

## **Substantial Amendment 2011-12 Action Plan Virginia**

A substantial amendment is required for the 2011-2012 Action Plan due to regulatory changes and the availability of additional Emergency Solution Grant (ESG) funding. The Action Plan specifies how the state will allocate the HUD appropriations for the Community Development Block Grant (CDBG), HOME program, ESG, and Housing Opportunities for Persons With Aids (HOPWA). This amendment will specify how the state will allocate additional ESG funds not available at the time the 2011-12 Action Plan submission.

### *Continuums of Care (CoC) Consultation*

The ESG regulations promote greater collaboration between ESG grantees and CoCs in planning, funding, and implementing and evaluating of homeless assistance and homeless prevention programs. Specifically, new regulations require that the ESG grantee consult with the CoCs in their geographic area on how to allocate ESG funds, and developing policies and procedures for Homeless Management Information Systems (HMIS).

Virginia has 20 CoCs. In December of 2010 DHCD held a series of homeless services input sessions. Members of local CoCs including homeless services providers across the state participated in these sessions. These sessions were followed by an online survey to gather additional information. The sessions and the survey gathered information specific to how the state ESG funds would be allocated for the 2011-12 program year. Program guidelines including eligible activities, initial performance standards, and an application process were developed based on this input.

This information helped to prioritize rapid re-housing as a strategy to quickly move homeless households to permanent housing. A partnership between DHCD, Virginia Coalition to End Homeless, the National Alliance to End Homelessness, and the Freddie Mac Foundation resulted in statewide rapid re-housing workshops and training across the state during Winter/Spring 2012.

In addition to consultation specific to homeless services funds, in May 2010 the Governor initiated work on the state Housing Policy Framework. This frame work includes a report and recommendations from the Homeless Outcomes Advisory Group with a goal to reduce the number of homeless in Virginia. Indicators of success that include:

- Increasing the number of permanent supportive housing units
- Preventing homelessness and supporting rapid re-housing for individuals and families
- Increasing access to substance abuse and mental health treatment
- Ensuring implementation of statewide pre-discharge policies and procedures for the foster care system, hospitals, mental health and correction facilities
- Improving statewide data collection and the coordination of the system of services

DHCD is working with local CoC to coordinate and standardize point-in-time (PIT) counts and HMIS standards among the 20 Virginia CoCs. An initial meeting was held in October 2011 on point-in-time count methods and standards. DHCD currently collects and aggregates PIT counts for a statewide count. In addition a pilot data collection project was initiated in the spring of 2012 to collect a subset of data across all Virginia CoC/HMIS systems.

DHCD as the lead for the Balance of State (BOS) CoC, one of Virginia's 20 CoCs has prioritized work on the BOS CoC infrastructure including policies, procedures, HMIS data quality and participation, and strategic planning. DHCD has received HUD technical assistance (TA) through an HUD TA provider to work on these items. This work was initiated in April 2012.

*Citizen Participation*

Citizen participation is based on the 2011-2012 Action Plan citizen participation plan.

<b>Citizen Participation</b>	
<b><i>What</i></b>	<b><i>When</i></b>
Input Sessions (Roanoke; Abingdon; Richmond; Northern Virginia, and Tidewater)	December 2010; December 2011; and January 2012
Public Comments Period	30 days required 4/13 - 5/15
Public Hearing	4/16/2011
HUD Submission	5/15/2011

To date no comments have been received.

*Match*

DHCD administers state funds for homeless services through the state Homeless Solutions Grant (HSG). This is an annual state allocation of approximately seven million dollars to homeless services across the state. DHCD uses this source as a match for ESG funds. As such \$946,218 in HSG funds will match \$946,218 for the ESG second allocation. The match will fund homeless services activities through agreements with local nonprofits, units of local government, and planning district commissions to provide shelter services, rapid re-housing assistance, case management, and support services.

*Proposed Activities and Overall Budget*

The priority needs are households at-risk of or experiencing homelessness. ESG funding will be directed toward preventing and ending homelessness by increasing availability and affordability of housing and creating suitable living environments for low income households experiencing or at-risk of experiencing homelessness.

<b>Summary of Objectives and Outcomes</b>			
<b>CDBG Activities</b>	<b>Objective</b>	<b>Outcome</b>	<b>Objective:</b> (1) Create suitable living environments (2) Provide decent affordable housing (3) Create economic opportunities  <b>Outcome:</b> (1) Availability/accessibility (2) Affordability (3) Sustainability
Owner-occupied Rehab	2	1	
Commercial Development	3	3	
Public Facilities Projects	1	3	
New Construction	2	2	
<b>HOME Activities</b>	<b>Objective</b>	<b>Outcome</b>	
Owner-occupied Rehab (IPR)	2	1	
Rental Rehab/New Construction (ASNHP)	2	1	
Homebuyer Development (ASNHP)	2	1	
Homebuyer Assistance (DPA)	2	2	
<b>ESG Activities</b>	<b>Objective</b>	<b>Outcome</b>	
Shelter Operations	1	1	
Rapid Re-housing	2	2	
Prevention	2	2	
<b>HOPWA Activities</b>	<b>Objective</b>	<b>Outcome</b>	
Rent, mortgages, and utility assistance	2	2	

DHCD will enter program agreements with 26 sub-grantees to provide ESG activities. The agreement terms are July 1, 2012- June 30, 2013. These agreements will provide ESG eligible activities based on the following budget:

First Allocation		\$1,682,166.00		<b>FY 2011</b>	
Second Allocation		\$946,218.00		<b>Emergency Shelter Grants/Emergency Solutions Grants</b>	
Grant Amount		\$2,628,384.00		<b>Program Allocations</b>	
Total Administration		\$197,128.80			
		First Allocation		Second Allocation	Total Fiscal Year 2011
Eligible Activities		Activity Amount	Reprogrammed Amount	Activity Amount	Activity Amount
<b>Emergency Shelter Grants Program</b>	Homeless Assistance	<b>\$1,211,046.00</b>	<b>\$0.00</b>		<b>\$1,211,046.00</b>
	<i>Rehab/Conversion</i>				\$0.00
	<i>Operations</i>	\$1,211,046.00			\$1,211,046.00
	<i>Essential Services</i>				\$0.00
	Homelessness Prevention	<b>\$387,012.00</b>			<b>\$387,012.00</b>
	Administration	<b>\$84,108.00</b>			<b>\$84,108.00</b>
<b>Emergency Shelter Grants Subtotal</b>		<b>\$1,682,166.00</b>	<b>\$0.00</b>		<b>\$1,682,166.00</b>
<b>Emergency Solutions Grants Program</b>	Emergency Shelter**			<b>\$0.00</b>	<b>\$0.00</b>
	<i>Renovation**</i>			\$0.00	\$0.00
	<i>Operation**</i>			\$0.00	\$0.00
	<i>Essential Service**</i>			\$0.00	\$0.00
	<i>URA Assistance**</i>			\$0.00	\$0.00
	Street Outreach - Essential Services**			<b>\$0.00</b>	<b>\$0.00</b>
	HMIS			<b>\$41,659.00</b>	<b>\$41,659.00</b>
	Rapid Re-housing		<b>\$0.00</b>	<b>\$554,077.00</b>	<b>\$554,077.00</b>
	<i>Housing Relocation and Stabilization Services</i>			\$221,631.00	\$221,631.00
	<i>Tenant-Based Rental Assistance</i>			\$332,446.00	\$332,446.00
	<i>Project-Based Rental Assistance</i>				\$0.00
	Homelessness Prevention		<b>\$0.00</b>	<b>\$237,461.00</b>	<b>\$237,461.00</b>
	<i>Housing Relocation and Stabilization Services</i>			\$94,984.00	\$94,984
	<i>Tenant-Based Rental Assistance</i>			\$142,477.00	\$142,477
	<i>Project-Based Rental Assistance</i>				\$0.00
	Administration			<b>\$113,021.00</b>	<b>\$113,021.00</b>
<b>Emergency Solutions Grants Subtotal</b>			<b>\$0.00</b>	<b>\$946,218.00</b>	<b>\$946,218.00</b>
		<b>Total Grant Amount:</b>			<b>\$2,628,384.00</b>

*Written Standards for Provision of ESG Assistance*

As noted above DHCD requires that all sub-grantees have written standards. Sub-grantees written standards as well as any subsequent revisions must be reviewed and approved by DHCD.

The written standards must include:

- Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG
- Policies and procedures for coordinating among emergency shelter providers, essential services providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream services and housing providers.
- Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.
- Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homeless prevention or rapid re-housing assistance.
- Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.
- Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receives assistance; or the maximum number of times the program participant may receive assistance.

*Describe Process for Making Sub-awards*

Sub-awards will be made based on an open competitive application process held Spring of 2011. The competition was open to nonprofits and units of local government. Submitted applications were reviewed by a panel based on the following criteria:

- Local Need (40 points)
- Approach (30 points)
- Capacity (30 points)

A minimum score of 60 was required. Applications scoring 60 or greater were awarded 2011-2012 program agreements for the first ESG allocation. The first allocation was limited to shelter operations, prevention, and administration. The second allocation provides prevention and rapid re-housing assistance, HMIS, and administrative expense funding to those applicants that requested such funding and scored 60 or greater through the competitive process. DHCD will enter into program agreements for the second allocation once the HUD contract has been executed. DHCD intends to issue program agreements for one year terms (July 1, 2012 –June 30, 2013).

*Performance Standards*

The primary performance measures are that all activities and processes are developed and implemented to assist homeless households and those at-risk:

- To maintain permanent housing (primary focus for those at-risk)
- To quickly obtain permanent housing (primary focus for those experiencing homelessness)
- To obtain housing stability (secondary focus)

Please note that sub-grantees will be evaluated and monitored on how well they are contributing to meeting key community outcomes and objectives. These key outcomes are measured at the CoC or local planning group level and include:

- Percentage of households seeking shelter where the immediate crisis has been averted (preventing homelessness)
- Percentage of households diverted from homelessness stabilized in permanent housing
- Reduction in the number of households entering the homeless assistance system
- Reduction of the length of shelter stays
- Reduction in the number of households returning to homelessness

Process and system objectives include:

- Assuring that all households at the entry point (when they are seeking shelter options) are assessed with a standardized assessment tool
- Entry point(s) are easily accessible (open access when households are seeking shelter)
- Service providers refer appropriate households seeking shelter to the entry points
- Written policies and procedures (please note that DHCD must review and approve these and all revisions)
- Individualized housing focused case management