



Proposed Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

The American Recovery and Reinvestment Act of 2009 (ARRA) provided funding to the U.S. Department of Housing and Urban Development (HUD) to establish the Homelessness Prevention and Rapid Re-Housing Program (HPRP) to prevent individuals and families from becoming homeless and to help those who are experiencing homelessness to be quickly re-housed. In order to access these funds, participating jurisdictions must complete a Substantial Amendment to the Consolidated Plan 2008 Action Plan. This Plan provides information to HUD on how HUD funds will be used to address housing needs in the participating jurisdiction. As part of this process, the proposed plan is being presented for public comment and input.

Program Background

New Mexico is receiving a total of \$8,585,909 in HPRP funds, \$6,778,653 of which is being administered by the New Mexico Mortgage Finance Authority (MFA) for the Balance of State Program. The Balance of State Program will serve areas of the state outside of the City of Albuquerque; the City of Albuquerque will also be administering HPRP funds within the City limits. The program supports a spectrum of housing assistance and related services, including rent and utility assistance, moving costs, motel vouchers, and related case management. The program requires the use of the statewide Homeless Management Information System (HMIS) for data collection and evaluation.

A. Eligible Uses of Funds

HUD issued guidance on HPRP on March 19, 2009, which included specific information on eligible recipients, beneficiaries, and activities. Eligible recipients of funds include state and local governments, and non-profit organizations, including faith-based organizations. Eligible beneficiaries must be at or below 50% of Area Median Income (AMI), a limit annually set by HUD. In addition, beneficiaries must meet one of the following eligibility criteria:

- the HUD definition of homelessness,
- one of the HUD-identified high-risk factors, or
- a combination of risk factors and an assessment of likelihood to maintain stable housing following the assistance period.

Funds may be used for the following specific activities:

- Financial Assistance
 - Short term rental assistance – up to 3 months
 - Medium term rental assistance – 4 to 18 months
 - Security and utility deposits
 - Utility payments – up to 18 months
 - Rent or Utility Arrears – up to 6 months
 - Moving cost assistance
 - Motel/hotel vouchers – Up to 30 days
- Housing Relocation and Stabilization Services
 - Case management, pertaining to housing
 - Outreach and engagement

- Housing search and placement
- Legal services
- Credit Repair
- Data Collection and Evaluation
- Administrative Costs

B. Citizen Participation and Public Comment

The citizen participation plan is being followed for this proposed substantial amendment, beginning from the release of the HUD Guidance notice. On 3/20/2009, MFA staff provided information and obtained input from agencies at the New Mexico Coalition to End Homelessness meeting. As planning proceeded, an email blast was sent to state and local government officials and potential providers, including: current Continuum of Care, ESG, HOME TBRA, and HOPWA providers, as well as to public housing authorities, on 4/10/2009 and 4/14/2009. Public notices were posted in nine newspapers across New Mexico on 4/12/2009. The newspapers are published out of Alamogordo, Albuquerque, Clovis, Deming, Farmington, Las Cruces, Raton, Roswell, and Silver City. The official public comment period is from 4/16/2009 to 5/4/2009. During this time, two public input meetings will be held in Rio Rancho on 4/20/2009 and in Las Cruces on 4/29/2009.

C. Distribution and Administration of Funds

A competitive Request for Proposals process will be used to select one sub-grantee lead agency per service area, with each service area composed of one or more counties. Lead agencies will be selected based on the capacity to provide the broadest spectrum of housing and services, and will be expected to collaborate locally. This will allow maximum funds and services to be effectively disbursed to the widest possible area of the state, and will support all providers in providing assistance. The RFP is anticipated to be released on 5/21/2009, with responses due no earlier than 6/19/2009. The scoring process will be completed by 7/17/2009 and selected sub-grantees would be announced at the August meeting of the MFA Board of Directors on 8/19/2009.

Funds to be provided to the sub-grantees will be determined using a formula allocation by county, based on the level of need and housing cost. The level of need will be assessed using a combination of 2007 Census data on the number of persons per county living below the Federal poverty level, and State Department of Workforce Solutions 2008 data on number of persons currently unemployed per county (see Figure 1). Relative housing cost will be assessed using 2009 HUD Fair Market Rent for each county (see Figure 2). To ensure allocation of funds by 9/30/2009, sub-grantee agreements will be distributed immediately following the announcement of selection, beginning 8/20/2009, with contract execution to be completed by 9/30/2009.

Figure 1

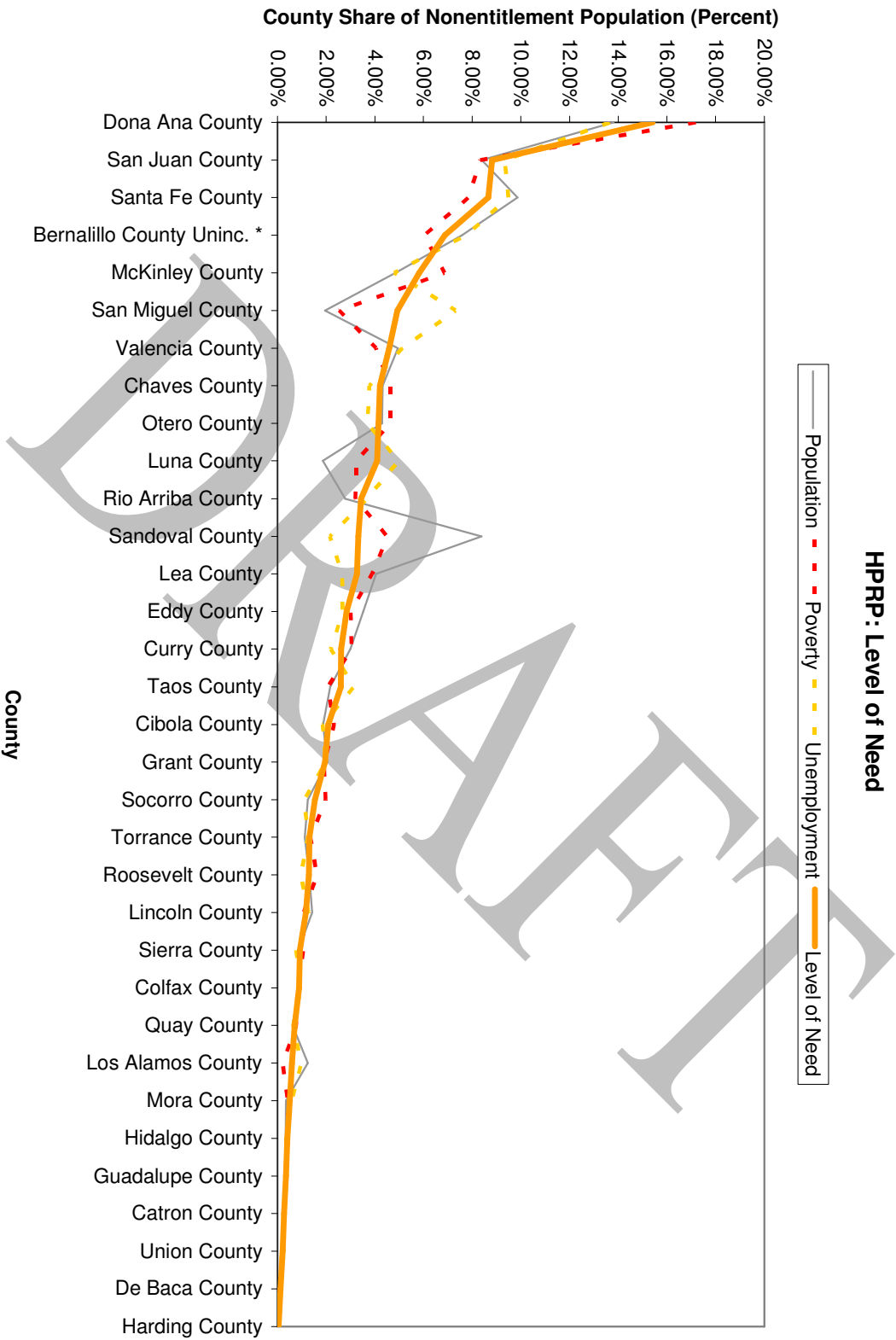
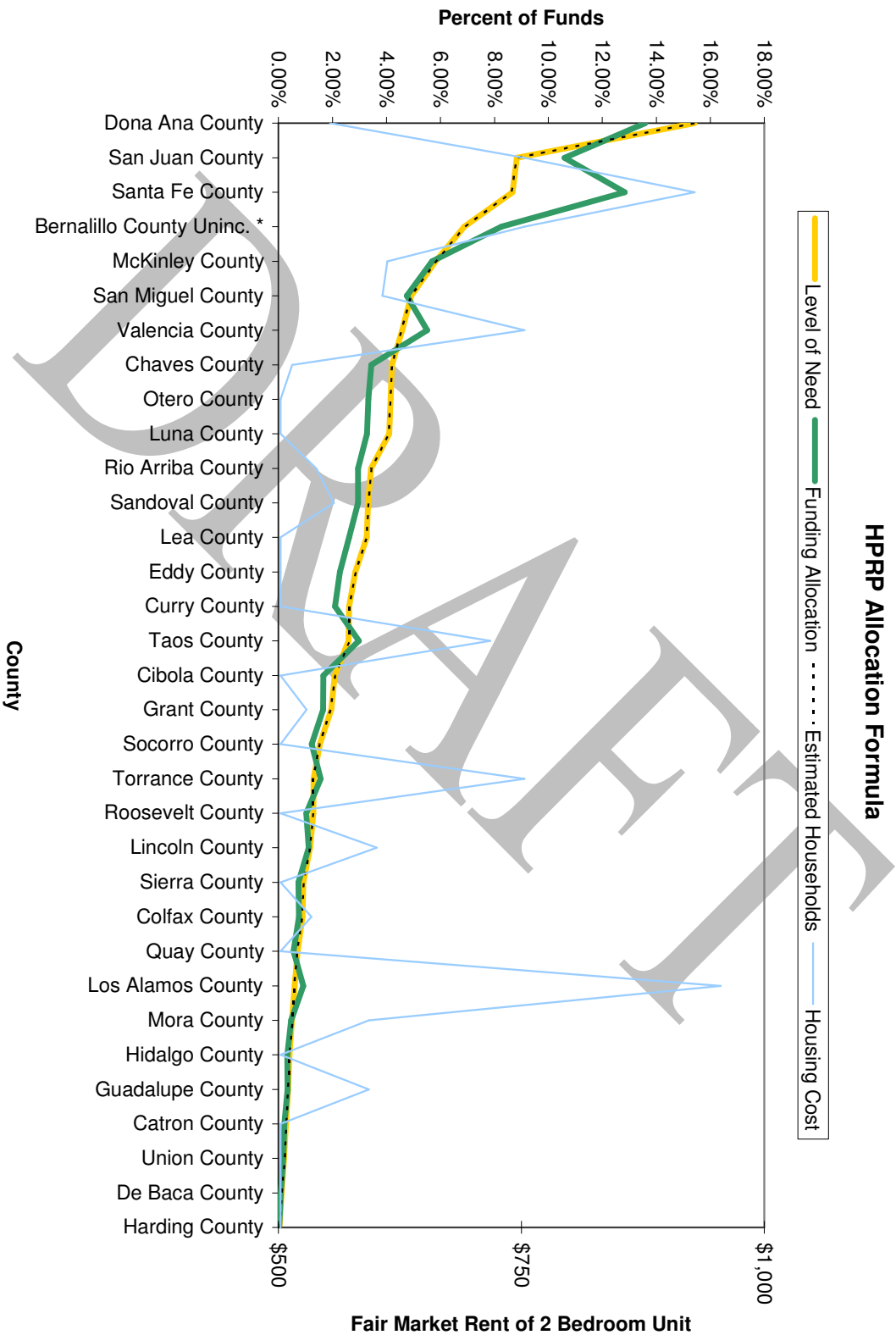


Figure 2



C. Distribution and Administration of Funds, continued

The awarding of HPRP funds to lead sub-grantees for given service areas will allow targeted oversight and training. Funds will be awarded as follows: all housing and services funds will be allocated to sub-grantees based on the allocation formula. Data collection and evaluation funds will be utilized by the MFA to assist in creating required HPRP reports in the statewide HMIS system, as well as provided to sub-grantees on a pro-rata basis to support data collection activities. Administrative funds will be shared between the MFA and sub-grantees.

MFA funds for HPRP will be used for pre-award administrative costs beginning in March 2009, training and technical assistance beginning in September 2009, site monitoring of sub-grantees beginning in October 2009, and data collection and evaluation beginning in September 2009. Anticipated data collection and evaluation costs include costs of obtaining additional reports from the HMIS software vendor, costs of providing additional HMIS training and technical assistance to HPRP subgrantees, and costs of data analysis using HMIS. Some of these activities will be conducted by the HMIS lead agency, the New Mexico Coalition to End Homelessness, with oversight and monitoring on a monthly basis. Oversight of MFA use of HPRP funds will be included in internal monthly operations reviews of all programs, which would include any necessary follow-up actions.

D. Collaboration

The State of New Mexico has created the New Mexico Office of Recovery and Reinvestment to coordinate all agencies receiving recovery funds, which includes the MFA. In addition, MFA staff will continued to meet with state agency staff regarding the coordination of Recovery funds. This includes staff managing the following programs: TANF, SNAPs (Food Stamps), Head Start and CSBG, from MFA, the State Human Services Department, the State Department of Workforce Solutions, and the State Children Youth and Families Department. The MFA will be administering other HUD and Department of Energy Recovery programs and providing information on available programs to sub-grantees.

The two Continuums of Care in New Mexico, Albuquerque and Balance of State, are handled by the New Mexico Coalition to End Homelessness (NMCEH). The MFA has a current contract with NMCEH to manage the Balance of State COC process, to operate HMIS, and to conduct outreach and advocacy activities. The MFA and NMCEH have quarterly meetings to coordinate activities, and the MFA is involved in the independent review process for COC applications. The MFA will continue to work with the NMCEH on HPRP program design.

Collaboration will take place through the previously described interagency workgroup and through MFA membership in the New Mexico Behavioral Health Purchasing Collaborative. MFA has recently been working with the Collaborative to bring additional state funding to develop permanent supportive housing, to provide rental vouchers, and to incentivize development of permanent supportive housing in tax credit proposals. The MFA also has oversight responsibilities for Regional Housing Authorities. HPRP sub-grantee staff will be linked with staff from other sub-grantee agencies and PHAs, in order to provide housing and job opportunities to HPRP recipients.

The proposed uses of HPRP funds are consistent with the State of New Mexico 2006-2010 Consolidated Plan. Priority 3 of this plan is "Expand the supply of housing and services to assist the homeless", and the third objective is Homeless Prevention. HPRP grant funded activities will provide an unprecedented increase in these areas. This is also consistent with the Three to Five Year Strategic Plan Antipoverty Strategy, which is to "maintain a strong relationship with the New Mexico Coalition to End Homelessness to enhance and promote stabilization of homeless families and encourage transition to stable, permanent housing situations." In addition, the proposed uses of HPRP funds are consistent with strategies developed by the statewide Housing First Task Force.

E. Estimated Budget Summary

The proposed budget will provide 66% of funds in direct financial assistance and 26% of funds in housing services. The remaining 8% of funds will be utilized for data collection and evaluation, and administrative costs. It is estimated that 55% of funds will be utilized for homelessness prevention activities, and 36% of funds will be utilized for rapid re-housing.

HPRP Estimated Budget Summary			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$ 2,684,347	\$ 1,789,564	\$ 4,473,911
Housing Relocation and Stabilization Services ²	\$ 1,057,469	\$ 704,979	\$ 1,762,448
Subtotal (add previous two rows)	\$ 3,741,816	\$ 2,494,543	\$ 6,236,359
Data Collection and Evaluation ³			\$ 203,360
Administration (up to 5% of allocation)			\$ 338,933
Total HPRP Amount Budgeted			\$ 6,778,653

¹Financial assistance includes the following activities as detailed in the HPRP Notice: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers.

²Housing relocation and stabilization services include the following activities as detailed in the HPRP Notice: case management, outreach, housing search and placement, legal services, mediation, and credit repair.

³Data collection and evaluation includes costs associated with operating HUD-approved homeless management information systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds.

Conclusion and Contact Information

The preceding document is the proposed plan for the Homelessness Prevention and Rapid Re-Housing Program to be administered by the New Mexico Mortgage Finance Authority. Comments may be submitted to Debbie Davis at ddavis@housingnm.org, or via mail to Debbie Davis, MFA, 344 4th St. SW, Albuquerque, NM 87102. Comments should be submitted no later than 5:00 pm May 4, 2009.