American Recovery and Reinvestment Act
Homelessness Prevention and Rapid Re-housing Program

HPRP: Strategies for Achieving Performance and Spending Goals

Sponsored by:

Office of Special Needs Assistance Programs (SNAPS)

U.S. Department of Housing & Urban Development

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WEBINAR INFORMATION

Purpose

- Provide Grantees and Subgrantees with:
  - Information about the first year of the national HPRP program
  - Strategies for assessing current performance
  - Methods for projecting expenditures and planning for the future
  - Strategies to increase spending and improve performance
  - Budget changes and grant closeout information

Format

- Webinar will last approximately 90 minutes

- Participants are "muted" due to the high number of participants

- Will be recorded for future use and made available for viewing/download

- If you are having audio difficulties, use telephone instead of computer

Submitting Questions During the Webinar…

- Audience members who need clarification on a slide can do so via the "questions" function in the "Go to Webinar" toolbar

- Resource advisor will forward some questions to presenters to answer

- Additional questions: please submit to HUD's Virtual Help Desk at http://hudhre.info/HPRP

Materials and Evaluation

- Materials referenced during this webinar can be found on HUD's Homelessness Resource Exchange at http://hudhre.info/HPRP/

- Evaluation questions for measuring the effectiveness of this call will be emailed out following the call to all participants.

Overview of HPRP Year One

Large National Impact

- **HPRP = Major Initiative**
  - HUD, grantees, and subgrantees undertook big effort to launch program in short time

- **Numbers Served**
  - Over 750,000 people in 318,000 households have been assisted in the first year

- **Producing Outcomes**
  - QPRs show approximately 80% of households assisted are exiting to permanent housing
  - In many communities, new program models and system changes as a result of HPRP

Key Issue: Timely Spending

- Many communities faced challenges in spending in the first year
- Grantees must expend 60% of funds by second anniversary of grant agreement
- Grantees must spend 100% by third anniversary
- *Funds may be recaptured if unspent*

Opportunity for Improvement

- **Reasons for slow spending:**
  - **Slow start-up**
    - Used other resources first
    - Layers of bureaucracy like "regular" programs
  - **Program design**
    - Targeted too narrowly and having trouble finding clients
    - Underfunded staffing; can't process clients despite high demand
- **Now is the time to reflect on the effort so far and adjust strategies to improve utilization and performance**

Assessing First Year Progress

1. Review Program Spending

- Review your initial allocations/budgets and actual spending:
  - Compare the distribution of Homelessness Prevention and Homeless Assistance (Rapid Re-Housing) funds to actual expenditures
  - Compare Housing Relocation & Stabilization Services expenditures to Financial Assistance expenditures
  - Compare spending rates across subgrantees

Budget vs. Spending 1: Homelessness Prevention and Homeless Assistance

	Anticipated First Year Expenditures	Actual First Year Expenditures	Percentage of projected amount that was spent
Homelessness Prevention	$500,000	$350,000	70%
Homeless Assistance	$300,000	$280,000	93%

Budget vs. Spending 2: Financial Assistance and Housing Relocation & Stabilization Services

	Anticipated First Year Expenditures	Actual First Year Expenditures	Percentage of projected amount that was spent
Financial Assistance	$500,000	$320,000	64%
Housing Relocation & Stabilization	$400,000	$400,000	100%

Budget vs. Spending 3: Types of Assistance & Expenditures

First year Anticipated Expenditures					First year Actual Expenditures					Percentage of projected amount that was spent			
	HP	HA	Total			HP	HA	Total			HP	HA	Total
Fin Asst	$300	$200	$500		Fin Asst	$245	$225	$470		Fin Asst	82%	113%	94%
HRSS	$150	$175	$325		HRSS	$100	$165	$265		HRSS	67%	94%	82%
Total	**$450**	**$375**	**$825**		**Total**	**$345**	**$390**	**$735**		**Total**	**77%**	**104%**	**89%**

($ in thousands)

Budget vs. Spending 4: Subgrantees

	Anticipated First Year Expenditures	Actual First Year Expenditures	Percentage of projected amount that was spent
Subgrantee 1	$400,000	$260,000	65%
Subgrantee 2	$300,000	$300,000	100%
Subgrantee 3	$800,000	$700,000	87.5%

2. Review Persons and Households Served

- Compare total persons and households projected to be served and actually served by:
  - Type of assistance: homelessness prevention, homeless assistance
  - Activity: financial assistance, housing relocation & stabilization services
  - By different subgrantees

Households Served Comparison

	Projected households to be served	Actual Households Served	Percent of projection actually served
Subgrantee 1	45	55	122%
Subgrantee 2	100	95	95%
Subgrantee 3	150	110	73%

3. Consider Outcomes Achieved

Information from QPR or APR data:

- Percentage of households exiting to permanent housing
- Percentage of households with an increase in income from entry to exit

If grantee set additional outcome goals:

- Compare performance to projected outcomes on other goals

3. Consider Outcomes Achieved (cont'd.)

- Successful Housing Outcomes = Permanent Housing Destinations
  - Rented by client, no housing subsidy
  - Rented by client, VASH housing subsidy
  - Rented by client, other (non-VASH) housing subsidy
  - Owned by client, no housing subsidy
  - Owned by client, with housing subsidy
  - Staying or living with family, permanent tenure
  - Staying or living with friends, permanent tenure

4. Targeting

- Compare targeted populations or risk groups intended to be served with those actually served

- Compare characteristics of people served with HPRP prevention assistance to persons who are homeless

- Has HPRP impacted new entries to homelessness or lengths of stay?

Targeting Analysis: Homelessness Prevention Example

	Shelter Entries		Prevention Entries	
Psychiatric Hospital	91	7%	0	0%
Substance Abuse Treatment Center	62	5%	2	0%
Hospital	47	4%	1	0%
Jail, Prison or Juvenile Detention	24	2%	0	0%
Rental (No Subsidy)	62	5%	1027	55%
Subsidized Rental Housing	11	1%	356	19%
Own House/Apartment	3	0%	26	1%
Permanent Supportive Housing	9	1%	4	0%
Living with Family	301	24%	208	11%
Living With Friends	477	38%	163	9%
Hotel/Motel	158	13%	70	4%
Foster Care/Group Home	1	0%	2	0%
Total	1,246	100%	1,859	100%

Projecting Expenditures Into the Future

Projecting Costs: Average per household served

Expenditures in the First Year

	Number of households	Total in Cost Year One	Average cost per household
Homelessness Prevention	120	$ 180,000	$1,500
Homeless Assistance	80	$256,000	$3,200

Projecting Costs: Average per household served

Projected Expenditures in the Second Year

	Average cost per household	Projected Households to serve	Total Cost Projected for Year Two
Homelessness Prevention	$1,500	150	$ 225,000
Homeless Assistance	$3,200	100	$ 320,000

Projecting Costs: Monthly Expenditures

Monthly Expenditures in Year 1:

	Number of households per month	Average monthly expenditures	Average cost per household per month
Homelessness Prevention	**30**	**$22,200**	**$740**
Homeless Assistance	**20**	**$14,000**	**$700**

Projecting Costs: Monthly Expenditures

Projected Expenditures in Year 2:

|	Average cost per household per month	Monthly slots or average # households anticipated	X 12	Total Cost Projected for Year Two
Homelessness Prevention	**$740**	**45**	**540**	**$399,600**
Homeless Assistance	**$700**	**30**	**360**	**$252,000**

HPRP Time Horizon Implications

- **It is important to remember two things when projecting expenses:**
    1) No household can receive more than 18 months of rental assistance (including arrears).
    2) After the program has operated for 19 months you will not be able to serve any new households for the maximum amount of time allowed under HPRP.

Anticipating Program Utilization Patterns

- Common program utilization trend when there is a program horizon:
  - First period case load is increasing, exits are smaller than new entrances
  - Middle period, exits and entrances are mostly balancing each other
  - End period, exits are increasing and new entries are going down or to zero

Illustration of case load pattern

Household entering during Qtr

Households exiting During Qtr

Households Active at End of Qtr
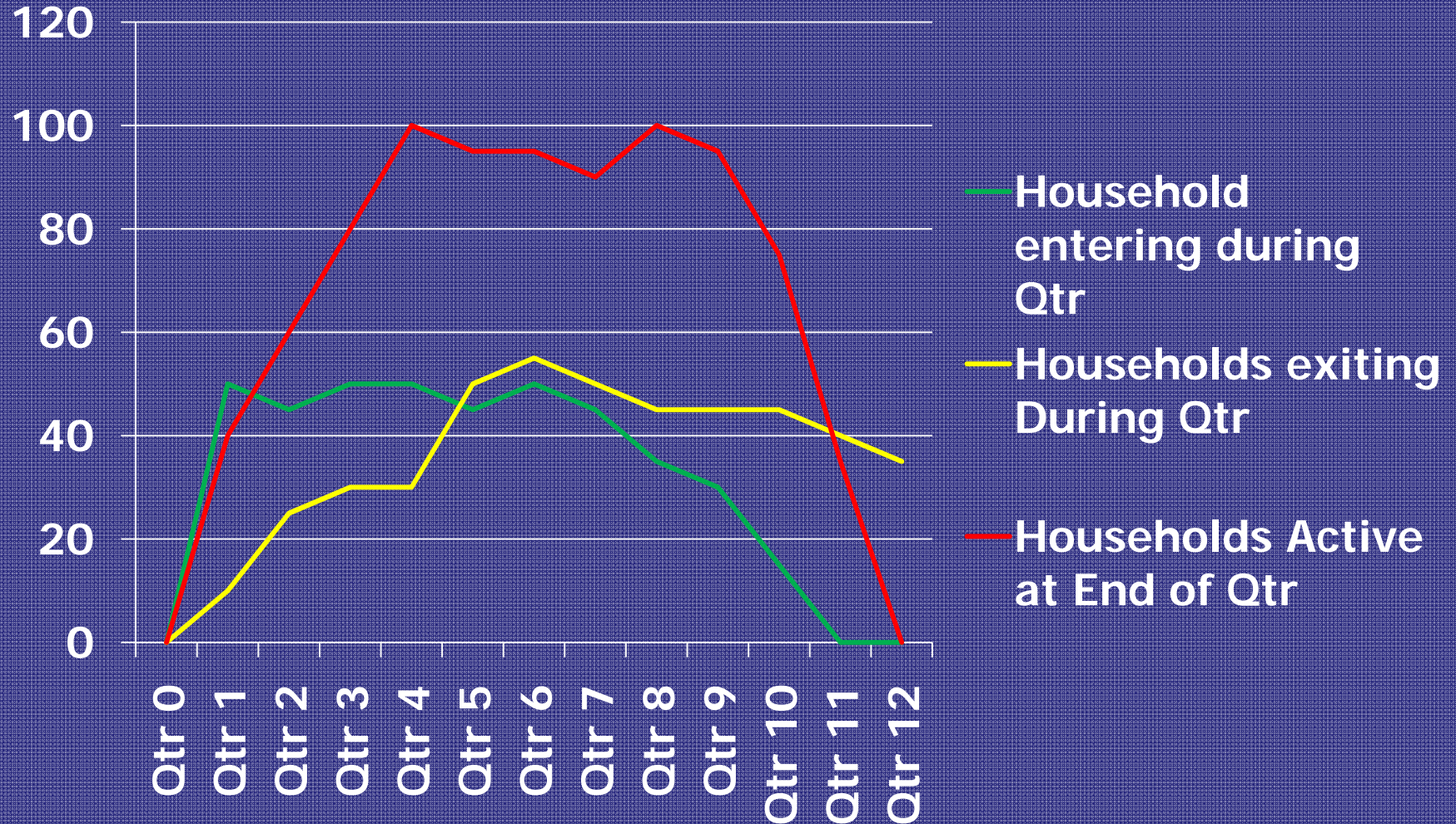
How to Establish Projections

- Gather your expenditure data
- Gather your data about entries and exits
- Work with Finance team
- Refine as you have more information
- Double check your results!

Strategies for Accelerating Expenditures

Strategies for accelerating expenditures

- Increase frequency of reimbursement submissions/shorten turnaround for payment

- Consider advance draw downs to assure cash flow (must follow 24 CFR part 85.21)

- Remove barriers in case documentation and payment approvals

- Streamline multi-layered government requirements

Strategies for accelerating expenditures

- Incur all eligible expenses
- Charge all eligible indirect costs
- Align spending with most current HUD-issued HPRP guidance
- Redefine HPRP spending plans
  - increasing HMIS spending if needed to meet data collection requirements

Strategies for Program/System Adjustments

Program/System Adjustments

- ## Adjustments between subgrantees
  - Grantees should look at their Year One analysis and ask:
    - Are some agencies performing better than others? Should you reallocate to higher performing subgrantees?
    - Would more subgrantees in the second year make sense? Would fewer?

Program/System Adjustments

- **Increase efficiency**
  - Increase outreach
  - Add or expand specialized screening/eligibility function
    - Temporary increase in staff (use of temps)
    - Permanent development of central intake capacity
  - Housing locator functions
    - Housing more people quickly
    - Building a lasting landlord network

Program/ System Adjustments

- **Increase effectiveness**
  - Adjust level of assistance provided to maximize HPRP use
    - Housing Relocation and Stabilization Services
    - Financial Assistance

Program/ System Adjustments

- Serve persons outside grantee's jurisdiction
  - Uncovered geography
  - Areas with greater need
  - Persons relocating outside the grantee jurisdiction

Program/ System Adjustments

- Create program or system capacity to work with higher need clients

  - Deepening targeting overall & providing more services/financial assistance

  - Specialized case management with lower staff to client ratios

  - Mixed caseload allocation of lower and higher barrier households

  - Programs that specialize in higher barrier households

Program/ System Adjustments

- Targeting greater proportion to persons who are homeless
  - Closer linkage/integration with shelter & outreach
  - Centralized and/or systematic screening

How to make Budget Changes

Substantial Amendments

- ## If a Substantial Amendment is needed
  - Follow steps citizen participation plan
  - Send copy to HUD Field Office and HPRP Desk Officer
  - Make changes in IDIS
  - Make changes in Grant allocation table in subsequent QPR
  - Make changes in contracts

Other Changes

- **If an amendment is not needed**
  - Send copy of revised budget to HUD Field Office and HPRP Desk Officer
  - Make changes in IDIS
  - Make changes in Grant allocation table in subsequent QPR
  - Make changes in contracts

Preparing for Grant Close out

Grant Closeout

- Project when you will get close to spend out

- Work with your HUD office to close out grants

Getting Ready for HEARTH….

Getting Ready for HEARTH

- HPRP activities eligible under HEARTH
- Think strategically about how to preserve key elements of HPRP-supported program and system initiatives
- Resources next year about how ESG and CoC funds can be used to support HPRP activities

Resources

- HUD Homeless Resource Exchange (HRE) has many documents and guides that can help: www.hudhre.info

- Submit questions and technical assistance requests to the HUD HRE Virtual Help Desk: www.hudhre.info