

Homelessness Prevention and Rapid Re-Housing Program (HPRP) Action Plan

The City of McAllen received notification of award of the Homeless Prevention and Rapid Re-Housing Program (HPRP) in March 2009. These funds were provided under the American Recovery and Reinvestment Act of 2009 and will total \$733,518. This HPRP Action Plan was developed as part of the application for these funds. Further, the City of McAllen was required to undertake a substantial amendment to the FY 2008-2009 One-Year Action Plan.

Applicability of HPRP

Through the American Recovery and Reinvestment Act of 2009, units of general local government, urban counties, states, and territories were awarded funding based on the formula used for the U.S. Department of Housing and Urban Development (HUD) Emergency Shelter Grant (ESG) program. The minimum amount awarded was \$500,000.

HPRP funds can assist with housing of homeless persons or persons threatened with homelessness. HPRP funds may not be used to address homeowner's issues, including foreclosure prevention.

The City of McAllen – Community Development Department has been designated as the preparer of the HPRP Plan and technical assistance provider for the program.

The City defers to the HPRP Notice for details on eligible activities and qualifications for participation. The HPRP Notice is attached in Appendix A. Further, the City has prepared Standard Operating Procedures which are provided in Appendix B.

Citizen Participation

The City Commission appointed 14 citizens to the Community Development Advisory Committee (CDAC). To provide broad citizen participation, neighborhood meetings or public hearings are held by the CDAC and/or City staff to solicit public input on HUD-awarded funds.

The CDAC will review and may approve recommending this plan on Tuesday, April 14, 2009. In addition, the Community Development Department Staff will hold a public hearing on Thursday, April 23, 2009 at the McAllen Housing Authority.

Of note, the comment period to review this document began on Wednesday, April 8, 2009 and will end on Friday, April 24, 2009, allowing for the prescribed 12-day comment period.

The City of McAllen published public hearing notices in both English and Spanish written newspapers on Wednesday, April 8, 2009. Copies may be viewed in Appendix C. A summary of comments received during the public hearing and during the comment period will be attached in Appendix D.

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This plan will appear before the City Commission for approval on Monday, April 27, 2009 at a regularly-scheduled City Commission meeting.

Environmental Policies and Review

The City of McAllen is required to determine the environmental impact of its federally-funded projects. Due to the limitations in providing services, this program will be classified as Categorically Excluded Not Subject to the rule and, as such, projects will likely convert to Exempt.

Project Implementation and Awards

The City of McAllen proposes to use subgrantees in order to undertake this project. Upon notification of funding approval, the City will prepare subgrantee agreements. As detailed in the HPRP Notice, the categories of eligible activities are:

1. Financial Assistance
2. Housing Relocation and Stabilization Services
3. Data Collection and Evaluation
4. Administrative Costs

The City has proposed the following budget for the subgrant of HPRP:

HPRP Estimated Budget Summary			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$267,000	\$100,000	\$367,000
Housing Relocation and Stabilization Services ²	\$150,000	\$100,000	\$250,000
Subtotal (add previous two rows)	\$417,000	\$200,000	\$617,000
Data Collection and Evaluation ³			\$80,000
Administration (up to 5% of allocation)			\$36,518
Total HPRP Amount Budgeted⁴			\$733,518

Subgrantees will be awarded funds from the first three categories. However, the City will retain the maximum 5% of the allocation for eligible activity #4, Administrative Costs. These funds will assist in purchasing necessary equipment and supplies, travel/training, personnel expenses and expenses related to meeting regulatory and statutory criteria.

Homelessness Prevention and Rapid Re-Housing Program (HPRP) Action Plan

The City of McAllen will monitor any subgrantees to assure expenditures are eligible and documentation is readily available. All requests for reimbursements will undergo desk-monitoring. Further, all subgrantees will be provided technical assistance and will be visited annually for on-site monitoring.

The City will contract with subgrantees based on their ability to undertake the program's requirements including leveraging local and stimulus resources. Subgrantees who are currently being considered for project implementation are those identified as Hidalgo County – Urban County Program's Emergency Shelter Grant (ESG) subrecipients and Valley Initiative for Development and Advancement.

Participation

In order to be deemed eligible for the program participants must meet the following criteria:

- Be a resident of the City of McAllen or be homeless, as defined by HUD
- Must be a renter
- Cannot own residential property
- Must have achievable plan to maintain the residence subsequent to receiving the program's assistance
- Household income must be at 50% or below of Area Median Income as published by current HUD income guidelines
- Items listed in Standard Operating Procedures - Appendix B, as are provided and may subsequently be clarified as project implementation continues

Reporting

Subgrantees will be required to remit monthly reports to the Community Development Department. Although the reporting format has not been determined, the City will require, at minimum, participant's name, address, amount requested, leasing information and copies of cancelled checks used for assistance payment.

It is known that the City of McAllen will make use of HUD's Integrated Disbursement and Information System (IDIS) for reporting requirements.

It is also anticipated that subgrantees will enter data into the Homeless Management Information System (HMIS). Currently, Hidalgo County's HMIS is still in development and will likely use Texas Homeless Network's system.

As the grantee, the City of McAllen will be required to submit quarterly reports. The first quarterly report will be due at HUD by October 10, 2009 and will cover grant inception until September 30, 2009.

Homelessness Prevention and Rapid Re-Housing Program (HPRP) Action Plan

The annual report will be compiled by the City of McAllen and remitted to HUD no later than November 30, 2010. It will include unduplicated number of persons served, expenditures by grantee and by category of eligible activities, number of jobs created and retained

Timeliness

As detailed in the Notice, 60% of funds must be expended within two (2) years of the date of the agreement signed between the City of McAllen and HUD. Further, the City must fully expend funds within three (3) years.

Any subgrantee who cannot meet their expenditure obligation, as detailed in the subgrantee agreement, may be required to forfeit their funds and have any balance recaptured by the City. Any recaptured balances may be reallocated to subgrantees that have achieved their expenditure obligations or may remain with the City to allow Community Development Staff to undertake the project.

Ineligible Activities

Under the Notice, there are several activities which are deemed ineligible uses of HPRP funds. To follow are some of the ineligible activities:

- Child Care Services
- Mortgage, Taxes and Fees
- Rehabilitation Services
- Consumer Debt
- Medical Expenses
- Employment/Training Activities
- Construction Activities
- Transportation Costs
- Home Furnishing
- Payments to Participants