Virginia Eviction Reduction Pilot (VERP) 3.0
Program Guidelines and Application Instructions
Calendar Year 2023-2024

Application Due: <mark>**September 16, 2022**</mark>

<mark>***How to Apply Webinars: August 2nd at 10 am and August 3rd at 3 pm via Google Meet (Mandatory)***</mark>

EQUAL HOUSING
OPPORTUNITY

Purpose

During the 2020 Special Session, the General Assembly passed, and the Governor signed, a budget allocating $3.3 million to implement the Virginia Eviction Reduction Pilot (VERP). The Virginia Department of Housing and Community Development (DHCD) was directed to design and implement the pilot. A second year of funding for the pilot was awarded by the Governor and the General Assembly during the 2021 session with a third year of funding awarded during the 2022 session.

The purpose of VERP is to demonstrate effective approaches to reducing evictions through systems changes that make eviction rare, brief and humane while also providing flexible financial assistance to those at risk of an eviction. When involvement with the court cannot be prevented, the system must divert households from experiencing an eviction whenever possible after the court has become involved. The systems approach will include creating a collective impact model where organizations that serve as a safety-net within the community collaborate to ensure households have early access to resources that stabilize their housing situations.

For the purposes of this pilot, eviction *prevention* services are provided to households *before* they are issued unlawful detainers and courts get involved. Prevention services generally involve short-term financial assistance along with case management to ensure the household is connected to needed resources that stabilize their housing situation.

Eviction *diversion* services are provided after households are issued unlawful detainers and usually involve assisting with the negotiation process between landlords and tenants in outlining the terms of payment plans to address past due rent and fees. Typically, the further along in the eviction process a household gets, the further in debt the household becomes.

The Virginia Eviction Reduction Pilot (VERP) includes:
- Eviction prevention
- Eviction diversion
- Initiatives and partnerships that promote systems change
- Mediation between landlords and tenants
- Court navigation to link VERP program services with the courts
- Outreach and coordination with key partners and stakeholders

This pilot program is intended to demonstrate effective interventions to keep people housed. Successful grantees will develop guidelines that assure a high level of access and a low level of barriers to entry.

Background

Evictions are involuntary residential moves initiated by property owners or managers. Evictions can be due to the nonpayment of rent, lease violations, and/or other issues between the landlord and the tenant.

Evictions result in housing instability with negative impacts on overall financial well-being for the household, educational outcomes for children, and community health, making it essential that Virginia find a solution to reduce its overall high rate of evictions.

In 2016, Matthew Desmond, a professor of sociology at Princeton University, released his examination of eviction in America in his book, *Evicted: Poverty and Profit in the American City.* His work with the Eviction Lab to collect and analyze national eviction data dating back to 2000 identified areas of the country with the highest eviction rates. Many large cities with the highest eviction rates are located in the Southeast. Five out of the top ten evicting cities in America at the date of the study were located in Virginia: Richmond, Hampton, Newport News, Norfolk and Chesapeake. Petersburg had the second highest eviction rate for a mid-sized city. Localities in Virginia with higher eviction rates tend to have a higher percentage of rental units and more cost burdened renters.

Since 2020, Virginia and the rest of the country have faced high levels of housing insecurity due to the COVID-19 pandemic. Virginia responded to this crisis, in part, by providing rent assistance through the Virginia Rent Relief Program (RRP) which stopped accepting new applications in May 2022. Localities also utilized federal and local funds to create their own rent relief efforts administered locally and focused on pandemic response.

While RRP and local efforts sought to address housing insecurity due to the COVID pandemic on a household-by-household basis, the goal of VERP is to address *systemic* issues impacting the rate of evictions in Virginia. The first round of VERP funding (VERP 1.0) focused on stabilizing individual households through a variety of housing supports including financial assistance, transportation costs, childcare costs, case management and housing counseling. The second round of VERP funding (VERP 2.0) built on VERP 1.0 to address evictions from a *systemic* level through requiring coordination with the courts, incentivizing regional cooperation, and setting aside funds for optional court navigation pilot programs . VERP 3.0 similarly requires Grantees to reduce evictions at the ***systemic level***. This will include working with stakeholders involved in the eviction process (i.e. landlords, courts, Legal Aid and schools) with the goal of creating a coordinated eviction prevention and diversion system.

Funding Level

DHCD administers the state's eviction prevention and diversion resources through VERP. These resources include up to **$5.9 million** in state grant funds over two years to support local efforts in building or reinforcing a systemic approach to prevent and divert evictions through local grantees selected through a competitive application process.

VERP will be administered based on a two-year funding cycle. DHCD will issue one-year (January 1 - December 31, 2023) grants to grantees as a result of an application process. These grants will be renewable based on performance, compliance, and available funds for a second year of funding (January 1 - December 31, 2024).

DHCD reserves the right to adjust the funding level and grant period based on availability of funds, any additional state or federal funding, and/or the response to the Request for Application.

Geographic Targeting

VERP is available <u>statewide</u> through a competitive application process. Applicants proposing to serve one or more of the following Virginia localities will be given a scoring preference because of these localities' high eviction rates and/or their inclusion in the [General Assembly created pilot diversion program](#):
- Accomack County
- Chesapeake
- Chesterfield
- Danville
- Hampton
- Henrico County
- Hopewell
- Newport News
- Norfolk
- Petersburg
- Portsmouth
- Prince George County
- Richmond
- Virginia Beach

DHCD will fund only one grantee per locality; however, more than one application from the same locality is welcome to apply. It is encouraged that applicants strategize with local stakeholders on who would be the best applicant on behalf of their locality(ies). Local pilot activities must be coordinated with all local eviction prevention and diversion efforts.

Applicants will also be given scoring preference for a regional scope to include nearby areas with high eviction rates. The region may be defined by the jurisdiction of a regional planning district commission or the area served by the homeless services Continuum of Care or Local Planning Group. Applicants are encouraged to apply in partnership with the key eviction prevention and diversion efforts in their area and to share grant resources to achieve pilot outcomes. Grantees are encouraged to work or partner with multiple localities. Any partnerships or collaborations must be reflected in a memorandum of understanding (MOU) or agreement to be submitted for DHCD approval to receive the scoring preference.

Local Match

This program does not require a match, however applications that include local match contributions (both in-kind and cash match) will be given a scoring preference per the state budget directive. Local COVID or other emergency resources can count toward a local match commitment. Applicants are encouraged to secure local and regional commitments of funds regardless of source, but to think through sources that can help with both emergency response and long-term needs. In order to receive the scoring preference, applicants must include MOUs or letters of commitment as part of their application submission.

Applicant's Eligibility

Applicants must be a nonprofit, unit of local government, or planning district commission (PDC) with a proven history of meeting the needs of lower-income households through the provision of financial assistance and housing support programs and with the existing capacity to successfully implement the pilot program. Please note that institutions of higher education may apply in collaboration with a local nonprofit or unit of local government. Landlords, including Public Housing Authorities, are ineligible to apply.

At least one representative of the organization must attend one of two "How to Apply" webinars in order to be considered minimally eligible to apply for VERP.

Grantee Requirements

Financial and Compliance Requirements

Grantees must have established standard accounting practices including internal controls and fiscal accounting procedures as well as track agency and program budgets by revenue sources and expenses.

Applicants with outstanding audit findings, IRS findings, unresolved DHCD monitoring findings and/or concerns or other compliance issues are not eligible for funding. Grantees will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note that although DHCD will work with all interested parties, where appropriate, to resolve findings and compliance issues, it will be the responsibility of the applicant to assure good standing.

Proposed grantees without recent funding agreements will be subject to an organizational assessment prior to the execution of any DHCD funding agreement. Recent funding agreements must have been executed since January 1, 2021 for the VERP program. An assessment includes a review of organization finances, accounting standards, internal controls, grievance policies, record keeping policies, confidentiality practices, conflict of interest policies, and fair housing practices. DHCD reserves the right to require and conduct organizational assessments of any proposed grantee prior to the execution of any agreement.

All applicants must be registered in DHCD's Centralized Application and Management System (CAMS) and are required to submit one of the following financial documents: Financial Statement; Reviewed Financial Statement prepared by an independent Certified Public Accountant (CPA); Audited Financial Statement prepared by an independent CPA; or, an OMB A-133 Audit (Single Audit) prepared by an independent CPA. See the table below to determine which document your organization is required to submit.

The threshold requirements outlined below are the minimal standards required by DHCD. All organizations funded by DHCD are encouraged to undertake the highest level of financial management review to ensure practices and procedures are fully examined and evaluated.

Threshold Requirement	Document
Total annual expenditures ≤ $100,000, regardless of source	Financial Statement prepared by organization (does not require preparation by a CPA)
Total annual expenditure between $100,001 and $300,000, regardless of source	Reviewed Financial Statement prepared by an Independent Certified Public Accountant (CPA)
Total annual expenditures > $300,000, regardless of source	Audited Financial Statement prepared by an Independent CPA
Federal expenditures ≥ $750,000	2 CFR 200 Subpart F Audit - prepared by an Independent CPA

Entities shall file the required financial document in the Centralized Application and Management System (CAMS) within nine (9) months after the end of their fiscal year or 30 days after it has been accepted (Reviewed Financial Statement, Audited Financial Statement, and OMB A-133 Audit only) - whichever comes first.

The full DHCD Audit Policy, including an explanation of the specific document requirements, can be found online at https://www.dhcd.virginia.gov/sites/default/files/Docx/audit-policy/dhcd-financial-statement-audit-policy-2019.pdf.

Subgrantee Agreements

Subgrantees are allowable with VERP. Any applicable agreements or Memoranda of Understanding (MOUs) must be submitted with the application for this pilot and are subject to DHCD approval. Applicants who partner with unit(s) of local government and/or a public housing authority will be given scoring preference. The goal of this type of partnership is to increase the coordination between the VERP project and broader social safety net and housing services provided by the locality and its partners. The shortage of affordable housing for low-income residents is a systemic cause of the eviction crisis and applicants are encouraged to actively address this through this partnership. It must be noted that subgrantees cannot be beneficiaries of assistance. For instance, if a subgrantee is a landlord (including a Public Housing Authority), they cannot pay themselves for rent assistance or arrears. They can provide other services where they are not themselves the beneficiaries of assistance.

DHCD will contract with the Grantee only. Grantees are held fully responsible for all reporting, submission of remittances, and maintaining all source documentation and program records. Grantees must monitor a Subgrantee's program compliance, and all state and federal requirements.

Confidentiality Policy

All grantees shall ensure the confidentiality of the name of any individual assisted and any other information regarding individuals receiving assistance. The grantee's confidentiality policy should, at minimum, address:

- How staff will gather, record, and store confidential information;
- The consent process for the release of confidential information;
- Protocols for responding to breaches of confidentiality;
- Privacy standards related to data collection and use of participant information for program reporting

Grievance and Termination Policy

Any individual receiving assistance must receive written notification of the grantee's grievance policy. Grievance policies must be board-approved and provide specific procedures to be followed for any disputed decision affecting this assistance. Project

participants contacting DHCD directly will be referred back to the grantee's grievance policy. The grantee must be prepared to provide documentation of the grievance record for all project participant grievances. DHCD will review and approve all grievance policies.

Grantees may terminate assistance to a project participant who violates program requirements and resume assistance to a project participant whose assistance was previously terminated. Termination must include a formal process that recognizes the rights of individuals receiving assistance to the due process of law. This process must include at least two levels. The initial level of the process should be held by the grantee organization wherein the grievance is reviewed or heard by an individual other than the person (or subordinate of that person) who made or approved the termination decision. Should the client or household disagree with the decision made by the initial reviewer, a second level must be available for an appeal. This two-level process, at a minimum, must consist of: (1): Written notice to the project participant containing a clear statement of the reasons for termination and (2) Prompt written notice of the final decision to the project participant.

Recordkeeping

Grantees must keep any records and make any reports (including those pertaining to services received, project participant housing status, race, ethnicity, gender, and disability status data) that DHCD requires within the specified timeframe. All contractual and project participant records must be maintained for a minimum of five years. Records include both program records such as the documentation or match requirement, financial records such as bank statements, and project participant records. Copies of canceled checks/bank statements or expenses associated with the project participant must also be retained. Grantees are required to maintain a record of all project participants that are screened and classified as ineligible for a service provided within the continuum of care. This must include documentation of the reason for the determination of ineligibility. For more information about documentation requirements see Accounting Standards.

Method of Payment

All grantees must be registered in CAMS and have approved audits in order to receive reimbursement. Remittances are submitted in CAMS; however, any grantee with unresolved findings or compliance issues may have reimbursement suspended.

DHCD recommends that grantees receive funds via electronic transfer. Instructions on establishing an account with the Virginia Department of Accounts (DOA) are located on their website through the selection of Electronic Data Interchange (EDI) from the link on

the right hand side of the DOA main webpage. The EDI guide can then be accessed through a link under the Trading Partner Information section.

Financial Management

Grantees must ensure compliance with regulations and requirements pertaining to the following key areas of financial management:

- Allowable costs
- Source documentation
- Internal controls
- Budget controls
- Cash management
- Cost allocation plans
- Accounting records
- Procurement
- Property asset controls
- Audits

Grantees must only use funds for eligible activities and in accordance with the DHCD-approved program budget. Any changes from the planned expenditures must be approved in advance by DHCD. Funds may not be used for activities other than those authorized in the guidelines and approved by DHCD. Reimbursements are based on the date the payment is made by the grantee. All expenditures must be in accordance with program conditions such as funding ceilings and other limitations on eligible costs.

Internal controls refer to the combination of policies, procedures, defined responsibilities, personnel, and records that allow an organization to maintain adequate oversight and control of its finances. Internal controls reflect the overall financial management system of an organization or agency. Budget controls, cash management, cost allocation plans, accounting records, procurement, and property controls are subsets of the overall financial system.

Grantees will be monitored for compliance with the program requirements and documentation.

A financial compliance monitoring may include, but not limited to, the following:

- An organizational chart showing titles and lines of authority for all individuals involved in approving or recording financial (and other) transactions
- Written position descriptions that describe the responsibilities of all key employees

- A written policy manual specifying approval authority for financial transactions and guidelines for controlling expenditures
- Written procedures for the recording of transactions, as well as an accounting manual and a chart of accounts
- Adequate separation of duties to ensure that no one individual has authority over an entire financial transaction
- Hiring policies to ensure that staff qualifications are equal to job responsibilities and that individuals hired are competent to do the job
- Access to accounting records, assets, blank forms, and confidential records is adequately controlled, such that only authorized persons can access them
- Procedures for regular reconciliation of its financial records, comparing its records with actual assets and liabilities of the organization
- Accounting records/source documentation
- Cash management procedures
- Cost allocation plans
- Procurement procedures
- Property Controls
- Annual Audit

In order to ensure DHCD monitoring processes are compliance with Violence Against Women Act (VAWA), domestic violence service providers must adopt a formal check request policy to ensure appropriate use of grant funds. The grantee must use a Check Request form as the primary method of requesting checks or cash in connection with an authorized expense incurred on behalf of grant-funded programs or project participant expenses. Check requests describe the expense, list the amount of the expense, and should follow the following steps:

1. Use a standardized Check Request form to include a description of the expense, the title of the corresponding eligible grant activity, the amount of the expense, and the payee.
2. Get requisite approval from the supervisor.
3. Attach receipts and/or invoices. Make sure the amount requested matches the amount to be spent or reimbursed.
4. Submit to appropriate finance personnel who will verify information provided, review back-up documentation, file documentation, and prepare check(s). Once filed, the Check Request forms and attached receipts and/or invoices must have any project participant-level personally identifying information redacted.

All check requests must have at least two signatures: the requestor and the authorizer. The authorizing signature must be a director or manager that has budgetary oversight for the program incurring the expense. All significant (over $5,000), unusual, and nonrecurring transactions must be reported to the CEO.

Time Sheets

Employee time sheets must reflect actual hours (not percentages) worked based on the cost allocation plan. Time sheets must be signed and dated by the employee and the supervisor with first-hand knowledge of the work performed or equivalent electronic approval. If the expenditures are paid for by more than one source (e.g., federal, public, private) the split costs should be accurately tracked within the grantee's accounting system.

Accounting Standards

In addition to establishing a system of accounting sufficient to accurately record and report transactions, adequate source documentation must be maintained as support for these transactions. Source documentation includes but is not limited to the following:

- Purchase Requisitions
- Purchase Orders
- Contracts
- Contract Invoices
- Bank Statements
- Canceled Checks
- Draw downs
- Payment Vouchers
- Employee Time Sheets
- Travel Advance Requests
- Travel Reimbursement Vouchers
- Vendor Invoices
- Journal Voucher Entries
- Cash Receipts

All source documents must be coded by reference number so that a clear link exists between the fiscal records and these documents. Coding could include the check number used to make the payment, the journal entry in which the transaction was recorded or the page number from the cash receipt journal. Purchase order numbers and payment voucher numbers may also be used to provide the necessary audit link.

Supporting documents can be copies or originals, but must be sufficient in detail to support the transaction and to justify it as an allowable grant expense.

The grantee must keep copies of the source documents, and be made available for DHCD review upon request for a minimum of five (5) years.

The grantee must maintain proof of cancellation (e.g. copy of check's backside, bank statement, or photocopy of check's cancellation) for all payments. While these are not required in the project participant files, they must be readily available for monitoring purposes.

Internal Controls

The grantee must have appropriate internal controls in place to:

- Safeguard assets;
- Prevent waste, fraud, and mismanagement;
- Promote efficiency of operations; and
- Whistleblower protections.

Effective internal controls to the extent possible must include the following procedures:

- Segregation of duties among employees to prevent one person from having complete control over all phases of any transaction
- Workflow procedures for processing all transactions from one employee to another. This must provide a cross check of work, but not a duplication of effort
- Rotation of duties among employees to allow for control over any one given phase and ensure that other employees can fill in when a position becomes vacant
- The procedures used should be clearly detailed and documented for all individuals to follow and as an aid in training new employees
- All assets, records, and checks must be properly protected using locks, safes, and other measures to ensure security

Monitoring

DHCD is responsible for monitoring all program activities carried out by a grantee to ensure that the program requirements are met. Monitoring can include both programmatic and financial reviews. DHCD and HUD may monitor any funded project, as applicable. Grantees must make available organizational and project related records to both DHCD and HUD with notice.

Grantees are responsible for all programmatic and contractual terms. The grantee is responsible for ensuring that these terms and requirements are met regardless of partnership arrangements or MOUs with other organizations.

Results from the monitoring of grantees will be shared with the grantee's executive leadership and their board of directors.

Conflicts of Interest

Grantees and partners must have conflict of interest policies that clearly prohibit personal gain or benefit and meet other program requirements.

Organizational Conflicts of Interest

The provision of any type or amount of assistance may not be conditional on a household's acceptance or occupancy of housing owned by the grantee, sub-grantee, parent organization, or subsidiary. An organization may not both participate in decision-making related to determining eligibility and receive any financial benefit. For example, a grantee, sub-grantee, parent organization, or subsidiary may not both administer financial assistance (rent, utilities, etc.) and use the assistance for households residing in units owned by the entity.

Individual Conflicts of Interest

Individual conflicts of interest apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee or its sub-grantee. For the procurement of goods and services, the grantee and/or its sub-grantee must comply with the agency code of conduct and conflict of interest policies.

Individuals (employees, agents, consultants, officers, or elected or appointed officials of the grantee or sub-grantee) may not both participate in decision-making related to determining eligibility and receive any financial benefit. This financial benefit may not be received by the specific individual, any member of his/her immediate family or a business interest. The restriction applies throughout tenure in the position and for a one-year period following tenure.

Upon written request of the grantee, DHCD may grant an exception to the restrictions in the paragraph above on a case-by-case basis when it determines that the exception will serve to further the goals of the program and promote the efficient use of program funds. In requesting an exception, the grantee must provide 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. In most cases, additional HUD waivers are required.

Non-Discrimination in Housing and Community Development

Grantees must comply with all applicable fair housing and civil rights requirements. In addition, grantees must make known that rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about and equal access to the financial assistance and services provided under this program. A statement of such must be included in the Project Participant

Agreement, signed by the project participant, and maintained in the project participant file.

Affirmatively Furthering Fair Housing

Grantees 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. In addition, Virginia's Fair Housing Law further protects "elderliness," individuals age 55 or older, from housing discrimination and the Virginia Values Act extends existing state non-discrimination protections for housing on the basis of sexual orientation and gender identity. 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 to which housing choice is expanded. In addition, housing discrimination complaints may be reported to the Virginia Fair Housing Office at the Department of Professional and Occupational Regulation at (888) 551-3247.

Pilot Program Design

The purpose of VERP is to demonstrate effective approaches to reducing evictions through systems changes that make eviction rare, brief and humane while also providing flexible financial assistance to those at risk of an eviction.
Grantees must include individuals with lived experience in the design and decision-making process, adopt a tool for targeting assistance, and develop policies and procedures to be approved by DHCD.

Activities must include:
- eviction prevention assistance
- eviction diversion assistance, including legal aid and tenant-landlord mediation
- initiatives and/or partnerships that promote systems change
- court navigation
- outreach and resource navigation
- language access
- coordination with partners and stakeholders
- referral protocols for eligible applicants to Supplemental Nutrition Assistance Program (SNAP),Temporary Assistance to Needy Families (TANF), Special

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Supplemental Nutrition Program for Women, Infants, and Children (WIC), Low Income Home Energy Assistance Program (LIHEAP), and Medicaid

If a grantee prefers to focus on either eviction prevention or eviction diversion, the grantee must actively coordinate and partner with the organization(s) that provide eviction prevention or diversion services in the service area. Program design is required if awarded a grant and must detail all activities and partnerships.

Evictions and housing instability have disproportionately impacted households of color. Pilot programs must be designed to address racial equity. Outreach plans are required and if awarded a grant and must include concrete actions to reach out to Black, Indigenous, and People of Color (BIPOC) communities. It is also expected that outcomes of activities will proportionately impact BIPOC households.

For applicants that received VERP 1.0 or 2.0 funding, it is expected that Grantees will amend their current policies and procedures to comply with the VERP 3.0 systems approach and program guidelines. Applicants that received VERP 1.0 or 2.0 funding, should describe in their pilot program design a) how VERP 1.0 or 2.0 funds built and strengthened their current eviction prevention and diversion system and b) how VERP 2.0 funds will further enhance their system to reduce evictions.

Local VERP Advisory Committee
The purpose of the VERP Advisory Committee is to systematically reduce evictions by convening key stakeholders to actively reduce evictions in their community through communication and coordination. Each grantee is required to have significant local coordination through a local Advisory Committee that will be established by the grantee for the purpose of this program. The activities of this committee must include working with local courts and planning or implementing coordination efforts. The committee must also be involved in creating the outreach plan, coordination strategies, and partnerships and/or initiatives for systems change. It must include representatives from the following:
- Local CoC
- Workforce Development
- Local DSS
- Legal Aid
- Representative of the District Court and/or Bar Associations
- Representative of Public Housing Authority
- Representative of associations representing landlords such as Realtors and Apartment Management Associations
- Housing Counseling Agency/Program
- Conflict Resolution (Alternate Dispute Resolution)
- Person with lived experience of eviction or housing insecurity
- Organizations representing communities of color, particularly Black communities

- Organizations with experience serving Spanish speakers and other Non-English speakers based on demographic needs
- Tenant advocacy groups (if present in the community)
- Centers for Independent Living (CILs)

Eviction Prevention Assistance
This activity includes housing financial assistance and stabilization support services available before a pay or quit notice is filed. Grantees are encouraged to use this funding flexibly for any household at risk of eviction, which includes but not limited to rent assistance and arrears, utilities, medical bills, transportation or transit assistance, and childcare or eldercare. Grantees are encouraged to assist households who anticipate difficulty in maintaining their housing, even before a pay-or-quit notice.

Eviction Diversion Assistance
This activity includes housing financial assistance and stabilization support services available after an unlawful detainer is filed. Grantees are encouraged to use this funding flexibly for any household at risk of eviction, which includes but not limited to rent assistance and arrears, utilities, medical bills, transportation or transit assistance, and childcare or eldercare.
This activity also includes hosting or supporting Legal Aid and mediation between landlords and tenants. The VERP Advisory Committee can be tasked with coordinating these activities to brainstorm protocols to prevent or divert evictions. The goal of this activity is to provide tenants and landlords more chances to mediate challenges before going to court and get assistance before or during a court hearing. Successful pilot programs will partner with landlords, courts, mediators, and attorneys to ensure that using the court system to settle debts is a last resort.

Initiatives and Partnerships Promoting Systems Change
This activity includes increasing affordable housing options in local communities, working with courts to be part of eviction prevention response, increasing more jobs with living wages, increasing affordable childcare or eldercare, increasing affordable healthcare, increasing public transit for low income and BIPOC communities.

Court Navigation

As part of their VERP grant award, grantees must include a court navigation program, the purpose of which is to increase communication between judges and eviction prevention and diversion staff, assist tenants with navigating the court system, inform tenants about other resources, inform tenants about their legal rights and encourage mediation between tenants and landlords. Navigators do not provide legal advice, but provide one-on-one assistance to self-represented tenants and make referrals to other

sources of assistance as necessary. Court Navigator Programs should include on-site staff at courthouses to assist tenants.

Examples of potential court navigator activities include, but are not limited to:
- Helping tenants navigate the eviction process (i.e. what to expect in a case)
- Referring tenants to other sources of assistance (i.e. legal aid lawyers, domestic violence services, social services)
- Helping tenants complete court forms
- Assisting tenants in getting to court and providing emotional support
- Providing services either in-person or remotely as needed (i.e. phone, email, hotline, live chat, website,)

It is expected that grantees will have *existing* partnerships with courts and legal aid providers through Memorandum of Understandings (MOUs) prior to submitting their VERP application.

VERP policies and procedures should clearly outline how court navigation activities will be coordinated with other VERP activities. VERP policies and procedures will be approved by DHCD prior to implementing the program.

Outreach and Resource Navigation
The grantee must proactively seek out households at risk of eviction. Data should inform outreach plans on where to target outreach efforts. Outreach includes but is not limited to canvassing or door knocking, sending mailers with resource information, involving local schools, advertising at grocery stores, leveraging nontraditional community messengers, online website and search engine optimization, social media, and presence in 2-1-1 VIRGINIA's database. Grantees are highly encouraged to have staffers who assist households with applications and navigate community resources.

Language Access
Language access should also be prioritized in program design and outreach strategies, either by increasing bilingual staff or partnership with organizations who have the capacity to serve non-English speaking communities. Grantees are expected to regularly evaluate outreach strategies for effectiveness during the program and adjust as necessary.

Coordination with Partners and Stakeholders
Grantees must actively ensure there is coordination among service providers and stakeholders. This activity is defined by, but is not limited to, working with service providers to ensure tenants and landlords have accessible and timely entry points for assistance. Coordination with stakeholders can include, but is not limited to, working with the court to get a docket of households that were served unlawful detainers or

working with landlords to get households that were served pay-or-quit notices or eviction filing.

DHCD encourages grantees to coordinate VERP services with homeless service providers in order to avoid duplication of funds and/or services. For instance, targeted homelessness prevention funds can be used for households 30% AMI who are 14 days or less from homelessness. Other programs should be considered in program eligibility during the intake process.

Referrals to SNAP, TANF, WIC, LIHEAP, and Medicaid
Grantees are expected to develop referral protocols with their local Department of Social Services (DSS) offices in order to refer eligible applicants to benefits such as Supplemental Nutrition Assistance Program (SNAP),Temporary Assistance to Needy Families (TANF), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Low Income Home Energy Assistance Program (LIHEAP), and Medicaid.

Lived Experience
All VERP funded programs must provide opportunities for an individual with lived experience (previously evicted or experienced housing instability) to be involved in the development, implementation, and evaluation of the local VERP project and any input must be implemented to the extent that it is appropriate for the program and feasible within funding constraints and statutory and regulatory guidelines.

Participant Eligibility

DHCD requires grantees to use an eligibility form designed to identify households most at risk of housing instability and to have clear policies and procedures that specify household eligibility and the program's approach to meeting their needs. This can include but is not limited to the type and amount of assistance available based on an individual's assessment score. Successful VERP grantees will demonstrate a commitment to screening households into the program, rather than using eligibility criteria that restricts households' access unnecessarily.

A template eligibility form can be found in the attachments section of the application. If an applicant wishes to use their own eligibility assessment tool, it must include the following factors:

- Household headed by a person of color
- Single female head of household
- Number of recent moves within the past 12 months
- Age of the head of household and whether children are present in the home

- Involvement of child services or foster care
- Non-leaseholder status
- Domestic violence
- Frequency of law enforcement involvement at the unit
- Tenants living in large multi-family properties
- A household's housing cost burden

VERP funding can only be used to serve individuals whose incomes are at or below 80 percent Area Median Income (AMI).

Eligible Activities

All payments must be made to third parties, not the program participant. If no alternatives are available and a Grantee must make a direct payment to a program participant (i.e. rideshare gift cards for transportation), a Grantee must request an exemption from DHCD. Program policies related to these types of direct payments must also be in VERP program policies.
Eligible VERP expenses include:
- Housing Financial Assistance
- Stabilization Support Services
- Prevention Activities
- Diversion Activities
- Outreach and Engagement
- Administrative Costs

Housing Financial Assistance
Funds may be used to prevent or divert program participant households from experiencing eviction. Eligible expenses include:
- Short-term (up to six months) rent assistance—
  This can be any combination of rent arrears and ongoing contributions so long as the total amount of rent assistance provided does not exceed six months during the contract period If utilities are included in the rent, the Grantee may include the value of utilities as stated in the lease.

- Short term (up to six months) utility assistance—
  When utilities are not included in the lease, a Grantee can pay any combination of utility arrears or ongoing contributions so long as the total amount of utility assistance provided does not exceed six months of utility payments during the contract period. To calculate the value of six months of utility payments, take the average of three months of utility bills to determine the average monthly utilities cost. Multiply this value by six to calculate the maximum utility assistance VERP can provide.

Stabilization Support Service
Funds may be used to help households achieve a greater level of housing security. Eligible expenses include:
- Work supports (i.e. training costs; transportation assistance – bus tokens, ride sharing, auto repair; childcare or eldercare costs; medical bills) up to six months

Prevention Activities
Funds may be used for eviction prevention activities that support the system's change by increasing and strengthening partnerships. Eligible expenses include:
- Capacity Building (i.e. coordination with stakeholders, initiatives and partnerships)
- Case management
- Housing counseling
- Landlord outreach and negotiation (i.e. mediation services)
- Programmatic staff

Diversion Activities
Funds may be used for eviction diversion activities to support households that have received an unlawful detainer. Eligible expenses include:
- Court Navigation
- Legal Expenses (legal advice, representation and other services)
- Mediation services
- Programmatic staff
- Transportation to court

Outreach and Engagement
Funds may be used for outreach and engagement activities. Each grantee will work with its local VERP Advisory Committee to develop an Outreach and Engagement Plan that ensures households at higher risk of eviction are made aware of their local VERP initiative. Eligible expenses include:
- Advertisement fees (i.e. advertisements in non-English publications, advertisements with high circulation amount, Communities of Color, printing, etc.)
- Outreach and engagement activities
- Programmatic staff
- Travel (i.e. mileage reimbursement for outreach activities)
- Language access activities

Administrative Costs
Administrative costs may include accounting for the use of grant funds, preparing reports for submission to DHCD, obtaining program audits, data collection and reporting, similar costs related to administering the grant after the award, and

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associated staff salaries. Administrative costs also include staff training for program and case management. Administrative costs may not exceed 5% of the total grant award.

VERP funding must be coordinated with other available funding sources. Funds may not be used to replace mainstream resources. Grantees should not use pilot resources where other resources are available, i.e. if there is an eviction diversion program currently in the community, grantees should not develop another eviction diversion program. However, the grantee can strengthen that component of local delivery efforts and assist in funding that type of program in conjunction with eviction prevention efforts. Communities participating in the Eviction Diversion Pilot Program (Danville, Hampton, Petersburg, and Richmond) can use VERP funds to implement their state-mandated diversion pilot programs since no funds were provided.

Grantees must coordinate with any local court-based eviction diversion program. VERP Local Advisory Committees are expected to reduce evictions in their community by coordinating resources, problem solving system level issues, and addressing other challenges related to the prevention and diversion of evictions. Grantees and their local VERP Advisory Committee will work with DHCD to conduct focus groups with landlords, tenants and other key stakeholders to receive input on what components the local VERP funded eviction prevention system should include.

VERP Ineligible and Prohibited Activities

Grantees that own housing units must not use pilot funds for rental assistance in any units owned by the grantee or a subsidiary. Grantees must consult with DHCD for how best to address the needs of tenants living in any grantee owned units.

Data Collection & Evaluation

Virginia lacks a statewide, real-time understanding of evictions across the commonwealth. Access to statewide eviction data is important for understanding current eviction trends and measuring the impact of eviction prevention and diversion programs. Grantees will work closely with DHCD and a program evaluator to develop and implement a local or regional process to collect eviction data.

DHCD will be working with a third party to help evaluate the impact of the VERP program. It is expected that Grantees will participate with the evaluator in data collection, interviews, etc. to successfully evaluate the program.

Reporting

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VERP grantees will be required to submit bi-annual reports (four total during the grant period) in CAMS. These reports will be used to assess the impact of the grantee's program and the overall effectiveness of the pilot. Grantees must ensure that data is complete and accurate. Grantees that fail to meet reporting requirements and deadlines are considered non-compliant which may affect future grant reimbursements and other DHCD funding opportunities.

Grantees must be able to track and report program activities, project participant data, and spending separately from other activities. Grantees will report on outputs, such as the number of persons served and demographic characteristics of persons served, program funds expended by activity type, as well as outcomes related to housing stability.

Application Process

Applications will be accepted on or before **September 15, 2022**. All applications must be submitted to DHCD through the online application and project management system called CAMS (Centralized Application and Management System). Please allow for up to two business days for responses to any CAMS help desk request. Applications must be submitted in CAMS on or before 11:59 PM, September 15, 2022.

All applications received by the deadline will be reviewed by a DHCD panel and scored based on the local need (20 points), program approach (45 points), and grantee capacity (35 points). Applications must score at least 60 points, including at least 45 points in combined approach and capacity points to be considered for funding. Up to 20 additional points will be awarded to grantees who are working with a public housing authority or local government (5 points), have a regional scope (5 points), provide a local match (5 points), and/or serve at least one priority area (5 points).

Pilot Application Evaluation Criteria		
Criteria	*Scoring Elements*	*Maximum Points*
Need	Pre-pandemic rate of evictions,COVID-19 impact and RRP; targeted localities (see page 3)	20
Approach	Inclusion of those with lived experience; policies and procedures; Advisory Committee; best practices; local collaboration; pilot components	35
	Court navigator program policies and procedures; existing MOU between organization and courts to provide services; collaboration between courts and service provider(s)	10

	Experience serving low-income households, providing financial assistance , mediation, case management and regional partnerships	
Capacity		35
	VERP Mid and Final Year Report outcomes, as applicable (current VERP grantees only)	
TOTAL –must have a combined approach and capacity score of 45 points AND a total score of at least 60 points.		**100**
Additional Points (Scoring Preference)		
Program partners with local government and/or housing authority (Letter of Commitment required)		5
Program has a regional scope (serves more than one locality)		5
Local Match		5
Program serves one priority area (see geographic targeting on pages 4 and 5)		5

Please note that DHCD technical assistance is limited to normal business hours.

Application Submission

VERP applications must be submitted through DHCD's Centralized Application and Management System (CAMS). Applicants should carefully follow all instructions for submission. Applications submitted with incorrect or missing information will be reviewed "as is."

An applicant organization must have a registered CAMS organizational profile in order to apply for pilot funding. Once an organization has an approved profile, individual users may be given access to CAMS by the organization's profile manager.

Applicants may submit applications at any time prior to the deadline. DHCD will only review applications submitted in CAMS prior to the established deadline.

CAMS will send the applicant an email notification when an application has been submitted and received.

All work in CAMS should be frequently saved. Please note that Chrome is the recommended browser.

Project Information

The applicant must login to CAMS and select the VERP application and apply. When the applicant clicks on Apply the system will ask for a Project Name. Please be careful to enter a project name that will help DHCD identify your project. Once the applicant hits Continue the project name cannot be edited. At this point CAMS will give the application a system-generated Application ID number.

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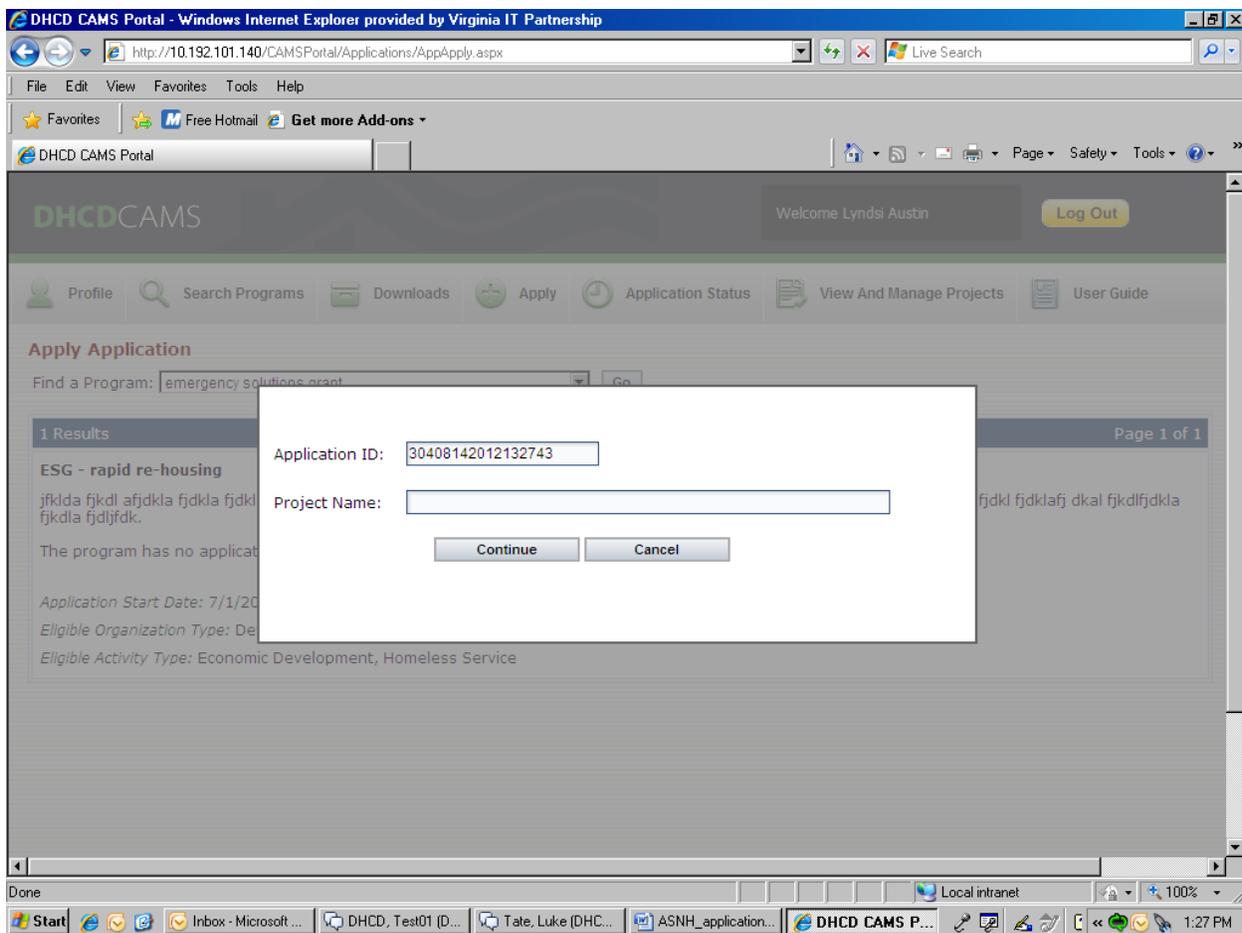
Select Continue and CAMS will take the applicant to the Project Information tab. On the project information tab the Organization Name will be pre-populated based on the organization's profile. Please note, any errors or needed updates to the organizational profile must be made by the individual who is set up as a profile manager for your organization.

On the project information tab the applicant must enter the Project Primary Contact information. This is the name of the individual DHCD should contact with questions about the project and their contact information.

Place of Primary Performance is where that project (main office or service location) will be located and the Primary Service Area is the locality (ies) (one or more) that the project is intended to target.

Please note that at this point the page will display a 'Print' option at the top right-hand corner. The 'Print' function will produce a PDF that can be printed or saved. This will have any information that you have entered and saved in the application.

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Tip: To print an application that will display all the questions simply go into the "Narrative Information" tab and enter NA into each text box. This will allow you to have a copy of the application including all the narrative questions to work from outside of CAMS.

Project Budget

The next tab <u>Project Budget</u> requires some basic budget information. Please enter the amount of requested pilot funds in the <u>DHCD Request</u> box and the match amount in the <u>Other Funding</u> text box.

Narrative Information

The applicant will then go to the narrative questions. Please note there are size limits to the text boxes. DHCD suggests that applicants work in Word and copy and paste into the CAMS text boxes. Word allows an applicant to spell check and check the size of the text prior to copying and saving in the text box. Once the narrative information is complete applicants should print the questions by clicking the Print tab at the top of the page and review them for completeness and accuracy. The applicant is able to edit this information up until the time the application is submitted for review.

Please note that the CAMS text box in this section will only accommodate text responses. Graphic, tables, charts **should not** be pasted into the narrative section; instead, include the information in a separate attachment. The applicant may use the CAMS attachment section to provide any additional information not accommodated in the narrative text boxes.

-Provide supportive housing options for persons with disabilities
-Assure integrated community housing for persons with disabilities that aid the state's response to the Department of Justice Settlement
-Other – Clearly state the housing policy this project will impact

This response should explain how the proposed project will address one of the identified state priority housing policies. Direct impact on a priority housing policy is a key factor in the evaluation.

Local Priorities. Describe how this project fits in with local and regional priorities, including how this project was identified, how it aligns with local comprehensive plans, and how the project is supported by the community.

Describe and document the local housing need, demand and target population that this project will address.

This response should provide specific information on the housing needs, demand and target population that this project will address. The response should describe the type of need that will be met and quantify the level of need. The targeted population should be clearly described and their need for this type of housing should be quantified. Cite marketing studies and other documentation if available. Please attach a copy of any demand studies, marketing plans, and other relevant documentation demonstrating the need and demand associated with this project. For homeownership projects, be sure to include documentation demonstrating a pool of qualified and interested homebuyers. A list of pre-qualified candidates is recommended.

Explain h...

CLOSE ✖

| Project Information | Project Budget | **Narrative Information** | Attachments | Additional Information |

Please answer following questions:

Provide a summary of the project, including location, intended beneficiaries and outcomes, and why this project is a priority for the community. Include characteristics that are important to understand the proposed project, such as physical features, land use patterns, demographics, proposed activities including those that will be funded with other resources, but that are integrally related to the Trust Fund activities. Delineate which activities are proposed for Trust Fund funding and which activities will be funded with other resources.

Which of the state housing priorities will this project impact? Describe how the proposed project activities will impact this housing policy. Quantify where possible.

State housing priorities include:
-Reduce the cost of homeownership
-Reduce the costs of rental housing targeted at very low-income households
-Expand permanent housing for households experiencing homelessness
-Provide supportive housing options for persons with disabilities
-Assure integrated community housing for persons with disabilities that aid the state's response to the Department of Justice Settlement
-Other – Clearly state the housing policy this project will impact

This response should explain how the proposed project will address one of the identified state priority housing policies. Direct impact on a priority housing policy is a key factor in the evaluation.

Project Costs. Describe how project costs were determined—entity that derived costs, when, methodology. What assurances can be made to ensure the project is sized and scaled appropriately? Has any value-engineering been completed to explore cost savings?

Please list each entity involved in the project and describe the role they will play in project implementation and the experience they have in performing that role in other projects.

Each entity involved in the project should be listed along with the role they will have in the proposed project, such as owner, developer, property manager, service provider etc. Outline the experience each entity has in carrying out such a role in other projects. Rental projects are expected to function over 20 years and the involved entities must have the capacity to fulfill their responsibilities for this timeframe.

| Next | Preview | Save |

Specific narrative questions and instructions are as follows:

1. Tell us about the eviction rates and local needs for the locality(ies) that your proposed program would serve. Please include pre-COVID-19 data, how COVID-19 impacted your community's renter population and Rent Relief Program participation (if applicable).

2. Describe your organization's approach to reducing evictions and improving housing stability using eviction prevention and diversion. If you have previously received VERP funding, please describe the impact VERP has made on your system thus far and how additional funding will improve your eviction prevention and diversion efforts in your community.

3. Tell us about how you will target these resources. Please describe how you plan to screen applicants for VERP eligibility and how you will leverage any existing eviction prevention and diversion programs in your community (if applicable). .
If using an assessment tool separate from the one included in this application, please describe what factors you will be using.

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4. Describe how your organization plans to partner with your local/regional court system and how you plan to structure your court navigation program.
5. Tell us about the case management and supportive services your program will provide.
6. Please describe your organization's coordination efforts with other service providers. Responses should include the process and referral protocols your organization will use to refer eligible applicants to Supplemental Nutrition Assistance Program (SNAP),Temporary Assistance to Needy Families (TANF), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Low Income Home Energy Assistance Program (LIHEAP), and Medicaid. If partnering with a local government or housing authority, please describe how your organization will coordinate with those entities and what role they will play in your program.
7. Tell us about how you will provide outreach, in general, and to households of color and how you will assure equitable access to these resources.
8. Please describe the composition of the local VERP Advisory Committee and the role it will play in the program. If you are missing required participants at the time of application, please list which organizations/individuals you plan to include to participate.
9. Tell us about your organization's experience with preventing evictions, providing housing and financial assistance and services to low-income households.
10. Please describe your capacity to support legal aid and/or mediation between landlords and tenants.
11. Please describe your organization's experience with initiative(s) or partnership(s) that promote systems change.
12. Please describe the pilot program's management team.
13. Tell us about how your organization coordinates with other organizations to meet the needs of clients. If your program has a regional component (i.e. serves more than one locality), please describe how you plan to coordinate resources throughout your service area.

Attachments

There are a number of attachments required for the application. All attachments are listed on the attachment tab.

Please see the **CAMS User Guide** for more detailed instructions (file types and size limits).

Required application attachments include the following:

Application Attachments	
Name of Attachment	*Requirement*

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Implementation Timeline	A timeline from award date to full implementation. This should include expected services delivery start date and at least quarterly Advisory Committee meetings.
VERP Policies and Procedures	If not finalized, please provide a draft. These should include court navigation policies and procedures.
Intake Form	Optional if using DHCD template
Eligibility Form (Assessment Form)	Optional if using DHCD template
Any MOUs, Letters of commitment or Related Agreements	Attach all applicable to the pilot
Match Documentation	Board-approved match documentation required.
Advisory Committee	Please attach a list of members including (name and who they represent)
Optional Attachments	Applicant additional attachments

In some cases, CAMS will provide for only one attachment, such as Other Funding Documentation. This will require that the applicant save multiple sources of documentation as one document/file to upload.

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Additional Information

The Additional Information tab allows the applicant to provide additional information not previously requested in the other sections of the application.

Application Status

Applicants may allow multiple users to edit and review application materials. Please note that applicants are fully responsible for controlling security access to CAMS when the application is submitted to DHCD.

Once the applicant begins work on the application CAMS will save the application as Incomplete. The applicant may return repeatedly to CAMS to work on this application. Please be sure all work on the application is saved in CAMS. The application will remain as an incomplete application until the applicant chooses to submit the application. Once the application is submitted the status will change from Incomplete to Pending.

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DHCD Review Process

Applicants with unresolved findings and/or concerns from previous DHCD monitoring, audit findings or other compliance issues will not be eligible for a funding commitment.

DHCD will conduct reviews of all applications submitted by eligible applicants through CAMS.