

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

Grantees eligible to receive funds under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) are required to complete a substantial amendment to their Consolidated Plan 2008 Action Plan. This form sets forth the required format for this substantial amendment. A completed form is due to HUD within 60 days of the publication of the HUD HPRP notice.

To aid grantees in meeting this submission deadline, the HPRP Notice reduces the requirement for a 30-day public comment period to no less than 12 calendar days for this substantial amendment. With this exception, HPRP grantees are required to follow their Consolidated Plan's citizen participation process, including consultation with the Continuum of Care (CoC) in the appropriate jurisdiction(s). Grantees are also required to coordinate HPRP activities with the CoC's strategies for homeless prevention and ending homelessness. To maximize transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed.

A complete submission contains the following three documents:

- 1) A signed and dated SF-424,
- 2) A completed form HUD-40119 (this form), and
- 3) Signed and dated General Consolidated Plan and HPRP certifications.

For additional information regarding the HPRP program, visit the HUD Homelessness Resource Exchange (www.hudhre.info). This site will be regularly updated to include HPRP resources developed by HUD and its technical assistance providers.

The information collection requirements contained in this application have been submitted to the Office of Management and Budget (OMB) for review under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Information is submitted in accordance with the regulatory authority contained in each program rule. The information will be used to rate applications, determine eligibility, and establish grant amounts.

Public reporting burden for this collection of information is estimated to be 16 hours, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. To the extent that any information collected is of a confidential nature, there will be compliance with Privacy Act requirements. However, the substantial amendment to the Consolidated Plan 2008 Action Plan does not request the submission of such information.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

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A. General Information

Grantee Name	City of Modesto
Name of Entity or Department Administering Funds	Parks, Recreation and Neighborhoods Department
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Julie G. Hannon
Title	Acting Director
Address Line 1	1010 Tenth Street, Suite 4300
Address Line 2	PO BOX 642
City, State, Zip Code	Modesto, CA 95354
Telephone	209-577-5417
Fax	209-544-3982
Email Address	jhannon@modestogov.com
Authorized Official (if different from Contact Person)	Greg Nyhoff
Title	City Manager
Address Line 1	1010 Tenth Street, Suite 4300
Address Line 2	PO BOX 642
City, State, Zip Code	Modesto, CA 95354
Telephone	209-577-5404
Fax	209-571-5128
Email Address	gnyhoff@modestogov.com
Web Address where this Form is Posted	www.modestogov.com

Amount Grantee is Eligible to Receive*	\$966,011
Amount Grantee is Requesting	\$966,011

*Amounts are available at <http://www.hud.gov/recovery/homelesspreventrecov.xls>

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B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

Response:

The City of Modesto is an entitlement community through the U.S. Department of Housing and Urban Development (HUD). Federal regulations require citizen participation be a key component of the consolidated planning process. The City of Modesto encourages participation to assist with the annual allocation of Community Development Block Grant (CDBG) Funds, Emergency Shelter Grant Funds (ESG) and HOME Investment Partnership Program Funds. The City of Modesto not only complies with Federal regulations, but actively encourages the participation of citizens through the Citizen Participation Plan. The Citizen Participation Plan is designed with the explicit intention of accommodating and encouraging participation by low- and moderate-income residents, members of minority groups and persons with limited English proficiency.

The Homeless Prevention and Rapid Re-Housing Plan was discussed and presented at a meeting with local stakeholders and non-profit agencies on April 9, 2009. The plan was then heard at the Citizens Housing & Community Development Committee on April 29, 2009, and also presented at the Continuum of Care meeting on May 1, 2009. This amendment was available for public review and comment on April 17, 2009. The public comment period closed on May 12, 2009, with a public hearing at the City Council meeting on that date. The public was able to submit comments in writing or orally, and staff responded to those comments.

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options:

- Grantee did not receive public comments.
- Grantee received and accepted all public comments.
- Grantee received public comments and did not accept one or more of the comments.

3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

Response:

City Hall Comments - April 9, 2009

A task force as a subset of the Continuum of Care is needed to ensure that funding is being appropriately expended, and to make certain that all regulations are being followed. There are three areas the funding should be divided into that should be targeted: Disabilities including HIV/AIDS, Mental Health including Substance Abuse, and the rest of the at risk groups. Set up a referral process for other agencies to send households at risk

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of homelessness or that are homeless to get assistance from agencies that receive funding through HPRP.

Citizens Housing & Community Development Committee – April 29, 2009

No comments were received. The plan was approved to be sent on to City Council for final approval.

Continuum of Care Comments – May 1, 2009

The group was very receptive to the new program. A subcommittee was established to oversee the program. The group will arrange for a refresher HMIS training to ensure accurate data collection and evaluation reporting. The Continuum is excited about the funding that will assist them to continue on with the Ten Year Plan to End Long-term Homelessness.

C. Distribution and Administration of Funds

Reminder: The HPRP grant will be made by means of a grant agreement executed by HUD and the grantee. The three-year deadline to expend funds begins when HUD signs the grant agreement. Grantees should ensure that sufficient planning is in place to begin to expend funds shortly after grant agreement.

1. Check the process(es) that the grantee plans to use to select subgrantees. Note that a subgrantee is defined as the organization to which the grantee provides HPRP funds.

Competitive Process

Formula Allocation

Other (Specify: Non-competitive selection of sub-recipient)

2. Briefly describe the process(es) indicated in question 1 above (limit 250 words).

Response:

The City of Modesto met with existing non-profit agencies and the local Continuum of Care, which included representatives from Community Service Agency that administers the Temporary Assistance to Needy Families as well as other federal funding. The group determined that there were three main areas to target funding, citizens with physical disabilities and other chronic health issues including HIV/AIDS, person's with mental health and substance abuse issues, and individuals and families who are homeless or at risk of becoming homeless. The consensus of the group was to utilize existing organizations that have the experience, capacity and existing programs to be able to expedite the funding and make an impact in serving the community. Upon an executed agreement between the Department of Housing and Urban Development and the City of Modesto, the city will contract with two agencies to provide services. One agency will

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provide comprehensive set of services to low/moderate income households to prevent homelessness or rapidly to obtain permanent housing. Another agency will address the needs of households that have disabilities including chronic health issues including HIV/AIDS. Both agencies are established non-profit organizations within the community that have existing programs to manage clients with housing challenges. A sub-group of the Continuum of Care will assist with ensuring referrals are followed up on and advise as needed if funding needs to be re-allocated to serve an area with greater need.

3. Briefly describe the process the grantee plans to use, once HUD signs the grant agreement, to allocate funds available to subgrantees by September 30, 2009, as required by the HPRP Notice (limit 250 words).

Response:

Upon an executed grant agreement with the Department of Housing and Urban Development, the City of Modesto will prepare agreements and a scope of work with Community Housing and Shelter Services (CHSS) as well as Stanislaus Community Assistance Project (SCAP). A task force with members from the Continuum of Care will commence to meet on a monthly basis to make certain that households are getting the appropriate referrals and support services needed to move toward self-sufficiency. Referral forms to CHSS and SCAP will be distributed to local non-profit public service agencies in the event that they encounter a family or individual that could qualify for HPRP. Funding will be provided to the agencies on a draw system and be closely monitored by City of Modesto staff. The sub-committee from the Continuum of Care will provide a forum for non-profit agencies to follow up on referrals that have been submitted to CHSS and SCAP, as well as advise on re-allocating funding if they see that one area has a higher need.

4. Describe the grantee's plan for ensuring the effective and timely use of HPRP grant funds on eligible activities, as outlined in the HPRP Notice. Include a description of how the grantee plans to oversee and monitor the administration and use of its own HPRP funds, as well as those used by its subgrantees (limit 500 words).

Response:

Staff from the City of Modesto will collaborate with the Continuum of Care on a monthly basis to ensure vigilance and long-term collaboration focused on improving existing programs and greatly advance progress in ending homelessness. The Continuum of Care will assist in linking HPRP participants with other resources that are available and to make sure that all needs are addressed. The sub-grantees will be monitored on a quarterly basis, with monthly meetings to address any issues and to ensure that funds are being utilized only for eligible activities.

There has been a spike in the amount of households that are homeless in Modesto. More and more individuals and households are considered at a high risk of homelessness due to the following risk factors:

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- Eviction within 2 weeks from a private dwelling (including housing that is provided by family or friends)
- Discharge within 2 weeks from an institution in which the person has been a resident for 6 or more months (including prisons, mental health institutions, or hospitals)
- Currently residing in housing that has been condemned by housing officials and is no longer meant for human habitation
- Sudden and significant loss of income
- Sudden and significant increase in utility costs
- Mental health and substance abuse issues
- Physical disabilities and other chronic health issues including HIV/AIDS
- Severe housing cost burden (greater than 50% of income for housing costs)
- Homeless in the last 12 months
- Young head of household (under 25 with children or pregnant)
- Current or past involvement with child welfare, including foster care
- Pending foreclosure of rental housing
- Extremely low income (less than 30% of median area income)
- High overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size)
- Past institutional care
- Recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities
- Credit problems that preclude obtaining housing
- Significant amount of medical debt
- Sleeping in an emergency shelter
- Sleeping in a place not meant for human habitation, such as cars, parks, abandoned buildings, streets/sidewalks
- Graduation from or timing out of a transitional housing program
- Victims of domestic violence

An integral element of the program will be an emphasis on individual case management with an emphasis on supportive services to promote self sustainability. Participants will receive individual evaluation plans along with referrals to existing community services if needed. A strategy for encouraging participants to promote their unique strengths and abilities to secure employment will assist in ensuring self sufficiency. Participants will become equipped with the knowledge and skills to enhance their ability to live independently through the Homeless Prevention and Rapid Re-housing Program.

The administration and use of funding for administrative activities will be monitored internally by the City of Modesto and guidelines will be established along with milestones to ensure timeliness of expenditures and compliance with the regulations.

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D. Collaboration

1. Briefly describe how the grantee plans to collaborate with the local agencies that can serve similar target populations, which received funds under the American Recovery and Reinvestment Act of 2009 from other Federal agencies, including the U.S. Departments of Education, Health and Human Services, Homeland Security, and Labor (limit 250 words).

Response:

In February, the Federal Government enacted the American Recovery and Reinvestment Act of 2009 (ARRA) to address many of the issues facing local government. As part of ARRA, the City of Modesto received a direct allocation for the Homeless Prevention and Rapid Re-Housing Program (HPRP) and the Community Development Block Grant (CDBG). In order to effectively utilize all ARRA funding, the City of Modesto is going to take a comprehensive approach to leverage the funding and make the greatest impact upon the community. Within the City of Modesto there is a task force assigned to all ARRA funding to coordinate and leverage funding for similar target populations.

Neighborhood Stabilization Plan (NSP) funds awarded to the City of Modesto as part of the Housing and Economic Recovery Act of 2008, will provide priority funding to organizations that work with agencies receiving HPRP funding to provide permanent housing to those households that are at or below 50% of the median area income. The case manager that works with households obtaining funding through the HPRP will also be required to monitor and refer the populace that is unemployed to agencies funded with CDBG to obtain the necessary skills and employment services needed to attain employment.

A sub-committee made up of members from the Continuum of Care will meet on a monthly basis to monitor the HPRP funding being expended as well as brief the group on the other funding sources available through other federal agencies.

2. Briefly describe how the grantee plans to collaborate with appropriate Continuum(s) of Care and mainstream resources regarding HPRP activities (limit 250 words).

Response:

Staff from the City of Modesto will collaborate with the Continuum of Care on a monthly basis to ensure vigilance and long term collaboration focused on improving existing programs and greatly advance progress in ending homelessness. The Continuum of Care will assist in linking HPRP participants with other resources that are available and to make sure that all needs of participants are addressed.

A sub-committee of non-profit agencies, Behavioral Health and TANF directors will take place prior to the monthly Continuum of Care meetings to make sure that all participants

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in Homeless Prevention and Rapid Re-Housing Programs are receiving pro-active case management; and support to obtain the skills needed to ensure that they will be able to maintain permanent housing after HPRP assistance ceases. The sub-committee will also discuss and address any topics related to accurate data collection and evaluation. Another area that the sub-committee will advise upon is in monitoring the population being serviced. If there is one group that has an much greater need, funding could be reallocated to service that group.

The City of Modesto will monitor the sub-recipients regularly to ensure that the federal regulations are followed and to assist with technical assistance.

3. Briefly describe how HPRP grant funds for financial assistance and housing relocation/stabilization services will be used in a manner that is consistent with the grantee's Consolidated Plan (limit 250 words).

Response:

Overcrowding is a serious problem in Modesto, particularly for renter households and households living below the poverty level. The consolidated plan set priorities HM-1 which is to address chronic homelessness, HM-3 to provide permanent supportive housing and HM-4 to prevent homelessness for those most at risk, and HM-5 is to provide intensive and coordinated case management. The consolidated plan priorities tie directly back into the City of Modesto's plan for the Homeless Prevention and Rapid Re-housing Program. Homeless prevention and assistance is one of the highest priority needs in the City, and permanent housing with supportive services is critical in assisting households that are at risk. The largest gaps between currently available services and needs identified through the Continuum of Care is in the area of permanent supportive housing. This category is therefore a top priority for supporting new initiatives like HPRP. The City of Modesto HPRP will monitor and support the households utilizing the program by providing financial assistance and encouragement of positive behaviors toward self-sustainability.

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E. Estimated Budget Summary

HUD requires the grantee to complete the following table so that participants in the citizen participation process may see the grantee’s preliminary estimated amounts for various HPRP activities. Enter the estimated budget amounts for each activity in the appropriate column and row. The grantee will be required to report actual amounts in subsequent reporting.

HPRP Estimated Budget Summary			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$265,653.30	\$265,653.30	\$531,306.60
Housing Relocation and Stabilization Services ²	\$146,601.10	\$146,601.10	\$293,202.20
Subtotal (add previous two rows)	\$412,254.40	\$412,254.40	\$824,508.80

Data Collection and Evaluation ³	\$93,202.20
Administration (up to 5% of allocation)	\$48,300
Total HPRP Amount Budgeted⁴	\$966,011

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.

⁴This amount must match the amount entered in the cell on the table in Section A titled “Amount Grantee is Requesting.”

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F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

Signature/Authorized Official

Date

City Manager
Title