health and substance abuse issues;
- Physical disabilities and other chronic health issues, including HIV/AIDS;
- Severe housing cost burden (greater than 50 percent of income for housing costs);
- Homeless in last 12 months;
- Young head of household (under 25 with children or pregnant);
- Current or past involvement with child welfare, including foster care;
- Pending foreclosure of rental housing;
- Extremely low income (less than 30 percent of Area Median Income);
- High overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size);
- Past institutional care (prison, treatment facility, hospital);
- 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;
- Credit problems that preclude obtaining of housing; or
- Significant amount of medical debt.

4. Rapid Re-Housing Assistance. Rapid re-housing assistance is available for persons who are homeless according to HUD's definition. Individuals and families who meet one of the following criteria, along with the minimum requirements established in paragraph 2 of this section, are eligible under the rapid re-housing portion of HPRP:

a. Sleeping in an emergency shelter;

b. Sleeping in a place not meant for human habitation, such as cars, parks, abandoned buildings, streets/sidewalks;

c. 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;

d. Graduating from, or timing out of a transitional housing program; and

e. Victims of domestic violence.

Generally, rapid re-housing program models include short- or medium-term rental assistance and services for households who have barriers to housing, but who are likely to sustain housing after the subsidy ends. The purpose of HPRP rapid re-housing funds is to assist eligible program participants to quickly obtain and sustain stable housing. Therefore, organizations 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 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.

Persons familiar with the Rapid Re-Housing Demonstration Program in the 2008 Continuum of Care competition should note that these funds are not subject to the same requirements as under that demonstration program. HPRP provides flexibility to grantees to use these funds in a way that meets the needs of the community, as long as grantees, subgrantees, and program participants meet the requirements established in this Notice.

E. Application Requirements

1. Required Submission Documents. HUD will consider a completed application to contain the following three documents:

a. A completed and signed Standard Form 424 (SF-424);

b. A completed and signed substantial amendment using form HUD-40119; and

c. A signed copy of the required certifications.

2. Substantial Amendment. To receive its grant allocation, each grantee must prepare and submit to HUD for approval a substantial amendment to its Consolidated Plan 2008 Action Plan using the form HUD-40119. Each grantee must prepare its substantial amendment in accordance with the Consolidated Plan procedures as modified by this Notice, or HUD will reallocate the funds allocated for that grantee. Eligible grantees must download a copy of HUD-40119 to use in completing and submitting their HPRP substantial amendment from HUD's web site at: www.hud.gov/recovery. To request a paper copy of this form, call 1-800-998-9999. HUD will not approve and will return to the grantee amendments not submitted in the required format. The substantial amendment form requires the grantee to address six major components of its plan to use HPRP funds:

a. Grantee contact information;

b. The citizen participation plan and public comments received;

c. The grantee's plan for distribution, administration, and oversight of funds;

d. The grantee's plan for collaboration with local organizations receiving Recovery Act funds and Continuums of Care, and ensuring consistency with the Consolidated Plan;

e. An estimated budget for HPRP funds; and

f. The signature of the official authorized to sign the substantial amendment.

3. Deadline. To receive funding, each eligible HPRP grantee listed in Attachment A must ensure that its complete application is postmarked no later than May 18, 2009. Some grantees' local Consolidated Plan processes require that the grantee make available for public comment a list of the proposed awards to subgrantees prior to finalizing agreements with those subgrantees. A grantee with such local requirements or other timing considerations may need to submit its

application in advance of the May 18 deadline in order to obligate funds to subgrantees by September 30, 2009.

4. Process for Submission. Each eligible grantee must provide HUD with two hard copies of the completed substantial amendment, along with the required SF-424 form and certifications. Each eligible grantee must send one hard copy to HUD Headquarters in Washington, DC, and the other to the appropriate HUD Field Office.

a. Addresses for submission:

(1) To HUD Headquarters. Submit the original completed HPRP application (the HPRP substantial amendment form with the other original signed documents) to: U.S. Department of Housing and Urban Development, Office of Special Needs Assistance Programs, Robert C. Weaver Building, 451 Seventh Street, SW, Room 7262, Washington, DC 20410, Attention: Homelessness Prevention and Rapid Re-Housing Program.

(2) To the appropriate CPD Field Office. Also submit one copy of the completed substantial amendment package to the Office of Community Planning and Development of the appropriate HUD field office for your jurisdiction. Please see the following web site for field office addresses: http://www.hud.gov/localoffices.cfm.

b. Security procedures. HUD recommends grantees use the United States Postal Service (USPS) to submit their substantial amendment packages. However, grantees may also use United Parcel Service (UPS), FedEx, or DHL. Due to HUD security regulations, no other delivery service is permitted into HUD Headquarters without escort. Grantees must, therefore, use one of the four carriers listed above.

5. Posting Substantial Amendments Online. To improve transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official

website as the materials are developed, published, and submitted to HUD.

6. Coordination with CDBG-R. Many grantees will be simultaneously developing a substantial amendment for funding under the Community Development Block Grant-Recovery (CDBG-R) program, pursuant to the requirements in the CDBG-R Notice. In order to ease administrative burden for grantees, any HPRP grantee that is receiving a direct allocation of CDBG-R funding may consolidate the two amendment processes and may submit their CDBG-R substantial amendment simultaneously with their HPRP substantial amendment by the HPRP submission deadline. Grantees interested in this option must also follow the requirements and guidelines described in the CDBG-R Notice.

7. Coordination with Other Community Planning Efforts. Each grantee must coordinate with the local Continuum(s) of Care (CoC) to ensure that HPRP activities are aligned with the CoC's strategies for preventing and ending homelessness (state grantees may designate subgrantees to assume this responsibility). Because persons who are homeless are eligible to receive assistance through HPRP, the impact of these funds will ultimately be reported by CoCs through required point-in-time counts and through other data collected by HUD. In addition, HUD strongly encourages grantees to coordinate with other local organizations that are planning and carrying out activities related to prevention and rapid re-housing. Such organizations include other Continuums of Care, FEMA Boards, local agencies responsible for administering and implementing ten-year plans (and other plans) to end homelessness, and agencies that administer mainstream resources such as Temporary Assistance to Needy Families (TANF).

HUD also strongly encourages grantees to ensure that program participants are enrolled in all applicable mainstream resources. In particular, grantees should carefully assess how HPRP funds can be used in conjunction with other funds from the Recovery Act to prevent

homelessness and rapidly re-house homeless persons, and plan a coordinated approach to serving similar target populations. Federal agencies that received funding for serving persons who are homeless or unstably housed include the U.S. Departments of Education, Health and Human Services, Homeland Security, and Labor.

8. DUNS Number. All grantees and subgrantees are required to register with Dun and Bradstreet to obtain a DUNS number, if they have not already done so, and complete or renew their registration in the Central Contractor Registration (CCR). For more information see 73 FR 23483, April 30, 2008 or go to www.dnb.com.

9. Compliance with Fair Housing and Civil Rights Laws. (1) Grantees and subgrantees must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). (2) If the grantee or subgrantee: (a) Has been charged with an ongoing systemic violation of the Fair Housing Act; or (b) Is a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or (c) Has received a letter of findings identifying ongoing systemic noncompliance under Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, or section 109 of the Housing and Community Development Act of 1974, and the charge, lawsuit, or letter of findings referenced in subparagraphs (a), (b), or (c) above has not been resolved to HUD's satisfaction before the application deadline, then the grantee is ineligible. HUD will determine if actions to resolve the charge, lawsuit, or letter of findings are sufficient to resolve the matter. Examples of actions that would normally be considered sufficient to resolve the matter include, but are not limited to: (i) A voluntary compliance agreement signed by all parties in response to a letter of findings; (ii) A HUD-approved conciliation agreement signed by all parties; (iii) A consent order or consent decree; or (iv) An issuance of a final judicial ruling or a HUD Administrative Law Judge's

decision.

F. Review and Approval of Applications

1. Review of Applications. HUD will review each application for completeness and consistency with the requirements of this Notice, and will disapprove incomplete and inconsistent substantial amendments in accordance with 24 CFR 91.500. HUD will notify the grantee within 45 days of receipt, and no later than July 2, 2009, that it was either accepted or that it did not meet the requirements of this Notice. If HUD fails to review and/or notify the grantee of approval or required resubmission within 45 days of receipt of the application, the grantee may consider it automatically approved.

2. Resubmission. If the application is not approved, the grantee may submit a revised application to HUD, and will have 15 days after HUD sends the first notification of its disapproval to do so, per the same submission requirements above. HUD will then approve or disapprove the revised application within 15 days of receiving the resubmission.

3. Conditional Grant. For HPRP grantees that HUD determines are high risk in accordance with 24 CFR 85.12(a), HUD will apply additional grant conditions in accordance with 24 CFR 85.12(b) (see Appendix D of this Notice). Conditional grants may be made where there is substantial evidence that there has been, or there will be, a failure to meet the requirements of this Notice. In such a case, the reason for the conditional grant, the action necessary to remove the condition, and the deadline for taking those actions will be specified. Failure to satisfy the condition may result in imposition of a sanction or in any other action authorized under applicable federal law.

4. Grant Agreement. The grant will be made by means of a grant agreement executed by HUD and the grantee. The statutory 2- and 3-year deadlines for expenditure of funds begin when the

grant agreement is signed by HUD. The grantee must sign and return the grant agreement to HUD within 15 days of the date that HUD signs the grant agreement, or risk losing part or all of the grant amount. Grantees should ensure that sufficient planning is in place to begin to expend funds shortly after the grant agreement is executed.

5. Line of Credit. After HUD processes and approves the substantial amendment and there is a fully executed grant agreement, HUD will establish the grantee's line of credit in the amount of funds included in the substantial amendment, up to the allocation amount.

V. Post-Award Process Requirements

A. Deadlines for Using Grant Amounts

1. Grantee Obligation. Grantees must award or enter into legally binding grant agreements with all subgrantees by September 30, 2009.

2. Expenditure. Each grantee must draw down from IDIS 60 percent of its HPRP grant funds within 2 years of the date that HUD signed the grant agreement, and 100 percent of funds within 3 years of this date. No funds may be drawn down from IDIS after the 3-year expenditure deadline. If a grantee cannot spend 60 percent of its grant funds within 2 years of the date that HUD signed the grant agreement, HUD will reallocate the grantee's funds. See Section II.B.2 of this Notice for the process of reallocation.

B. Method of Payment

Payments are made to the grantee upon its request after the grant agreement has been fully executed. Grantees will use the Integrated Disbursement and Information System (IDIS) to draw down funds. A draw-down is a request for payment against a grantee's line of credit for allowable costs (defined in OMB Circulars A-87 and A-122 (2 CFR parts 225 and 230)) for eligible HPRP activities. Unlike ESG, grantees and subgrantees 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.

C. Timeliness Standards

HUD requires that the grantee, or subgrantee if applicable, draw down funds at least quarterly from IDIS.

D. Confidentiality

Each HPRP grantee or subgrantee must develop and implement procedures to ensure:

(1) The confidentiality of records pertaining to any individual provided with assistance; and

(2) 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 grantee.

E. Termination of Housing Assistance

The grantee may terminate assistance to a program participant who violates program requirements. Grantees may resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, the grantee must provide a formal process that recognizes the rights of individuals receiving 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.

F. Responsibility for Grant Administration

Grantees are responsible for ensuring that HPRP amounts are administered in accordance with the requirements of this Notice and other applicable laws. Each grantee is responsible for ensuring that its subgrantees carry out the HPRP eligible activities in compliance with all applicable requirements.

G. Recordkeeping

Each grantee and subgrantee must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the timeframe required.

H. Sanctions

1. HUD Sanctions. If HUD determines that, after following appropriate procedures, a grantee is not complying with the requirements of this Notice or of other applicable federal laws, HUD may (in addition to any remedies that may otherwise be available) take any of the following sanctions, as appropriate:

a. Issue a warning letter that further failure to comply with such requirements will result in a more serious sanction;

b. Direct the grantee to cease incurring costs with grant funds; or

c. Require that some or all of the grant amounts be remitted to HUD.

2. Grantee Sanctions. If a grantee determines that a subgrantee is not complying with the requirements of this Notice or other applicable federal laws, the grantee must take appropriate actions, which may include the actions described in part 1 of this section. Any grant amounts that become available to a state as a result of a sanction under this section must, at the option of the state, be made available (as soon as practicable) to other private non-profit organizations or units of general local government located in the state for use within the time periods specified in

this Notice, or to HUD for reallocation.

I. Monitoring

Grantees are responsible for monitoring all HPRP activities, including activities that are carried out by a subgrantee, to ensure that the program requirements established by this Notice and any subsequent guidance are met. The grantees must follow the monitoring procedures it established in its substantial amendment submitted for HPRP or as described in its approved Consolidated Plan. Monitoring may be conducted by the local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistance Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or another federal agency to determine whether the grantee complied with the requirements of this program.

J. Summary of the Expedited Process for HPRP Grant Allocations

In combination, the Notice requirements provide the following expedited steps for HPRP grants:

- Proposed substantial amendment published according to the citizen action plan, except that the public comment period may be reduced to 12 calendar days;
- Final application submitted to HUD on or before May 18, 2009 (grant application includes the substantial amendment, SF-424, and certifications);
- HUD expedites review, completing all reviews not requiring additional information from the grantee by July 2, 2009;
- HUD either accepts the substantial amendment and prepares a cover letter, grant agreement, and grant conditions, or disapproves it after allowing the grantee a resubmission;
- Grant agreement is signed by HUD and immediately transmitted to the grantee, "starting the clock" for statutory expenditure deadlines;

- Grantee signs and returns the grant agreements;
- After all requirements are complete and approved by HUD, the grantee may draw down funds from the line of credit and reimburse any eligible pre-award costs incurred.
- Grantee signs agreements with subgrantees by September 30, 2009;
- Initial Performance Report is due to HUD October 10, 2009;
- Quarterly Performance Reports are due to HUD 10 days after the end of each quarter, and Annual Performance Reports are due 60 days after the end of each federal fiscal year;
- Grantee expends 60 percent of grant funds within 2 years of the date that HUD signed the grant agreement. Funds may be recaptured and reallocated if not spent;
- Grantee expends 100 percent of grant funds within 3 years of the date HUD signed the grant agreement. Funds will be recaptured if not spent.

VI. Reporting Requirements

A. IDIS

Grantees, and as applicable, subgrantees, will use the Integrated Disbursement and Information System (IDIS) to draw down HPRP funding and report on grant expenditures.

B. HMIS

The Recovery Act requires HPRP grantees to report client-level data, such as the number of persons served and their demographic information, in a Homeless Management Information System (HMIS) or a comparable database. HMIS is an electronic data collection system that facilitates the collection of information on persons who are homeless or at risk of becoming homeless, that is managed and operated locally. HPRP grantees and subgrantees providing financial assistance and services directly will use the HMIS in the applicable Continuum of Care to collect data and report on outputs and outcomes as required by HUD. The required data

elements that will be collected in HMIS for HPRP will be included in the revised HMIS Data and Technical Standards, which are forthcoming. If an HMIS has not been implemented in the HPRP grantee's jurisdiction, the grantee may use an alternate system for collecting and reporting data to HUD as long as it meets the data collection and reporting requirements set forth in this Notice and is consistent with HUD's HMIS Data and Technical standards. A list of Continuums of Care is available at: http://www.hudhre.info/index.cfm?do=viewCocContacts.

C. Performance Reports

1. The Recovery Act requires grantees to submit quarterly reports. It also requires grantees to have systems and internal controls in place that allow them to separately track and report on Recovery Act funds. These reporting requirements are outlined in section 1512 of the Recovery Act, a copy of which can be found at: http://www.hudhre.info/documents/AmericanRecoveryReinvestmentAct.pdf (see pages 173-174).

2. Each grantee must submit the following performance reports to HUD:

a. An Initial Performance Report, which must cover the period between the grant agreement execution date and September 30, 2009 and which will serve as the first Quarterly Performance Report. Grantees will provide information required by Congress and HUD in a format to be prescribed by OMB and HUD, including but not limited to the following items: the total amount of Recovery Act funds received from HUD; the subgrantees and total amounts awarded to each; the amounts of HPRP funds allocated for the four eligible HPRP activity categories (Financial Assistance, Services, Data Collection and Evaluation, and Administrative Costs); the amount expended for each of the above categories; the estimated number of unduplicated individuals and families served; and the estimated numbers of new jobs created and jobs retained. The Initial

Performance Report will be due on October 10, 2009.

b. A Quarterly Performance Report, submitted in a format to be prescribed by HUD. Grantees will report on many of the same items as in the Initial Performance Report, including HPRP funds expended by activity type, the number of unduplicated individuals and families served, the number of new jobs created, the number of jobs retained, challenges to effective program operation, and other data items. Quarterly Performance Reports are due within 10 days of the end of each quarter for the period of program operation, and will include current quarter and cumulative data.

c. An Annual Performance Report will be submitted to HUD in a format to be prescribed by HUD within 60 days of the end of each federal fiscal year. The first Annual Performance Report is due November 30, 2010 for the period ending September 30, 2010. In the Annual Performance Report, grantees will report on outputs, such as the number of persons served and the demographic characteristics of persons served, HPRP funds expended by activity type, and the number of jobs created and retained, as well as outcomes related to housing stability, to be specified by HUD.

Report Type	Reporting Period
Initial Performance Report – Serves as the first Quarterly Performance report. Due October 10, 2009.	Date of HUD obligation of funds to grantee through September 30, 2009
Quarterly Performance Reports – Due 10 days after the end of each fiscal quarter in which HPRP funds are expended.	October 1 - December 31 January 1 – March 31 April 1 – June 30 July 1 – September 30
Annual Performance Report – Due 60 days after the end of the federal fiscal year for each fiscal year in which HPRP funds are expended.	October 1 – September 30

VII. Other Federal Requirements

A. Conflicts of Interest

1. General. With respect to the use of HPRP funds to procure services, equipment, supplies or other property, states, territories and units of general local government that receive HPRP funds shall comply with 24 CFR 85.36(b)(3), and non-profit subgrantees shall comply with 24 CFR 84.42. With respect to all other decisions involving the use of HPRP funds, the following restriction shall apply: No person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

2. Exceptions. Upon the written request of the grantee, HUD may grant an exception to the restrictions in paragraph 1 above on a case-by-case basis when it determines that the exception will serve to further the purposes of the HPRP program and promote the efficient use of HPRP funds. In requesting an exception, the grantee must provide the following:

a. For states and other governmental entities, a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

b. For all grantees, an opinion of the grantee's attorney that the interest for which the exception is sought would not violate state or local law.

B. Environmental Requirements

This Notice does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing (other than tenant-based rental assistance), rehabilitation, alteration, demolition, or new construction, or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this Notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321). Moreover, consistent with the provisions for administrative and management expenses, tenant-based rental assistance, and supportive services in 24 CFR 50.19(b)(3), (11), and (12), the eligible activities to be assisted under this Notice are categorically excluded from the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321) and are not subject to environmental review under the related laws and authorities.

C. Habitability Standards

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 C. Grantees may require more stringent standards.

D. Nondiscrimination and Equal Opportunity Requirements

As stated in section IV.E.8., grantees and subgrantees must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, grantees 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 grantee 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 grantees that may not be aware of LEP speaking populations in jurisdictions that are not normally served with ESG funds. To assist grantees, 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 grantee 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 grantee must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

E. 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. Grantees and 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.

F. 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 families receiving assistance through HPRP.

G. Uniform Administrative Requirements

All States, Territories, Urban Counties, and Metropolitan cities receiving funds under HPRP shall be subject to the requirements of 24 CFR part 85. Non-profit subgrantees shall be subject to the requirements of 24 CFR part 84. Note that the closeout requirements apply to all entities receiving HPRP funds, but that no charges may be applied to the grant beyond the Recovery Act's 3-year expenditure deadline, as explained in section V.A.2.

H. Equal Participation of Religious Organizations

1. 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 grantee shall discriminate against an organization on the basis of the organization's religious character or affiliation.

2. 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 HPRP, and participation must be voluntary for the program participants.

3. 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.

4. 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.

5. 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.

I. 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.

J. 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.

K. Procurement of Recovered Materials

State agencies and agencies of a political subdivision of a state that are using assistance under a HUD program for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. In accordance with section 6002, these agencies and persons must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the

quantity acquired in the preceding fiscal year exceeded $10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Dated: MAR 19 2009

Shaun Donovan
Secretary

[FR-5307-N-01]

VIII. Appendices

Appendix A: Eligible Grantees

The following list indicates all grantees eligible to receive assistance under HPRP. This list is also available at: http://www.hud.gov/recovery/homelesspreventrecov.xls.

State	Grantee Name	Allocation Amounts
AK	AK State Program	$1,143,986
AK	Anchorage	$776,469
AL	AL State Program	$13,328,942
AL	Birmingham	$2,735,730
AL	Huntsville	$529,697
AL	Jefferson County	$845,709
AL	Mobile	$1,186,394
AL	Mobile County	$586,571
AL	Montgomery	$860,653
AR	AR State Program	$10,530,746
AR	Little Rock	$682,197
AS	American Samoa	$412,935
AZ	AZ State Program	$7,033,520
AZ	Chandler	$575,271
AZ	Glendale	$914,122
AZ	Maricopa County	$900,303
AZ	Mesa	$1,405,094
AZ	Phoenix	$6,996,243
AZ	Pima County	$1,063,430
AZ	Tempe	$661,474
AZ	Tucson	$2,534,340
CA	CA State Program	$44,466,877
CA	Alameda	$552,208
CA	Alameda County	$802,915
CA	Alhambra	$567,605
CA	Anaheim	$2,046,908
CA	Bakersfield	$1,372,351
CA	Baldwin Park	$605,041
CA	Berkeley	$1,332,952
CA	Chula Vista	$819,738
CA	Compton	$848,514
CA	Contra Costa County	$1,421,551
CA	Costa Mesa	$560,237
CA	Daly City	$510,070
CA	Downey	$611,834
CA	El Cajon	$512,686
CA	El Monte	$1,110,506
CA	Escondido	$709,782
CA	Fontana	$783,380

State	Grantee Name	Allocation Amounts
CA	Fremont	$682,331
CA	Fresno	$3,130,746
CA	Fresno County	$1,634,630
CA	Fullerton	$622,710
CA	Garden Grove	$1,068,707
CA	Glendale	$1,346,899
CA	Hawthorne	$703,261
CA	Hayward	$703,342
CA	Huntington Beach	$566,611
CA	Huntington Park	$656,002
CA	Inglewood	$918,344
CA	Irvine	$540,656
CA	Kern County	$2,076,503
CA	Lancaster	$564,646
CA	Long Beach	$3,566,451
CA	Los Angeles	$29,446,304
CA	Los Angeles County	$12,197,108
CA	Lynwood	$646,575
CA	Marin County	$659,106
CA	Merced	$515,203
CA	Modesto	$966,016
CA	Moreno Valley	$732,872
CA	Norwalk	$633,782
CA	Oakland	$3,458,120
CA	Oceanside	$742,791
CA	Ontario	$997,869
CA	Orange	$545,636
CA	Orange County	$1,556,026
CA	Oxnard	$1,124,994
CA	Palmdale	$615,530
CA	Pasadena	$908,395
CA	Pomona	$1,164,766
CA	Rialto	$546,485
CA	Richmond	$559,735
CA	Riverside	$1,383,070
CA	Riverside County	$4,276,900
CA	Sacramento	$2,375,126
CA	Sacramento County	$2,396,773
CA	Salinas	$1,013,978

State	Grantee Name	Allocation Amounts
CA	San Bernardino	$1,455,066
CA	San Bernardino County	$3,040,382
CA	San Diego	$6,168,104
CA	San Diego County	$1,925,974
CA	San Francisco	$8,757,780
CA	San Joaquin County	$1,460,619
CA	San Jose	$4,128,763
CA	San Luis Obispo County	$855,184
CA	San Mateo County	$1,166,526
CA	Santa Ana	$2,831,989
CA	Santa Barbara County	$829,013
CA	Santa Clara County	$717,484
CA	Santa Maria	$521,839
CA	Santa Monica	$553,576
CA	Santa Rosa	$516,527
CA	Sonoma County	$817,572
CA	South Gate	$865,273
CA	Stanislaus County	$1,023,163
CA	Stockton	$1,725,572
CA	Sunnyvale	$508,191
CA	Ventura County	$826,094
CA	Westminster	$511,454
CO	CO State Program	$8,154,036
CO	Adams County	$836,047
CO	Aurora	$1,009,717
CO	Colorado Springs	$1,043,089
CO	Denver	$3,769,259
CO	Pueblo	$678,970
CT	CT State Program	$10,818,309
CT	Bridgeport	$1,351,004
CT	Hartford	$1,572,727
CT	New Britain	$772,694
CT	New Haven	$1,514,570
CT	Waterbury	$931,128
DC	District Of Columbia	$7,489,476
DE	DC State Program	$934,980
DE	New Castle County	$978,285
DE	Wilmington	$1,008,057
FL	FL State Program	$21,507,109
FL	Brevard County	$644,208
FL	Broward County	$1,579,569
FL	Collier County	$888,850
FL	Escambia County	$855,417
FL	Ft Lauderdale	$852,872
FL	Gainesville	$567,404
FL	Hialeah	$1,734,021

State	Grantee Name	Allocation Amounts
FL	Hillsborough County	$2,458,811
FL	Hollywood	$625,671
FL	Jacksonville-Duval Count	$2,779,039
FL	Lee County	$881,538
FL	Manatee County	$635,485
FL	Marion County	$727,072
FL	Miami-Dade County	$7,468,222
FL	Miami	$3,392,918
FL	Miami Beach	$715,418
FL	Miami Gardens City	$567,612
FL	North Miami	$507,641
FL	Orange County	$2,523,982
FL	Orlando	$921,665
FL	Palm Beach County	$2,823,871
FL	Pasco County	$1,055,241
FL	Pinellas County	$1,237,464
FL	Polk County	$1,222,920
FL	Pompano Beach	$507,694
FL	Sarasota County	$581,819
FL	Seminole County	$991,180
FL	St Petersburg	$914,999
FL	Tallahassee	$784,267
FL	Tampa	$1,538,393
FL	Volusia County	$805,614
GA	GA State Program	$19,084,426
GA	Athens-Clarke County	$604,969
GA	Atlanta	$3,441,091
GA	Augusta-Richmond County	$927,319
GA	Clayton County	$856,410
GA	Cobb County	$1,337,048
GA	Columbus-Muscogee County	$740,907
GA	De Kalb County	$2,359,998
GA	Fulton County	$896,069
GA	Gwinnett County	$1,713,730
GA	Macon	$541,299
GA	Savannah	$1,121,523
GU	Guam	$1,221,922
HI	HI State Program	$2,166,888
HI	Honolulu	$4,016,074
IA	IA State Program	$11,866,889
IA	Cedar Rapids	$536,843
IA	Davenport	$711,923
IA	Des Moines	$1,763,874
IA	Dubuque	$502,294
IA	Sioux City	$779,497
IA	Waterloo	$570,881

State	Grantee Name	Allocation Amounts
ID	ID State Program	$4,438,807
ID	Boise	$533,411
IL	IL State Program	$20,286,504
IL	Aurora	$506,883
IL	Berwyn	$559,545
IL	Chicago	$34,356,259
IL	Cicero	$581,065
IL	Cook County	$4,121,046
IL	Decatur	$623,309
IL	Du Page County	$1,443,723
IL	East St Louis	$750,339
IL	Evanston	$801,460
IL	Kane County	$517,394
IL	Lake County	$1,057,106
IL	Madison County	$566,987
IL	McHenry County	$540,732
IL	Oak Park	$796,581
IL	Peoria	$790,404
IL	Rockford	$861,073
IL	Springfield	$516,191
IL	St Clair County	$586,413
IL	Will County	$602,271
IN	IN State Program	$16,293,551
IN	East Chicago	$559,073
IN	Evansville	$1,217,598
IN	Fort Wayne	$874,319
IN	Gary	$1,498,882
IN	Hammond	$948,137
IN	Indianapolis	$3,942,177
IN	Lake County	$550,643
IN	Muncie	$590,276
IN	South Bend	$1,148,607
IN	Terre Haute	$760,163
KS	KS State Program	$8,360,995
KS	Kansas City	$1,003,797
KS	Topeka	$816,686
KS	Wichita	$1,168,490
KY	KY State Program	$12,157,352
KY	Covington	$679,522
KY	Lexington-Fayette	$849,668
KY	Louisville	$4,870,830
LA	LA State Program	$13,541,639
LA	Baton Rouge	$1,734,745
LA	Houma-Terrebonne	$507,405
LA	Jefferson Parish	$1,469,179
LA	Lafayette	$672,893

State	Grantee Name	Allocation Amounts
LA	New Orleans	$7,578,168
LA	Shreveport	$1,072,168
MA	MA State Program	$18,443,744
MA	Arlington	$533,800
MA	Boston	$8,209,151
MA	Brockton	$610,110
MA	Brookline	$667,436
MA	Cambridge	$1,302,128
MA	Chicopee	$531,528
MA	Fall River	$1,232,852
MA	Holyoke	$551,671
MA	Lawrence	$710,503
MA	Lowell	$979,048
MA	Lynn	$1,033,392
MA	Malden	$636,677
MA	Medford	$716,681
MA	New Bedford	$1,228,020
MA	Newton	$923,339
MA	Pittsfield	$613,738
MA	Quincy	$848,274
MA	Somerville	$1,181,067
MA	Springfield	$1,700,802
MA	Worcester	$1,904,831
MD	MD State Program	$5,680,393
MD	Anne Arundel County	$865,183
MD	Baltimore	$9,523,896
MD	Baltimore County	$1,721,080
MD	Montgomery County	$2,104,743
MD	Prince Georges County	$2,512,242
ME	Me State Program	$6,575,089
ME	Cumberland County	$605,763
ME	Portland	$876,120
MI	MI State Program	$22,108,890
MI	Battle Creek	$531,444
MI	Bay City	$592,249
MI	Dearborn	$873,199
MI	Detroit	$15,234,947
MI	Flint	$1,763,839
MI	Genesee County	$756,066
MI	Grand Rapids	$1,650,890
MI	Jackson	$568,942
MI	Kalamazoo	$758,089
MI	Kent County	$639,448
MI	Lansing	$898,823
MI	Macomb County	$687,708
MI	Oakland County	$1,553,232

State	Grantee Name	Allocation Amounts
MI	Pontiac	$633,479
MI	Royal Oak	$558,226
MI	Saginaw	$1,022,177
MI	Wayne County	$2,308,510
MN	MN State Program	$10,865,236
MN	Dakota County	$704,252
MN	Duluth	$1,162,800
MN	Hennepin County	$993,011
MN	Minneapolis	$5,520,902
MN	St Louis County	$1,001,832
MN	St Paul	$3,298,163
MO	MO State Program	$12,011,262
MO	Kansas City	$3,628,139
MO	Springfield	$551,673
MO	St Joseph	$727,371
MO	St Louis	$8,156,188
MO	St Louis County	$2,188,751
MP	Northern Marianas	$589,165
MS	Ms State Program	$13,348,427
MS	Jackson	$1,031,154
MT	MT State Program	$3,731,327
NC	NC State Program	$22,157,468
NC	Asheville	$509,460
NC	Charlotte	$1,930,217
NC	Durham	$789,101
NC	Fayetteville	$589,648
NC	Greensboro	$781,141
NC	Raleigh	$991,091
NC	Wake County	$582,164
NC	Winston-Salem	$748,097
ND	ND State Program	$2,582,637
NE	Ne State Program	$5,128,578
NE	Lincoln	$726,148
NE	Omaha	$2,017,088
NH	NH State Program	$4,612,322
NH	Manchester	$766,545
NJ	NJ State Program	$10,221,710
NJ	Atlantic City	$553,438
NJ	Atlantic County	$545,890
NJ	Bayonne	$779,080
NJ	Bergen County	$4,333,887
NJ	Burlington County	$663,041
NJ	Camden	$1,149,122
NJ	Camden County	$1,057,935
NJ	Clifton	$581,485
NJ	East Orange	$693,362

State	Grantee Name	Allocation Amounts
NJ	Elizabeth	$839,604
NJ	Essex County	$2,520,882
NJ	Gloucester County	$581,762
NJ	Hudson County	$1,535,992
NJ	Jersey City	$2,676,991
NJ	Middlesex County	$800,475
NJ	Monmouth County	$1,240,040
NJ	Morris County	$931,156
NJ	Newark	$3,533,348
NJ	Paterson	$1,184,137
NJ	Somerset County	$519,821
NJ	Trenton	$1,251,452
NJ	Union City	$555,355
NJ	Union County	$2,169,536
NM	Nm State Program	$6,778,653
NM	Albuquerque	$1,807,256
NV	NV State Program	$2,035,393
NV	Clark County	$2,595,173
NV	Las Vegas	$2,105,118
NV	North Las Vegas	$677,704
NV	Reno	$836,301
NY	NY State Program	$25,527,382
NY	Albany	$1,523,772
NY	Babylon Town	$526,925
NY	Binghamton	$955,655
NY	Buffalo	$6,594,081
NY	Dutchess County	$654,862
NY	Elmira	$560,951
NY	Erie County	$1,209,200
NY	Islip Town	$840,437
NY	Jamestown	$573,517
NY	Monroe County	$789,300
NY	Mount Vernon	$745,701
NY	Nassau County	$6,458,352
NY	New Rochelle	$686,935
NY	New York	$73,929,729
NY	Niagara Falls	$1,037,411
NY	Onondaga County	$897,454
NY	Orange County	$713,117
NY	Rochester	$3,954,235
NY	Rockland County	$860,643
NY	Schenectady	$1,048,938
NY	Suffolk County	$1,511,657
NY	Syracuse	$2,524,997
NY	Tonawanda Town	$772,574
NY	Troy	$845,286

State	Grantee Name	Allocation Amounts
NY	Union Town	$578,661
NY	Utica	$1,192,417
NY	Westchester County	$2,373,791
NY	Yonkers	$1,533,003
OH	OH State Program	$26,205,724
OH	Akron	$2,790,522
OH	Canton	$1,183,577
OH	Cincinnati	$5,339,182
OH	Cleveland	$9,801,913
OH	Cleveland Heights	$715,677
OH	Columbus	$2,642,649
OH	Cuyahoga County	$1,552,324
OH	Dayton	$2,595,505
OH	Franklin County	$746,920
OH	Hamilton City	$605,828
OH	Hamilton County	$1,396,621
OH	Lake County	$575,083
OH	Lakewood	$902,439
OH	Lima	$506,015
OH	Lorain	$502,230
OH	Montgomery County	$759,496
OH	Springfield	$815,869
OH	Stark County	$589,412
OH	Toledo	$3,275,494
OH	Warren	$541,184
OH	Youngstown	$1,610,332
OK	OK State Program	$8,101,391
OK	Oklahoma City	$2,161,404
OK	Tulsa	$1,513,504
OK	Tulsa County	$521,635
OR	OR State Program	$7,873,436
OR	Clackamas County	$871,505
OR	Eugene	$567,404
OR	Portland	$4,172,282
OR	Salem	$597,562
OR	Washington County	$824,990
PA	PA State Program	$23,411,484
PA	Allegheny County	$6,714,064
PA	Allentown	$1,129,049
PA	Altoona	$819,718
PA	Beaver County	$1,596,719
PA	Berks County	$1,109,659
PA	Bethlehem	$687,480
PA	Bucks County	$975,905
PA	Chester	$586,664
PA	Chester County	$1,130,871

State	Grantee Name	Allocation Amounts
PA	Cumberland County	$558,742
PA	Dauphin County	$621,187
PA	Delaware County	$1,700,587
PA	Erie	$1,458,364
PA	Harrisburg	$855,478
PA	Johnstown	$644,490
PA	Lancaster	$738,012
PA	Lancaster County	$1,382,274
PA	Lehigh County	$574,614
PA	Luzerne County	$2,057,026
PA	Mckeesport	$500,957
PA	Montgomery County	$1,514,639
PA	Northampton County	$738,192
PA	Philadelphia	$21,486,240
PA	Pittsburgh	$6,848,936
PA	Reading	$1,267,021
PA	Scranton	$1,401,868
PA	Upper Darby	$797,813
PA	Washington County	$1,762,094
PA	Westmoreland County	$1,832,195
PA	Wilkes-Barre	$794,109
PA	Williamsport	$518,859
PA	York	$693,600
PA	York County	$1,074,741
PR	PR State Program	$20,835,644
PR	Aguadilla Municipio	$764,657
PR	Arecibo Municipio	$1,124,937
PR	Bayamon Municipio	$1,874,802
PR	Cabo Rojo Municipio	$509,023
PR	Caguas Municipio	$1,390,581
PR	Canovanas Municipio	$548,313
PR	Carolina Municipio	$1,596,195
PR	Cayey Municipio	$536,499
PR	Guayama Municipio	$506,041
PR	Guaynabo Municipio	$786,550
PR	Humacao Municipio	$642,921
PR	Isabela Municipio	$537,621
PR	Juana Diaz Municipio	$651,677
PR	Manati Municipio	$542,285
PR	Mayaguez Municipio	$1,168,388
PR	Ponce Municipio	$2,118,806
PR	Rio Grande Municipio	$587,542
PR	San Juan Municipio	$4,253,787
PR	San Sebastian Municipio	$568,040
PR	Toa Alta Municipio	$635,194
PR	Toa Baja Municipio	$871,335

State	Grantee Name	Allocation Amounts
PR	Trujillo Alto Municipio	$643,815
PR	Vega Baja Municipio	$706,348
PR	Yauco Municipio	$601,387
RI	RI State Program	$3,282,670
RI	Pawtucket	$845,934
RI	Providence	$2,303,402
RI	Woonsocket	$545,802
SC	SC State Program	$11,136,176
SC	Charleston County	$831,125
SC	Columbia	$524,731
SC	Greenville County	$984,729
SC	Horry County	$622,075
SC	Lexington County	$588,970
SC	Richland County	$568,201
SC	Spartanburg County	$532,752
SD	SD State Program	$3,254,060
TN	TN State Program	$13,467,433
TN	Chattanooga	$712,946
TN	Knoxville	$771,803
TN	Memphis	$3,329,685
TN	Nashville-Davidson	$2,012,994
TX	TX State Program	$41,472,772
TX	Amarillo	$739,071
TX	Arlington	$1,304,792
TX	Austin	$3,062,820
TX	Beaumont	$741,325
TX	Bexar County	$701,160
TX	Brazoria County	$707,747
TX	Brownsville	$1,347,839
TX	Corpus Christi	$1,393,181
TX	Dallas	$7,187,357
TX	Dallas County	$866,753
TX	El Paso	$3,492,976
TX	Fort Bend County	$777,971
TX	Fort Worth	$2,746,929
TX	Galveston	$585,604
TX	Garland	$858,997
TX	Grand Prairie	$569,746
TX	Harris County	$4,463,961
TX	Hidalgo County	$3,463,905
TX	Houston	$12,375,861
TX	Irving	$930,680
TX	Laredo	$1,490,976
TX	Lubbock	$947,453
TX	Mc Allen	$733,518
TX	Montgomery County	$741,614

State	Grantee Name	Allocation Amounts
TX	Pasadena	$790,214
TX	Plano	$509,050
TX	Port Arthur	$564,089
TX	San Antonio	$5,974,286
TX	Tarrant County	$1,156,125
TX	Waco	$685,599
TX	Wichita Falls	$583,425
UT	UT State Program	$5,021,811
UT	Provo	$700,321
UT	Salt Lake City	$1,680,347
UT	Salt Lake County	$1,005,916
VA	VA State Program	$11,389,160
VA	Alexandria	$512,214
VA	Arlington County	$728,367
VA	Chesapeake	$507,406
VA	Chesterfield County	$515,089
VA	Fairfax County	$2,462,398
VA	Henrico County	$603,481
VA	Newport News	$659,087
VA	Norfolk	$2,097,079
VA	Portsmouth	$724,490
VA	Prince William County	$789,775
VA	Richmond	$2,044,088
VA	Roanoke	$766,017
VA	Virginia Beach	$1,010,599
VI	Virgin Islands	$775,978
VT	VT State Program	$3,398,824
WA	WA State Program	$11,126,387
WA	Clark County	$559,180
WA	King County	$1,863,675
WA	Pierce County	$1,224,641
WA	Seattle	$4,993,052
WA	Snohomish County	$1,262,714
WA	Spokane	$1,564,373
WA	Spokane County	$622,278
WA	Tacoma	$1,182,824
WA	Vancouver	$549,529
WI	WI State Program	$17,101,862
WI	Madison	$817,092
WI	Milwaukee	$6,912,159
WI	Milwaukee County	$712,755
WI	Racine	$817,554
WI	West Allis	$574,434
WV	WV State Program	$7,977,649
WV	Charleston	$760,168
WV	Huntington	$854,337

Appendix B: Comparison of ESG and HPRP

	Emergency Shelter Grants (ESG) Program	**Homelessness Prevention and Rapid Re-Housing Program (HPRP)**
Amount Available	• $160 million in FY 2009	• $1.5 billion one-time appropriation
Eligible Grantees	• States (51, including Puerto Rico) • Metropolitan cities (203 in FY 2009) and urban counties (102 in FY 2009) • Total number of grantees (including 4 territories): 360	• States (51, including Puerto Rico) • Metropolitan cities (337) and urban counties (148) • Total number of grantees (including 4 territories): 540
Eligible Sub-Recipients	• Territories and local government grantees may provide ESG funds for projects operated by their own agencies and private non-profit organizations. • State grantees must provide all funds to local governments or private non-profit organizations acting as sub-recipients.	• Territories and local government grantees may provide HPRP funds for projects operated by their own agencies, other local governments, and private non-profit organizations. • State grantees must provide all funds to local governments or private non-profit organizations, except for a reasonable portion of funds for administrative costs.
Eligible Activities	• Renovation, major rehabilitation, or conversion of a building to a shelter. • Essential Services (limited to 30 percent of grant, can be waived). • Operations of homeless shelters (staff salaries for operations management limited to 10 percent of grant). • Homelessness Prevention, including short-term mortgage/rent, short-term utilities, security deposits, first month's rent, landlord-tenant mediation, tenant legal services (limited by law to 30 percent of grant). • Administration (limited to 5 percent of grant).	• Financial assistance, including short-term rental assistance (up to 3 months) and medium-term rental assistance (up to 18 months), security deposits, utility deposits, utility payments, moving costs, and hotel/motel vouchers. • Housing relocation and stabilization services, including case management, outreach, housing search and placement, legal services, and credit repair. • Data collection and evaluation, including HMIS costs. • Administration (limited to 5 percent of grant).

Eligible Program Participants	• Homeless persons • Persons at risk of becoming homeless who must meet four specific criteria to receive homelessness prevention assistance: - The inability of the family to make the required payments is due to a sudden reduction in income; - The assistance is necessary to avoid the eviction or termination of services; - There is a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and - The assistance will not supplant funding for pre-existing homelessness prevention activities from other sources.	• Homeless persons and persons at risk of becoming homeless, who meet the following three criteria: - Any individual or family receiving rental assistance must have at least an initial consultation with a case manager to determine need. - Household must be at or below 50 percent of Area Median Income (AMI) - Household 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.
Allocation Formula	• Based on the previous year's Community Development Block Grants (CDBG) formula, with minimum grant allocation at 0.05 percent of the total. Territories receive 0.2 percent of the total ESG allocation.	• Based on FY2008 CDBG formula; minimum grant allocation set by HUD Secretary at $500,000.
Match	• Match grant funds with an equal amount of funds from cash or in-kind sources, with states exempt from matching the first $100,000 of their awards.	• No match is required for HPRP.
Expenditure Deadlines	• Local government: spend all ESG grant funds within 24 months of grant award. • State grantees: make grant funds available to subrecipients within 65 days of the grant award by HUD with obligation by 180 days of availability from the state, and spent within 2 years of grant award.	• All grantees must spend at least 60 percent of funds within 2 years of the date that HUD signs the grant agreement, and 100 percent of funds within 3 years of this date. • HUD may recapture unexpended funds in violation of the 2-year expenditure requirement and reallocate such funds to grantees in

	State prevention funds should be available within 180 days, and obligated and spent within 30 days, and 180 days respectively.	compliance with that requirement.
Reporting and Access of Program Funding	• Integrated Disbursement and Information System (IDIS): Request ESG payments and report accomplishments • HMIS: Collect beneficiary data • Consolidated Annual Performance and Evaluation Reporting (CAPER)	• IDIS: Request HPRP payments and report accomplishments • HMIS: Collect data on use of funds and persons served • Quarterly reporting required by Recovery Act: HUD will establish requirements pursuant to direction by OMB

Appendix C: Habitability Standards for HPRP

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 grantees must follow:

(a) State and local requirements. Each grantee or 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.

(b) Habitability standards. Except for less stringent variations as are proposed by the grantee 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.

(i) 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.

(ii) 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.

Appendix D: Special Grant or Subgrant Conditions for "High-Risk" Grantees

(a) A grantee or subgrantee may be considered high risk if HUD determines that a grantee or subgrantee:

(1) Has a history of unsatisfactory performance, or

(2) Is not financially stable, or

(3) Has a management system which does not meet the management standards set forth in this part, or

(4) Has not conformed to terms and conditions of previous awards, or

(5) Is otherwise not responsible; and if the awarding agency determines that an award will be made, special conditions and/or restrictions shall correspond to the high risk condition and shall be included in the award.

(b) Special conditions or restrictions may include:

(1) Payment on a reimbursement basis;

(2) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period;

(3) Requiring additional, more detailed financial reports;

(4) Additional monitoring;

(5) Requiring the grantee or subgrantee to obtain technical or management assistance; or

(6) Establishing additional prior approvals.

(c) If an awarding agency decides to impose such conditions, the awarding official will notify the grantee or subgrantee as early as possible, in writing, of:

(1) The nature of the special conditions/restrictions;

(2) The reason(s) for imposing them;

(3) The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions; and

(4) The method of requesting reconsideration of the conditions/restrictions imposed.