

Substantial Amendment to the Year 37 Consolidated Plan Emergency Solutions Grant Program

The City of Philadelphia has been notified that it will receive a second allocation of \$1,260,836 of Emergency Solutions Grant (ESG) funding through the U.S. Department of Housing and Urban Development (HUD). ESG is one of four HUD programs which are part of the City's annual *Consolidated Plan*. ESG funds are administered by the City's Office of Supportive Housing (OSH).

The City is proposing the following Substantial Amendment to the *Year 37 Consolidated Plan* (FY 2012) to outline the activities which it intends to carry out using these funds:

Substantial Amendment to the Year 37 Consolidated Plan (FY 2012) Action Plan for the Emergency Solutions Grant Program

A. REQUIREMENTS FOR PREPARATION

1. Consultation
2. Citizen participation

B. REQUIRED CONTENTS OF THE SUBSTANTIAL AMENDMENT

1. SF424

2. Summary of Consultation process

Consistent with the City of Philadelphia's *Year 37 Consolidated Plan*, the Office of Supportive Housing (OSH), has encouraged citizen participation in the preparation of this substantial amendment. In addition to providing this document for public comment, OSH presented and discussed this plan with the McKinney Strategic Planning Committee, a group of providers and stakeholders that are a part of the City's Continuum of Care, on 4/16/12.

3. Summary of Citizen Participation Process – Additionally, advertisements giving notice and seeking public comment on the proposed use of the ESG funds was published in four local newspapers. Following a 30-day public comment period, OSH reviewed and compiled the public. Each individual who submitted a public comment on the proposed ESG activities received a written response regarding the acceptance or rejection of their comment(s).

4. Match – NA

5. Proposed Activities and Overall Budget

A. Proposed Activities

The Office of Supportive Housing proposes to use Federal FY11 ESG funds for the following activities:

1. OSH Philadelphia Emergency Assistance and Response Unit – provide funding to assist eligible households at risk of imminent homelessness with rental delinquency assistance. Provide 1st month rent and security deposit for households displaced due to city declared cease operations and natural disasters and to individuals displaced due to court evictions. Through the HPRP Program, OSH prevented a total of 3,275 households from becoming homeless, averaging 1,091 households a year. The goal for the one year period of this second ESG allocation is to prevent homelessness for a minimum of 200 imminently at risk households for the period 7/1/12 through 6/30/13. Performance standards and projected accomplishments are listed in Section 9.
2. Rapid Re-Housing – provide rental assistance to individuals and families experiencing homelessness that reside in City –funded Emergency and Transitional Housing. Rental assistance may include 1st month rent, security deposit and short term (3 months) or medium term (4-18 months) ongoing financial assistance. As needed, provide security deposits to homeless households in emergency or transitional housing to facilitate re-housing into affordable housing opportunities. Through the Rapid Rehousing Demonstration Program, OSH rapidly housed a total of 1,319 households over a 3 year period, averaging 439 households annually. The goal for the one year period covering this second allocation is to provide permanent housing opportunities to a minimum of 80 literally homeless households starting 7/1/12 and ending 6/30/13. Performance standards and projected accomplishments are listed in Section 9.

B. Discussion of Funding Priorities

Based on local and national lessons learned under Philadelphia’s administration of the Homelessness Prevention and Rapid Re-housing program (HPRP), OSH proposes to allocate one-third of its award to homelessness prevention assistance and the remaining balance to rapid re-housing, data collection and evaluation activities. OSH will strategically use these resources to increase the number of households that attain and sustain permanent housing. This will be accomplished by consistently and effectively targeting prevention assistance to households that would become homeless “but for” ESG assistance and providing rapid re-housing assistance to households that can be stably housed and sustain housing once assistance ends. OSH intends to continue to provide prevention assistance through its existing Emergency Assistance and Response Unit, which is centrally located and easily accessible to Philadelphia residents and continue to solicit referrals for rapid re-housing placements from its emergency and transitional housing units to ensure that there are no obstacles or potential barriers to receiving services. The allocation of funding for these specific priorities supports the national priorities outlined in “*Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*” by helping to prevent and end

homelessness for families, youth, and children as well as setting a path to end all types of homelessness.

C. Detailed Budget

Emergency Solutions Grant – 3/8/12			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$250,000	\$500,000	\$750,000
Housing Relocation and Stabilization Services ²	\$0	\$250,000	\$250,000
Subtotal (add previous two rows)	\$250,000	\$750,000	\$1,000,000

Data Collection and Evaluation ³	\$260,836
Administration (up to 7.5% of allocation)	\$0
Total HPRP Amount Budgeted⁴	\$1,260,836

6. Written standards for provision of ESG assistance

All households will be evaluated for prevention or rental assistance using a universal evaluation. OSH will incorporate all written standards into a training manual for the ESG prevention and rental assistance contracted providers. Written standards will minimally include standard policies and procedures for evaluating eligibility for assistance under ESG, determination of which individuals and families will receive prevention or rapid re-housing assistance, type, amount and duration of services and participation in HMIS. Below are the steps in the evaluation process.

Prevention Assistance Component

- 1) Applicants will meet with a housing stabilization specialist to determine if client can demonstrate an eligible need.
- 2) The housing stabilization specialist completes a series of screens in the Homeless Management Information System (HMIS) to evaluate the applicant's eligibility and amount and level of service needed. The screens to be completed include:
 - a. Reception Interview- determines homelessness or at imminent risk of homelessness and if the applicant has any social supports,

- b. Financial screens- determines income eligibility for the program, overall budget issues and connection to entitlement benefits,
- c. Self Sufficiency Assessment- identifies any social and behavioral support needs in order to determine an overall package of assistance,
- d. Package of Assistance – generated as a result of the previous screens that indicate the initial amount and length of assistance needed,
 - i. The amount of financial assistance will be based on demonstrated need.
 - ii. One time assistance only to remedy rental arrearages.
 - iii. Assistance will not exceed \$2500 per household. Exceptions will be made on a case-by-case basis.
 - iv. Only clients with extenuating circumstances will be eligible to receive multiple episodes of ESG assistance, not to exceed a total of 24 months of assistance.

Rental Assistance Component:

- 1) OSH funded emergency and transitional housing providers will submit applications to the OSH Prevention Unit Clearinghouse for initial determination of eligibility.
- 2) Applications initially determined to be eligible (based on minimum income and behavioral health needs) will be referred to a contracted provider (housing stabilization specialist) for further eligibility screening.
- 3) The housing stabilization specialist will complete a series of screens in the HMIS to evaluate the client's eligibility and amount and level of service needed. The screens to be completed include:
 - a. Reception Interview- determines homelessness or at imminent risk of homelessness and if the applicant has any social supports
 - b. Financial screens- determines income eligibility for the program, overall budget issues and connection to entitlement benefits
 - c. Self Sufficiency Assessment- identifies any social and behavioral support needs in order to determine an overall package of assistance
 - d. Package of Assistance – generated as a result of the previous screens that indicate the initial amount and length of assistance needed
 - i. Amount of financial assistance is based on the rent calculation screen which requires that a client contribute 30% of their gross adjusted income towards rent
 - ii. All clients will receive a minimum of 12 months of financial assistance and case-management services. (Through HPRP, we learned that property owners are more likely to participate in the program when they are guaranteed a 12-month subsidy).
 - iii. Clients will receive a maximum of 24 months of assistance. OSH will not establish a financial cap for rental assistance because the amount of assistance will be based on the household's rent calculation. The amount of financial assistance may be adjusted if the household's income changes.

- iv. Only clients with extenuating circumstances will be eligible to receive multiple episodes of ESG assistance, not to exceed a total of 24 months of assistance.

Target Population

- a. Prevention- households who are at imminent risk of homelessness
- b. Rental Assistance- households currently residing in and referred from OSH funded Emergency and Transitional Housing facilities.

OSH staff will meet regularly to determine the target population and to prioritize households that will receive prevention or rapid re-housing assistance. The target population is also determined by the amount of available funding for services and the needs of the OSH Continuum of Care. Specifically, the funding will be used to reduce the numbers of households in our emergency housing and transitional housing facilities. OSH staff will also convene regularly scheduled meetings with contracted providers to ensure they are coordinating with of mainstream services such as entitlements, job-training programs and affordable healthcare services.

Eligible Participants/ Heads of Households:

- a. Must be 18 years of age or older
- b. If not 18 years old, must provide documentation of legal emancipation
- c. At or below 30% of Section 8 area medium income
- d. Must have the income, life skills, and social stability to sustain permanent housing once assistance end

7. Process for making sub-awards

OSH will utilize a competitive Request for Proposal (RFP) process to solicit sub-grantees for the Emergency Solutions grant homeless prevention and rapid re-housing activity. Each of these program components will include financial assistance and housing stabilization services that are housing focused. Proposals will be evaluated and ranked by review committees comprised of public and private sector homeless community representatives. Proposals are reviewed for consistency with the RFP proposal and review criteria. The Chief of Staff or her designee compiles funding recommendations and submits them to the Director of the Office of Supportive Housing who will make the final sub-grantee selections. It is anticipated that at least two to three providers will be awarded contracts to provide prevention and/or rental assistance services. Sub-grantee will receive a one-year contract for the proposed activities and re -apply thereafter.

8. Homeless Participation requirement

All clients served will be literally homeless or imminently at risk of homelessness.

9. Performance standards – The recipient must describe the performance standards for evaluating ESG activities, which must be developed in consultation with the Continuum of Care.

OSH will monitor internal and sub-grantee programmatic activities monthly to ensure that established goals for the number served and annual expenditures are met. In addition, OSH will ensure:

OSH will monitor the following measures to track outcomes on a quarterly basis:

1. Recidivism - Number of households provided financial assistance / Number of households that enter or return to the shelter system after receiving assistance.
-> Projected accomplishment- The recidivism rate will be less than 5%.
2. Appropriate amount/type of assistance provided- Number of households provided assistance/ Number of households returning for additional assistance.
-> Projected accomplishment – The number of households seeking additional assistance will be less than 5%.
3. Placement into affordable housing – Number of households placed into housing/ Number of households who remained in housing and at exit were paying 50% or less of their gross income towards rent.
-> Projected accomplishment – The number of households that will have attained and sustained affordable housing based on rent burden standards will be over 50%.

10. Certifications

C. Witten standards required for recipients who are eligible and decide to use part of the second allocation of fy 2011 funds for emergency shelter and street outreach activities.

Not Applicable. OSH certifies that it will use the second allocation of FY2011 ESG funds for prevention and rapid re-housing related activities and will NOT use the second allocation for emergency shelter and street outreach activities.

D. Requirements for recipients who plan to use the risk factor under paragraph (1) (iii) (G) of the “at risk of homelessness” definition

OSH will serve persons that are “at risk of homelessness” based on risk factor “otherwise lives in housing that has characteristics associated with instability and an increased risk of homeless”. This risk factor includes characteristics such as city declared cease operations and natural disasters. OSH will also serve households imminently at risk of homelessness that have received court eviction notices. All households will be evaluated to ensure that they lack the social supports that could prevent their imminent homelessness.

E. Requirements for Option Changes to the FY 2011 Annual Action Plan

1. Centralized or coordinated assessment system –

OSH has used a coordinated assessment system under HPRP and intends to continue to use the same system with relevant updates for ESG.

Persons seeking prevention and/or rapid re-housing will be referred to the appropriate contracted provider and assessed as described in Section 6. The coordinated assessment is completed by provider staff through a series of screens in the HMIS that include a: reception interview that collects all of HUD's universal data elements, financial screens and a self-sufficiency assessment. The HMIS system generates an automatic initial eligibility assessment that determines if a household is income eligible, lacks social supports and has a basic ability to sustain or attain housing with assistance. Upon completion of the HMIS screens, a final eligibility assessment is generated. If a household is determined eligible, a package of assistance is generated and can be used as a guide for providing financial assistance and housing stabilization services.

All households receiving ESG prevention or rapid re-housing assistance will complete the same intake process and will be evaluated using the same HMIS screens. The amount of financial assistance and length of housing stabilizations services will consistently be determined using the HMIS system.

2. Monitoring

OSH will conduct on site reviews at each provider site minimally once per quarter using a standardized monitoring tool fashioned after the HUD monitoring tool to ensure full ESG program compliance. OSH staff conducting the site reviews will provide written documentation of findings and providers will be afforded a reasonable timeframe to correct any deficiencies and provide documentation substantiating that deficiencies have been addressed. OSH monitoring visits will include reviewing hard copy files and HMIS documentation.