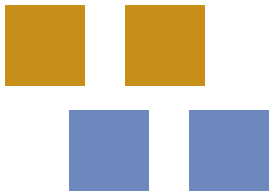


Overview of HEARTH Act



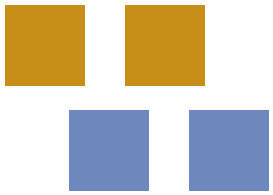
Welcome and Introductions

Who Are We?

- Presented by:
 - Collaborative Solutions, Inc:
 - Ashley Kerr, Moderator
 - Connie Hill
 - Crystal Pope
 - Birmingham HUD Field Office:
 - Beverly Gosnell

Who Are You?

- What type of organization do you represent?
 - Lead agency
 - Sponsor
 - Service provider
- What is your role at the organization?
 - Executive Director
 - Financial staff
 - Case Manager
 - Another position



HEARTH Act

Current HEARTH info

- The 2011 budget provides no funding for the HEARTH Act – therefore, there will be no implementation this year.
- HUD continues to work on HEARTH Act implementation, including proposed regulations, TA, and training.

HEARTH Act

- Signed into law on May 20, 2009.
- Consolidates SHP, S+C, and SRO into one program.
- Program design changes include:
 - Definitions of homeless and chronically homeless
 - Eligible activities
 - Permanent housing
 - Match

HEARTH Act

- Homelessness prevention will be significantly expanded.
- New incentives will place more emphasis on rapid re-housing, especially for homeless families.
- Emphasis on the system being funded rather than the individual programs.

HEARTH Act

- New programs
 - Rural Housing Stability Program
- Emergency Solutions Grant
 - Funding for ESG increases to 20% of the total homeless allocation.
 - 40% of ESG funds to be used for prevention and re-housing activities.
 - Administrative expenses increase to 7.5%.

HEARTH Act

- Administrative/Process changes
 - Application process
 - Entity that applies for funding is known as the “collaborative applicant.”
 - If a collaborative applicant receives all of the funding for its community and elects to sub-grant funds to project sponsors, then it is known as a “unified funding agency (UFA).”

HEARTH Act

- Administrative/Process changes
 - A collaborative applicant can become a UFA by applying for this status or may be designated as a UFA by HUD
 - In addition to the regular duties of the collaborative applicant, the UFA must ensure that project sponsors use proper accounting methods and receive annual audits of evaluations of financial records.

HEARTH Act

- Administrative/Process changes
 - Collaborative applicant responsibilities:
 - Submits a consolidated application to HUD for the community.***
 - Can receive up to 3% of its community's funding for administrative costs. (If also the UFA, it can receive up to 6%.)
 - Is responsible for ensuring the community participates in HMIS.

***The collaborative applicant can designate another entity to help it apply for and receive grants, and other administrative duties.

HEARTH Act

Match

- Collaborative applicants must provide a match of 25% of the community's total grant.
- Match is applied community-wide, not project by project.
- Do not have to provide match for leasing grants.
- Match can be cash or in-kind.

HEARTH Act

- Administrative/Process changes

In order for a community to be considered high performing, it must demonstrate the following:

- Average length of stay in homelessness has declined by 10% from the year before or is below 20 days;
- Fewer than 5% of people who exit homelessness become homeless again in the next 2 years or the rate of recidivism back into homelessness declines by 20% from the year before;

HEARTH Act

High performing community continued...

- Homeless people are encouraged to participate in homeless services;
- If the recipient has been a high performing community in the past, it has used that designation well.

HEARTH Act

- Incentives
 - (National) 30% of funding for new permanent housing for individuals with a disabling condition or families with an adult member who has a disabling condition.
 - (Overlap) 10% of funding is for permanent housing activities for homeless families, which include families with or without a member with a disability.

HEARTH Act

- Proposed regulations specifically defines Emergency Solutions Grant
 - Broadens existing shelter and homelessness activities
 - Includes rapid re-housing activities
- Provides definitions for homeless and disabled
- Homeless definition has 4 categories

HEARTH Act

CoC Programs – eligible activities redefined:

- Construction, acquisition or rehab
- Leasing
- Transitional and permanent rental assistance – tenant-based, project-based or sponsor-based
- Operating costs
- Supportive services (currently homeless, prior homeless but in permanent housing)
- Rehousing services (housing search, landlord mediation, credit repair, deposits, rental assistance for a final month at a location, moving costs, etc.)
- HMIS operation & participation
- Administrative costs (expanded and increased)

HEARTH Act

ESG – eligible activities redefined:

- Renovation, major rehab or conversion for use as emergency shelter
- Essential services related to emergency shelter or street outreach
- Maintenance, operation, insurance, utilities & furnishings for emergency shelter
- Rental assistance: short-term or medium-term housing to homeless or at-risk individuals or families
- Housing relocation or stabilization services for homeless or at-risk (including housing search, mediation, credit repair, etc.)
- Administrative costs (Up to 7.5%)

HEARTH Act

- Rural Housing Stability Program
 - Rural communities will have the option to apply for funding under a simplified set of criteria.
 - If community elects to apply for rural funding, it competes with other rural applicants only.
 - A rural continuum is defined as one that has no metropolitan statistical areas (MSAs) or that have only rural counties within MSAs.*

HEARTH Act

Rural Housing Stability Program – eligible activities:

- Rent, mortgage, utility assistance
- Security deposits, 1st month's rent at a new location, relocation assistance
- Short-term emergency lodging in motels/shelters
- Construction of new transitional or permanent housing
- Operating costs
- Acquisition/rehabilitation of a structure to provide supportive services, transitional or permanent housing
- Leasing of property for the above
- Rental assistance to provide transitional/permanent housing

HEARTH Act

Rural Housing Stability Program – eligible activities:

- Rehabilitation and repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable
- Supportive services
- Costs associated with making use of Federal inventory property programs to house homeless families
- Up to 20% can be used for capacity building purposes

Preparing for HEARTH Act Changes

Identifying Key Changes and Challenges

Key Changes – What does your community need to get ready?

- Definition Changes
- New Responsibilities Mean New Governance/CoC Structure
- Performance Measures at a System Level

Definition Changes

Category 1

- Familiar, but with key changes
- Lacks a fixed, regular and adequate nighttime residence
 - An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation'
 - Reside in a shelter designated to provide temporary living arrangements (*including hotels/motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing*);
 - Exiting an institution where temporarily resided (*90 days or less*) and homeless immediately prior to entering the institution.

HEARTH Act (continued)

Category 2

- Familiar, but with key changes
- Will imminently lose their primary nighttime residence
 - No subsequent residence has been identified
 - Lacks resources or support network to obtain permanent housing
- Imminent is now within **14 days**

HEARTH Act (continued)

Category 3 (**NEW!**)

- Unaccompanied youth and homeless families with children and youth who are defined as homeless under other Federal statutes who do not otherwise qualify as homeless under the definition.

HEARTH Act (continued)

Category 3 (continued)

- Have to meet all 3 of the following:
 - Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 91 days immediately preceding the application for homeless assistance;
 - Have experienced persistent instability as measured by 3 moves or more during the 90-day period immediately before applying for homeless assistance; and
 - Can be expected to continue in such status for an extended period of time because of:
 - Chronic disabilities;
 - Chronic physical health or mental health conditions;
 - Substance addiction;
 - Histories of domestic violence or childhood abuse;
 - 2 or more barriers to employment*

HEARTH Act (continued)

Category 4

- Familiar, but with key changes
 - Individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions that relate to violence against the individual or a family member that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence.

HEARTH Act (continued)

Category 4 (continued)

- AND
 - Who has no other resources; and
 - Lacks the resources or support networks to obtain other permanent housing.

The victimized member of the household is not required to be the owner or renter of the unit.

Governance Changes

- Collaborative Applicants are responsible for
 - Developing the application
 - Evaluating the outcomes of funded projects
 - Establishing priorities for the geographic area
 - Participating in the local Consolidated Plan
 - Ensures operation of HMIS
- A collaborative applicant is not required to be a legal entity.

Governance cont.

- Collaborative Applicants can serve as Unified Funding Agencies.
- Applicants must either apply to HUD for UFA designation or in some cases HUD may select a UFA for a geographic area.
- UFAs must show additional fiscal capacity
 - Responsible for ensuring fund accounting procedures for project sponsors.
 - Responsible for annual audit or evaluation of project finances.

HEARTH Act Performance Measures

- **Reduce the number of people who become homeless**
- **Reduce length of homelessness**
- **Reduce returns to homelessness**
- Reduce overall homelessness
- Increase jobs and income
- Thoroughness in reaching homeless population
- Other accomplishments related to reducing homelessness

Performance Measurement cont.

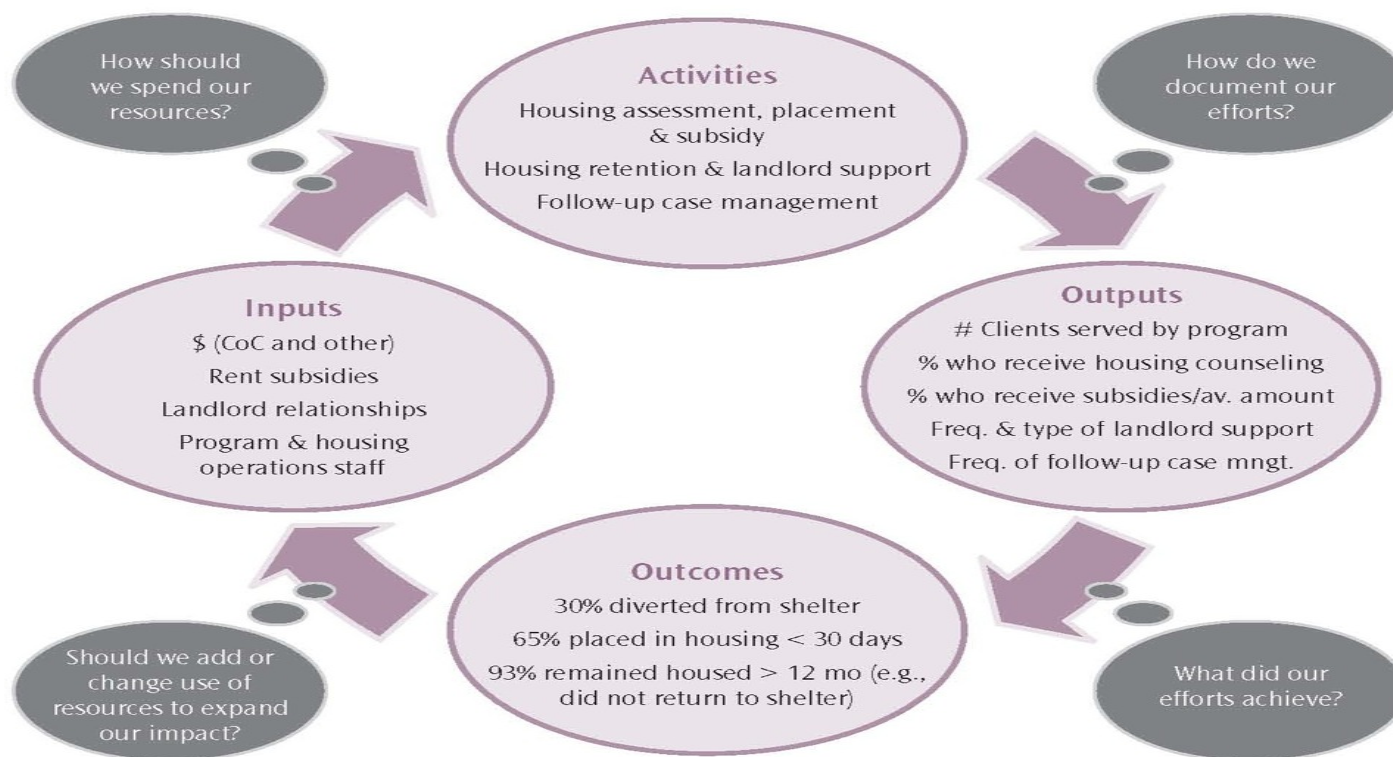
- Measures focus on system performance
- Include single point of entry and shared criteria for services
- Programs track data that addresses system-side goals
- Must take into account homeless individuals and agencies that are outside the CoC-funded projects
- Evaluation must track client experiences and outcomes from system entry to exit.

Possible Measures

- % clients diverted from shelter
- % clients prevented from homelessness
- % clients entering shelter within 1, 3, 6, 9 or 12 months of diversion/prevention
- % clients exiting shelter within 30, 60 or 90 days
- % clients re-entering shelter 3, 6, 9 or 12 months of exiting shelter

Rapid Rehousing Example

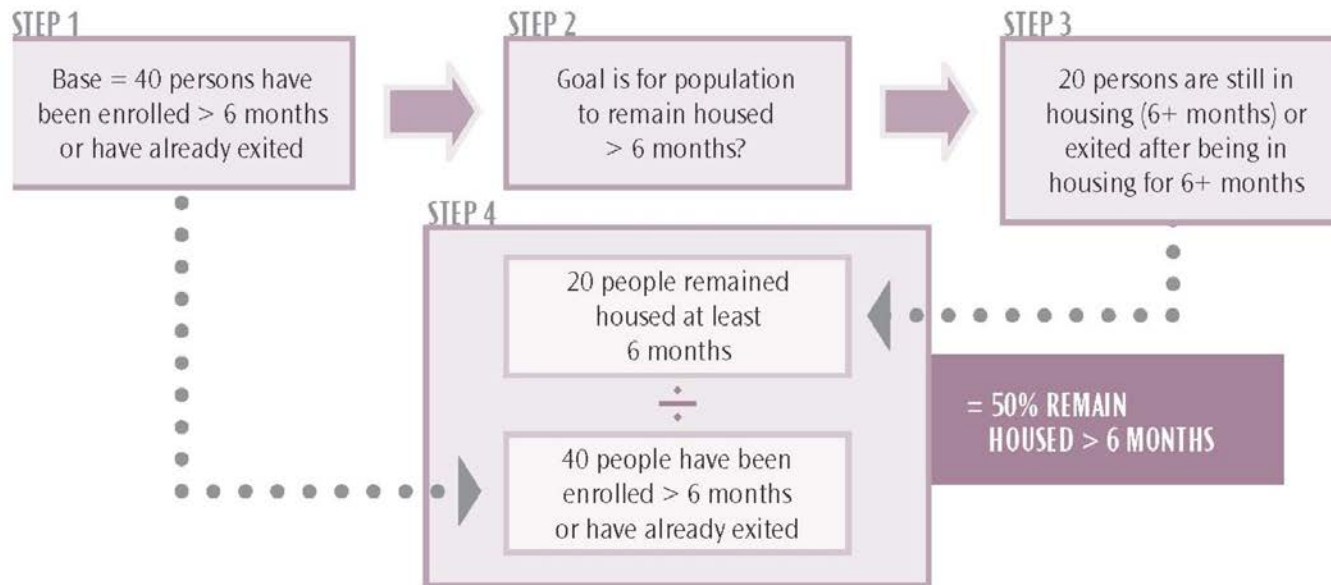
PERFORMANCE MEASUREMENT FRAMEWORK FOR A RAPID REHOUSING PROGRAM



Housing Stability Example

B

HOUSING STABILITY EXAMPLE



Questions?

For Future Reference

Collaborative Solutions, Inc.

P.O. Box 130159

Birmingham, AL 35213-0159

(205) 939-0411 (O)

(205) 939-4048 (F)

www.collaborative-solutions.net