

TENNESSEE HOUSING DEVELOPMENT AGENCY

Homelessness Prevention and Rapid Re-Housing Program (HPRP) Program Description

Program Year: October 1, 2009 – September 30, 2010
Version 1.0 (August 1, 2009)

I. PROGRAM OVERVIEW

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is funded by the Homeless Prevention Fund (HPF) created under Title XII of Division A of the American Recovery and Reinvestment Act (Recovery Act) of 2009. Tennessee Housing Development Agency was designated to serve as the State level Grantee to administer HPRP in Tennessee.

The purpose of the HPRP is to provide homeless prevention assistance to households who would otherwise become homeless and to provide assistance to rapidly re-house persons who are experiencing homelessness. Funding for this program is intended to target individuals and families who would be literally homeless without this assistance. Assistance includes: rental assistance; housing relocation and stabilization services, including, security or utility deposits, utility payments, moving cost assistance, and case management.

Funded programs should identify individuals and households at risk of losing housing as a result of current economic conditions in Tennessee and make every effort to assist eligible households in locating and obtaining suitable rental housing with HPRP funds.

II. ELIGIBILITY

Prevention Assistance: Individuals and families currently in housing but at imminent risk of becoming homeless who need temporary rent or utility assistance to prevent them from becoming literally homeless.

Rapid Re-Housing Assistance: Individuals and families who are experiencing homelessness now and need temporary assistance in order to obtain and maintain housing.

There are two initial intake criteria for both populations.

- **Income Eligibility:** The individual or household must be at or below 50 percent of Area Median Income (AMI) by Tennessee county and family size (Appendix B.)

- **Assessment:** A Lead Agency providing assistance should utilize a process to assess level of service need, other resources available, and identify their participation in the prevention or rapid re-housing assistance portion of HPRP.

Chronically homeless people or program participants who require long term housing assistance and services should be directed to programs that can provide the required services.

General eligibility requirements for an individual or household to receive assistance.

A. Prevention Services

To be eligible individuals and households must meet both of the following:

- (1) no appropriate subsequent housing options have been identified; AND
- (2) the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

Additionally, services must target prevention assistance to those individuals and households at the greatest risk of becoming homeless and who would otherwise be homeless without this assistance. The following risk factors should be considered in prioritizing services once basic eligibility is determined:

1. Sudden and significant increase in utility costs;
2. Mental health and substance abuse issues;
3. Physical disabilities and other chronic health issues, including HIV/AIDS;
4. Severe housing cost burden (more than 50 percent of income for housing costs);
5. Homeless in last 12 months;
6. Young head of household (under 25 with children or pregnant);
7. Pending foreclosure of rental housing;
8. Extremely low income (less than 30 percent of Area Median Income);
9. Past institutional care (prison, treatment facility, hospital);
10. Recent traumatic life event, such as death of a spouse, primary care provider, or recent health crisis that prevented the household from meeting financial responsibilities;
11. Significant amount of recent medical debt.
12. Eviction within 2 weeks from a private dwelling (including housing provided by family or friends);
13. Discharge within 2 weeks from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals);
14. Residency in housing that has been condemned by housing officials or is no longer meant for human habitation; or
15. Sudden and significant loss of income.

The more risk factors present in a particular situation, the greater the need for expedited service and more comprehensive or longer term case management activities.

B. Rapid Re-Housing Eligible Individuals and Households

To be eligible individuals and households must meet both of the following circumstances:

- (1) no appropriate subsequent housing options have been identified; AND
- (2) the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

The following factors receive priority consideration:

- 1) Sleeping in an emergency shelter;
- 2) Sleeping in a place not meant for human habitation, such as cars, parks, abandoned building, streets/sidewalks;
- 3) Staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation (cars, parks, streets, etc.) immediately prior to entry into the hospital or institution;
- 4) Graduating from, or timing out of a transitional housing program; and
- 5) Victims of domestic violence.

Target Populations

THDA has identified the following target populations for HPRP:

- **Families with young children**
- **Victims of Family Violence**
- **Ex-offenders**
- **Youth aging out of Foster Care**
- **Section 8 and Public Housing non-behavioral eviction prevention**

These identified groups are of special interest to THDA. HPRP funded programs are expected to identify opportunities and mechanisms to ensure these groups are fairly represented in local HPRP planning and service delivery. HPRP funded programs will be monitored on their outreach and service to these populations.

III. ELIGIBLE PROGRAM ACTIVITIES AND EXPENSES

HPRP assistance is temporary. It is not intended to provide long-term support for program participants; it cannot address all of the financial and supportive service needs of households that affect housing stability.

Assistance should be focused on:

- housing stabilization;
- linking program participants to community resources and mainstream benefits; and
- helping participants develop a plan for preventing future housing instability.

Programs should ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.

In order for individuals or households to receive HPRP support, financial assistance or housing relocation and stabilization services, participants must have at least an initial consultation with a case manager or other authorized representative who can determine the appropriate type of assistance to meet their needs.

There are four categories of HPRP activities and expenses, described in detail below:

- A. Financial Assistance**
- B. Housing Relocation and Stabilization Services**
- C. Data Collection and Evaluation**
- D. Administrative costs**

By definition, these eligible activities are intentionally focused on housing: financial assistance to help pay for rental housing, or services designed to keep people in housing or to find housing. The primary goal of HPRP assistance is to rapidly transition program participants to housing stability.

A. Financial Assistance

Agencies are responsible for verifying and documenting all payments made on behalf of the program participant whether it is rent, utilities, moving costs, hotel or motel payments, etc in an easily identifiable manner that can be monitored by THDA.

By HUD regulation, agencies must not make payments directly to program participants, but only to third parties, such as landlords or utility companies. In addition, an assisted property may not be owned by the Lead Agency, or the parent, subsidiary or affiliated organization of the Lead Agency.

There are several types of eligible Financial Assistance outlined below.

- 1) Rental Assistance**
- 2) Security and Utility Deposits**
- 3) Utility Payments**
- 4) Moving Costs**
- 5) Hotel/Motel Vouchers**

1) Rental Assistance

Tenant-based rental assistance can be for individuals and households to remain in their existing rental units (prevention) or to help them obtain and remain in rental units they select (rapid re-housing).

- A lease must be in place and the program participant must be on the lease.
- Programs must certify income eligibility at least once every three months.
- To the greatest extent possible, rental assistance levels should be consistent throughout the Program service area.

The following rental assistance is available:

Rent assistance – Costs may not exceed rental costs totaling a period of 12 months. After 3 months, if program participants receiving rental assistance need additional financial assistance to remain housed, they must be evaluated periodically for eligibility to receive up to the total of 12 months rental assistance.

Amount of rental assistance – Funded Sub-recipients have flexibility to determine the amount of rental assistance provided, including:

- payment of an agreed on portion of the rent;
- payment of 100 percent of the rent charged; or
- graduated/declining assistance.

A Lead Program may also set a maximum amount of assistance that a single individual or family may receive from HPRP funds, or may set a maximum number of times that an individual or family may receive assistance, as long as the total amount of assistance that any individual or family receives does not exceed an amount equal to 12 months of rental assistance for the contract period.

Rent Arrears – Rental assistance may also be used to pay for up to 6 months of rental arrears for eligible program participants. Rental arrears may be paid if the payment enables the program participant to remain in the housing unit for which the arrears are being paid or move to another unit. If HPRP funds are used to pay rental arrears, arrears must be included in determining the total period of the program participant's rental assistance, which may not exceed 12 months for the contract period.

Tenant Rent Share

Agencies may require program participants to share in the costs of rent, utilities, security and utility deposits, moving, hotel or motel, and other expenses as a condition of receiving HPRP financial assistance. For example, a program may require a program participant to pay a portion of the rent expense for an apartment. HPRP assistance should be "needs-based,"

meaning that Agencies should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless or returning to homelessness in the near term. This will also help communities utilize program resources efficiently to serve as many households as possible.

When a participant resides with other persons (except a spouse, domestic partner, or other dependents) in a single unit, the combined rent and utilities paid by the participant and program must not exceed a prorated share of the total rent. For example: An apartment rents for \$900/month (utilities included) and there are three persons sharing the unit. Only one of the renters is participating in HPRP. The combined rent and utilities, paid by the program and participant, must not exceed \$300 or 1/3 of the total.

Local policy in these areas should be consistent across the entire program service area to the greatest degree possible.

Rent Reasonableness

The rental assistance paid cannot exceed the actual rental cost, which must be in compliance with HUD's standard of "rent reasonableness." "Rent reasonableness" means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable unassisted units. To make this determination, the Program should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities provided by the owner. Comparable rents can be determined by market study, reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). For more guidance, see HUD's worksheet on rent reasonableness at:

www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc

Note: Rental assistance payments cannot be made on behalf of eligible individuals or households for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program. For eligible participants living in subsidized housing (for example, Housing Choice Voucher and Public Housing Programs), HPRP rental assistance funds can only be used for the unsubsidized portion of the rent.

2) Security and Utility Deposits

HPRP funds may be used to pay for security and utility deposits for eligible program participants. Programs are encouraged to negotiate utility deposit "pools" with local utility companies to minimize the amount of funds utilized for individual utility deposits. In this way, should a participant move the utility deposit would stay with the utility for another

HPRP participant and not have to be returned to the original participant or to the HPRP program where it would have to be treated as income.

3) Utility Payments

HPRP funds may be used for up to 12 months of utility payments, including up to 6 months of utility payments in arrears, for each participant, provided that the program participant or a member of his/her household has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company.

4) Moving Costs

HPRP funds may be used for reasonable moving costs, such as truck rental, hiring a moving company, or short-term storage fees for a maximum of 3 months or until the program participant is in housing, whichever is shorter.

5) Motel and Hotel Vouchers

HPRP funds may be used for reasonable and appropriate motel and hotel vouchers for up to 30 days if no appropriate shelter beds are available and subsequent housing has been identified but is not immediately available for move-in by the program participant(s).

Reasonable Agency staff costs to issue Financial Assistance or to provide inspections for Habitability Standards are an eligible expense.

B. Housing Relocation and Stabilization Services

HPRP funds may be used for services that assist program participants with housing stability and placement. These services are limited to the following eligible activities:

- 1) Case Management**
- 2) Outreach and Engagement**
- 3) Housing Search and Placement**
- 4) Limited Legal Services**

1) Case Management

HPRP case management funds may be used for activities for the arrangement, coordination, monitoring, and delivery of services that meet the housing needs of program participants and help them obtain housing stability. Services and activities may include: counseling; developing, securing, and coordinating services; monitoring and evaluating participant progress; assuring that program participants' rights are protected; household

budgeting and money management; and developing an individualized housing and service plan, that supports permanent housing stability once the temporary HPRP financial assistance ends.

2) Outreach and Engagement

HPRP funds may be used to publicize the availability of HPRP activities to make persons who are homeless or almost homeless aware of these and other available services and programs. This may include regional hotlines and should include placement of Agency and the THDA resource materials listed below in locations expected to be used by new(ly) homeless or at risk people. **HUD and THDA are particularly interested in reaching those households impacted as a result of current economic conditions.** Recommended locations include: libraries, health departments and clinics, Legal Aid offices, Red Cross centers, faith-based organizations, Workforce Development Centers, employment/unemployment offices, Community Action and Human Resource agencies, Housing Authorities, county courthouses, banks, food pantries, and laundromats.

THDA will supply funded organizations with a supply of the following THDA brochures:

TNHousingResource.org

TNHousingSearch.org

Foreclosure Prevention Information for Tennesseans

THDA is requesting that funded programs obtain adhesive labels with printed local HPRP contact information and affix them to THDA brochures placed in the service area. This will assist in local outreach efforts, encourage independent utilization of available resources, and provide a primary point of local contact for HPRP information.

3) Housing Search and Placement

HPRP housing search and placement funds may be used for services or activities to assist individuals or households in locating, obtaining, and retaining suitable rental housing. This may include: tenant counseling, assisting individuals and households to understand leases, securing utilities, making moving arrangements, representative payee services concerning rent and utilities, and mediation and outreach to property owners related to locating or retaining housing.

4) Legal Services

HPRP funds may be used for limited legal services to help people stay in their rental housing, such as services or activities related to tenant/landlord matters or housing issues. Legal services related to mortgages are not eligible.

C. Data Collection and Evaluation

Federal rules require that client data is entered into the Homeless Management Information System (HMIS) managed by a Continuum of Care. THDA, as the State Grantee, is required by HUD to aggregate sub-recipient HPRP data and submit Quarterly and Annual Performance Reports to HUD. Continuum of Care organizations are responsible for working with their HMIS vendors to ensure local HMIS systems have the capacity to locally aggregate all required HPRP data elements for submission to THDA in a timely manner for all required reports. It is strongly recommended that data entry for HPRP be done the same day participant applications are taken, and that Continua review HMIS reports monthly for accuracy and completeness. This will help meet the required stringent HUD end of quarter and Annual reporting deadlines.

HUD has **not established minimum or maximum funding amounts** for HPRP data collection and reporting activities. HUD and THDA encourage contractors to carefully consider potential costs for expanding HMIS for HPRP data collection and reporting requirements. The following are eligible costs in this area:

- Hardware costs
- Software costs (e.g., user licenses, annual support)
- Participation fees, if used or needed
- HMIS training (e.g., users, system administrator)
- Staff costs, recognizing possibility of staff turnover (e.g., data collection/entry/analysis, reporting, system operation)
- Data integration with comparable database (e.g., DV providers, legal services, legacy database)
- Connectivity
- Participation in national or regional HMIS training events (including travel)
- Providing data to HUD for any HPRP national evaluation

THDA will review contract agency HMIS budget requests very closely to determine their reasonableness and direct applicability to meeting the specific HPRP data collection and reporting requirements. Contract agencies are expected to aggressively negotiate with their HMIS vendors regarding any additional software, training, and technical assistance costs associated with HPRP data collection and reporting compliance. Contract agencies should maintain documentation of these efforts.

Program participants receiving HPRP assistance must be enrolled in a distinct program in the HMIS, so that a count of clients served by the program includes only clients that received housing or services funded by HPRP.

Each funded program must follow all state and federal laws governing HMIS, including collecting informed written consent from clients, not denying service based solely on client

refusal to provide data to an HMIS, protecting client confidentiality, and not collecting personally identifying information from clients that are victims of domestic violence.

Client data will be collected and aggregated by individual Continuum of Care HMIS systems into a single report to be transmitted to THDA on a quarterly and annual basis as defined. THDA will then aggregate it further as a State Report before submission to HUD as required. Written client consent forms should reflect this data transmittal process.

A copy of the OMB-approved HPRP reporting requirements is included as **Appendix C**.

D. Administrative Costs

HPRP regulations allow 5% Administrative Costs and require that State Grantees share a reasonable amount of Administrative costs with funded programs. THDA will retain 2% for state level Administrative expenses and pass through Administrative expenses up to 3% of the funds allocated annually. Such expenses may include the following: Administrative and accounting staff salaries, benefits, supplies, space, equipment, etc.; general agency insurance; audits; preparing reports; and HUD-approved HPRP training.

HPRP contracts from THDA will be reimbursement contracts. Administration/indirect/overhead expenses can be charged to the funding sources using either a cost allocation plan or a federally approved indirect cost rate. Regardless of the method used, the rate of reimbursement shall not exceed that specified in the contract. All reimbursements shall be based on actual expenditures.

Administrative costs *do not* include the costs of issuing financial assistance, providing housing relocation and stabilization services, or carrying out eligible data collection and evaluation activities, such as Lead Program staff salaries, costs of conducting housing inspections, and other operating costs. These costs should be included under one of the three other eligible activity categories.

IV. INELIGIBLE AND PROHIBITED ACTIVITIES

- Mortgage costs or any homeowner costs needed to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable**
- Charging a client/program participant a fee for service
- Rental assistance exceeding 12 months
- Construction or rehabilitation expenses
- Credit card bills or other consumer debt
- Participant car repair or other transportation costs
- Participant transportation or travel costs
- Food

- Medical or dental care and medicines
- Clothing and grooming
- Home furnishings
- Child care
- Pet care
- Entertainment activities
- Work or education related materials
- Direct cash assistance to program participants
- Employment training
- Certifications, licenses, and general training classes

**HPRP is not a mortgage assistance program. However, homeowners who become homeless are eligible for all HPRP activities provided they meet the other eligibility criteria. Homeowners who are housed but are at imminent risk of becoming homeless and meet all other eligibility criteria (consultation with a case manager, below 50% AMI, and at risk of becoming homeless with no housing options and lack financial resources) may be assisted with the following: utility payments (including arrears but excluding deposits) and housing relocation and stabilization services.

V. COORDINATION WITH RECOVERY ACT RESOURCES AND OTHER RESOURCES

The Lead Agency is strongly encouraged, as part of local planning and coordination activities, to maximize all resources that may be available with Recovery Act funds other than HPRP. A Program's local plan for spending HPRP funds should coordinate closely with other Recovery Act funding streams, so that eligible activities under other Recovery Act programs are aligned with HPRP funds to create a comprehensive package of housing and service options available to eligible program participants. Case managers should work to link program participants to these other resources.

The Lead Agency must ensure that the individuals and households receiving service are not also receiving the same assistance for the same time period through programs such as Workforce Development, VA, Community Action or Human Resource Agency programs.

VI. INCOME ELIGIBILITY AND INCOME VERIFICATION

For HPRP, THDA expects **Income Eligibility** calculations and **Income Verification** determinations and forms to be the same for all the agencies funded or supported in the Continuum Service Area. Considering the size and number of counties served, Continuums should provide reasonable capacity to identify and support primary local partners that can provide HPRP Financial Assistance. The goal should be to minimize time and distance required for program participants to apply for and receive HPRP assistance.

Income Eligibility: The individual or household must be at or below 50 percent of Area Median

Income (AMI). HUD recommends in the HPRP Notice that programs use the Housing Choice Voucher (Section 8) Income Eligibility guidelines to determine eligibility for HPRP.

If the agency/agencies already administer Financial Assistance type activities and a process for calculating Income Eligibility is agreed upon, then the agency/agencies may continue to use that process. The process will be reviewed when THDA monitors the Continuum and any sub-granted agencies.

If the agency/agencies do not have a process for calculating Income Eligibility, then THDA requests using the Housing Choice Voucher program (formerly Section 8) specific guidelines to determine eligibility and document income. Contact THDA for additional information.

Income Verification: All income must be verified and documented by the contract Program or partner agency. Verification of income eligibility may include pay stubs, tax statements, verification from employers, or Employment Security/Social Security documents.

There are four recommended methods of documenting Income Eligibility (in order of preference):

- 1) Written: The program gets third-party written verification directly from the information source; i.e., employer, DHS, Employment Security, Social Security, Veteran’s Affairs.
- 2) Oral: If verification is oral, the program must document the conversation in the program participant’s file. This documentation should include the name, telephone number, and position or title of the third party, the date and time of the conversation, and the name of the person providing the verification.
- 3) Documented: This form of verification is used when the information desired does not require verification by a third party, such as birth certificates or social security cards.
- 4) Self-Declared: Program participant written statements or affidavits are acceptable only when other verifications are not available. This method should be viewed with caution, accepted only as a last resort, and include a statement from the staff person taking the statement justifying its use in this particular case. Self-declared income eligibility cases will be monitored closely.

VII. DOCUMENTATION

A. Documentation needed for Homeless Prevention activities

Programs/Continuums are required to maintain adequate and easily identifiable documentation to determine the eligibility of program participants served. A copy of the documentation for any Financial Assistance (as described under **Eligible Program Activities and Expenses**) must also be maintained in the client file. At a minimum, documentation should include the following:

Situation	Documentation
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Eviction	Eviction notice from landlord and copy of payment made on behalf of client.
Utility shut off	Notice of termination from the utility provider and copy of payment made on behalf of client.
Individual or family leaving shelter, institution or otherwise needing any combination of first/last months rent, rent, security/utility deposit, screening fee	Copy of payment(s) made on behalf of client.

B. Homelessness or At Risk of Homelessness Verification and Documentation

The Program/Continuum is required to maintain adequate documentation of homelessness to determine the eligibility of persons served. A copy of the documentation must be maintained in the client file. Documentation is as follows:

Situation	Documentation
Persons living on the street or in short-term emergency shelter	Information should be obtained to indicate that the participant is living on the street or in an emergency shelter. This may include names of organizations or outreach workers who have assisted them in the past, whether the client receives any assistance checks and where the checks are delivered, or any other information regarding the participant's activities in the recent past that might provide documentation. If unable to verify that the person is living on the street or in an emergency shelter, the participant or a staff person may prepare a short written statement about the participant's previous living place. The participant should sign the statement and date it.
Persons coming from transitional housing for homeless persons	Obtain written verification from the transitional housing staff that the participant has been residing at the transitional housing facility. The verification should be signed and dated by the referring agency personnel.
Persons being evicted from a private dwelling	Obtain evidence of formal eviction notice indicating that the participant was being evicted within two weeks before receiving homeless assistance. If the participant's friends or family is evicting, a statement describing the reason for eviction must be signed by the friend or family member and dated. In other cases where there is no formal eviction process, persons are considered evicted when they are forced out of the dwelling unit by circumstances beyond their control. In those instances, obtain a signed and dated statement from the participant describing the situation. The Program/Continuum must make efforts to confirm that these circumstances are true and have written verification describing the efforts and attesting to their validity. The verification should be signed and dated.

Persons being released from jail or prison, or leaving an inpatient mental health facility or chemical-dependency treatment facility	Obtain evidence from the referring facility's case manager or other authorized staff that the participant is being or was released/exited and has no identified housing option.
Persons fleeing domestic violence	Obtain written verification from the participant that he/she is fleeing a domestic violence situation. If a participant is unable to prepare verification, the case manager may prepare a written statement about the participant's previous living situation for the participant to sign and date.

VIII. TERMINATION OF PARTICIPATION, DENIAL AND GRIEVANCE PROCEDURES

A. Termination of Participation and Grievance Procedures

Causes for termination from the program may include, but are not limited to, failure to abide by the program requirements. The Program/Continuum may resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, the Lead Agency must provide a process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of:

- 1) Written notice to the program participant containing a clear statement of the reasons for termination;
- 2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
- 3) Prompt written notice of the final decision to the program participant.

B. Applicant Denial and Grievance Procedures

Denial of assistance may include, but is not limited to, the individual or household's ineligibility for the program or failure to provide verifiable evidence of eligibility, etc. Programs/Continuums must have in place a procedure that governs applicant denial and grievance processes. These procedures should describe the program requirements and how an applicant did not qualify or was denied. The grievance procedure could be the same as a program participant terminated. This would include, for example, allowing applicants to request a hearing regarding the termination of their denial.

The termination, denial, and grievance procedures should be readily available to participants either in written information or by posting the policy in a public place. It is critical to the nature of HPRP and transparency to effectively communicate these procedures to program participants and ensure that the procedures are fully understood.

IX. NONDISCRIMINATION AND EQUAL OPORTUNITY REQUIREMENTS

The Program/Continuum must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, agencies must make known that HPRP rental assistance and services are available to all on a nondiscriminatory basis and ensure that all interested parties have equal access to information about HPRP and equal access to the financial assistance and services provided under this program. Among other things, this means that each agency must take reasonable steps to ensure meaningful access to programs to persons with Limited English Proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964. This may mean providing language assistance or ensuring that program information is available in the appropriate languages for the geographic area served by the jurisdiction and that limited English proficient persons have meaningful access to HPRP assistance. In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6. If the procedures that the Program/Continuum intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the Program/Continuum must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

X. FAIR HOUSING

Under section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Programs/Continuums and sub-recipients 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. 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 that expand housing choice to program participants.

XI. LEAD BASED PAINT REQUIREMENTS

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.), as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.) and implementing regulations at 24 CFR part 35, subparts A, B, M, and R shall apply to housing occupied by households receiving assistance through HPRP. A Lead-based Paint "Visual Inspection" is required for all financial assistance provided to a family with children under the age of 6 residing or about to reside in housing built before 1978.

XII. DRUG-FREE WORKPLACE REQUIREMENTS

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and HUD'S implementing regulations at 24 CFR part 21 apply to HPRP.

XIII. EQUAL PARTICIPATION OF RELIGIOUS ORGANIZATIONS

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HPRP. Neither the federal government nor a funded Program/Continuum shall discriminate against an organization on the basis of the organization's religious character or affiliation.

Organizations that are funded under HPRP may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under HPRP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under HPRP, and participation must be voluntary for program participants. An organization that participates in the HPRP program shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

XIV. LOBBYING AND DISCLOSURE REQUIREMENTS

The disclosure requirements and prohibitions of section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (the Byrd Amendment), and implementing regulations at 24 CFR part 87, apply to HPRP. Applicants must disclose, using Standard Form LLL (SF-LLL), "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of Congress, or congressional staff regarding specific grants or contracts.

XV. CONFIDENTIALITY OF CLIENT RECORDS

The Program/Continuum must have policies and procedures ensuring client records are maintained in a confidential manner, and that the address or location of any assisted housing

will not be made public, except to the extent that this prohibition contradicts a preexisting privacy policy of the Program/Continuum.

XVI. HABITABILITY STANDARDS AND INSPECTIONS

Organizations providing rental assistance with HPRP funds are required to conduct initial and necessary follow-up inspections of housing units into which a program participant will be moving. Units should be inspected on an annual basis and upon a change of tenancy. The HUD minimum habitability standards are listed in Appendix A.

Complete records of inspections and follow-up actions must be maintained in client files.

XVII. PROGRAM ADMINISTRATION

A. Lead Agency and Subgrantee Eligibility

An eligible Lead Agency and locally funded Subgrantee must:

- 1.) Be a unit of local government in the state of Tennessee, and/or
- 2.) Be a private non-profit organization, and the local government for the locality in which the program's administrative offices are located must certify that it approves of the HPRP program.

B. Central Contractor Registration and DUNS Number

All subgrantee(s) are required to register with Duns and Bradstreet to obtain a DUNS number, if they have not already done so, and complete or renew their registration in the Central Contractor Registration (CCR). A DUNS number is required to register with CCR.

Duns and Bradstreet – www.dnb.com

Central Contractor Registration - www.ccr.gov

C. Lead Agency Responsibilities

- 1) Subgrantee contracts

It is the responsibility of the Program/Continuum to ensure that sub-recipients meet agency eligibility requirements. The intent to subcontract shall be included in the Continuum's application to THDA. Approval of the Lead Agency's/Continuum's application, including the intent to subcontract, shall constitute authorization.

A Program/Continuum with subgrantee(s) must enter into legally binding written agreements to ensure that all THDA grant terms and conditions are passed on to

subrecipients. This must include a signed grant that details the budget to be reimbursed and all of the THDA grant terms and conditions.

2) Deadlines for Using Grant Award

HUD requires the Grantee (THDA) to expend 60 percent of the award amount within the first two years of the date signed on the HUD executed contract with THDA (July 10, 2009), and 100 percent of the award amount within three years of this date. THDA is “front loading” its HPRP allocations to ensure expenditure requirements are met. Approximately 50% of available funds will be allocated over each of the next two years. Year two allocations to sub-grantees will include a review of expenditure rates and may include a reduction in year two funding based on any remaining year one funds. It is critical to budget accordingly and fully expend all allocated HPRP funds during each contract period.

3) Monitoring and Compliance of Subgrantees

It is the responsibility of the funded Program/Continuum to monitor its subgrantees at least once every program year. The monitoring may consist of either a desk monitor or on-site visit. Terms and conditions of the grant and program guidelines need to be reviewed for compliance. At least one month of back up documentation needs to be reviewed to substantiate charges made to the program.

The Continuum/Lead Program must ensure all funds are expended in a timely manner, and according to the terms and conditions of the THDA grant.

THDA will review the Lead Agency’s monitoring reports of their subgrantees.

D. Billing Procedures

Lead Agencies must bill THDA no more than monthly for reimbursement of allowable costs, using a Reimbursement Request form to be provided by THDA. Payment will be made upon receipt of all required documents and reports. If required reports are not submitted in a timely manner, THDA will delay payment until reports are received. If the Lead Agency/Continuum fails to file an invoice within a two-month period, without reasonable explanation, THDA will not authorize payment and may elect to terminate the contract.

HUD has established HPRP Grantee draw downs, sub-grantee expenditure patterns, and timely requests for reimbursement as areas of interest for federal monitoring and review.

E. Financial Records

The Program/Continuum must maintain copies of all reimbursement requests and backup

documentation including those from subgrantees. The Lead Agency/Continuum must maintain records that disclose all costs, including subgrantee costs, charged to the THDA contract.

F. Reports

The Lead Agency is responsible for submitting required reports by the dates due using required forms. The reports include, but are not limited to, the following:

Report	Due Date
Reimbursement request	No more than monthly, due by the 10 th of the month following the provision of services.
Quarterly Performance Report	Due five (5) days following the end of each quarter
Annual Performance Report	Due 60 days after the end of the fiscal year

H. Lead Agency Monitoring

A monitoring schedule will be sent to THDA HPRP Contractors during the first quarter of the contract outlining desk and scheduled on-site visits for the contract period.

I. Changes to Guidelines

THDA may issue revised or new guidelines at any time, in part based on HUD or Tennessee Office of Recovery Management (TRAM) requirements. All funded Programs/Continuums will be sent revised copies as they are published. It is the Lead Program/Continuum’s responsibility to pass on the revisions to subgrantees.

APPENDIX A

Habitability Standards

Organizations providing rental assistance with HPRP funds will be required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Following are the HUD habitability standards identified in the HPRP Program Notice that Agencies must follow:

- (1) State and local requirements. Each agency or subgrantee under this Notice must ensure that housing occupied by a family or individual receiving HPRP assistance is in compliance with

all applicable state and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the housing is located regarding the condition of the structure and the operation of the housing or services.

- (2) Habitability standards. Except for less stringent variations approved by HUD, housing occupied by a family or individual receiving HPRP assistance must meet the following minimum requirements:
 - (1) Structure and materials. The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from the elements.
 - (2) Access. The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.
 - (3) Space and security. Each resident must be afforded adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
 - (4) Interior air quality. Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.
 - (5) Water supply. The water supply must be free from contamination.
 - (6) Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.
 - (7) Thermal environment. The housing must have adequate heating and/or cooling facilities in proper operating condition.
 - (8) Illumination and electricity. The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.
 - (9) Food preparation and refuse disposal. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.
 - (10) Sanitary condition. The housing and any equipment must be maintained in sanitary condition.

(11) Fire safety.

- (a) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing-impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
- (b) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

APPENDIX B

Tennessee Area Median Income limits – to follow

APPENDIX C

HPRP Data elements - <http://www.hudhre.info/documents/HPRPDataElements.pdf>

APPENDIX D

APPENDIX E