

**Amendment to the
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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the Homelessness Prevention and Rapid Re-Housing Program (HPRP)**

A. General Information

Grantee Name	
Name of Entity or Department Administering Funds	Arizona Department of Housing
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Karia Basta
Title	Special Needs Programs Administrator
Address Line 1	1110 W. Washington Suite 310
Address Line 2	
City, State, Zip Code	Phoenix, Arizona, 85007
Telephone	(602) 771-1085
Fax	(602) 771-1002
Email Address	karia.basta@azhousing.gov
Authorized Official (if different from Contact Person)	Michael Traylor
Title	Director
Address Line 1	1110 W. Washington Suite 310
Address Line 2	
City, State, Zip Code	Phoenix, Arizona, 85007
Telephone	(602) 771-1007
Fax	(602) 771-1002
Email Address	michael.traylor@azhousing.gov
Web Address where this Form is Posted	www.azhousing.gov

Amount Grantee is Eligible to Receive*	\$ 7,033,520
Amount Grantee is Requesting	\$ 7,033,520

*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:

A copy of the Amendment of the Draft Amendment to the HPRP Substantial Amendment will be posted on the Arizona Department of Housing (ADOH) website www.azhousing.gov on December 13, 2010. The draft is available for public comment and review until January 12, 2011.

A copy of the original HPRP Substantial Draft Amendment was posted on the Arizona Department of Housing (ADOH) website www.azhousing.gov on April 22nd 2009. The draft was available for public comment and review until May 4th, 2009.

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.

ADOH received one comment from the public regarding this amendment to the substantial amendment. The comment and ADOH's response follow:

Comment: "My understanding is that ADOH plans to reallocate unspent HPRP funds. Please share with the community what standard ADOH intends to use to determine redistribution and what that process will be. This will enable jurisdictions to know where they stand. As it is stated at this time it is uncertain how you intend to redistribute the funds. Please consider high performance in not only the amount of funds spent but also consider how communities have developed infrastructure in the delivery of the HPRP funds."

Response: The proposed amendment for the Arizona Department of Housing's HPRP program is due to ADOH not being on target to meet the Federal requirement to have 60% of the grant expended by September 2011. In order to accomplish this goal, ADOH determined that a reallocation of funds be made from rural to urban areas. In determining which urban areas to consider for this reallocation, ADOH is primarily looking at successful programs with the highest expenditure rates.

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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: HUD Recovery Act Expenditure Requirements)

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

Response:

ADOH used a formula-based allocation that breaks funding down by County for the non-entitlement parts of the State; the formula is based on Population, Poverty, Unemployment and Homelessness numbers. The original plan was focused on the 13 rural non-entitlement counties.

The Recovery Act requires grantees to expend 60 percent of HPRP grant funds within two years of the date that funds became available. Failure to meet the expenditure requirement would cause HUD to recapture the remaining funding for the program in mid-September 2011. A review of program expenditures to date has shown that the HPRP program is not on track to expend 60% of the funds within the two-year period. ADOH has re-allocated approximately 7.5% of the funds among rural subgrantees but has determined that an additional re-allocation of funds will be necessary to meet the 60% expenditure requirement by September 2011.

~~Therefore, ADOH will allocate funds to the highest performing HPRP grantee(s) within Maricopa and Pima Counties as necessary.~~

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:

The Arizona Department of Housing is using a subrecipient Funding Agreement with established agencies already providing HPRP program assistance and services.

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).

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Response:

The HPRP program will utilize the existing infrastructure that already is in place allowing flexibility within the local rural continua to address the types of eligible activities that are most needed for that area.

ADOH as grantee will monitor monthly expenditures through desk review and approval of monthly expenditures on an ADOH payment request form. Reports will be generated monthly comparing assistance totals from HMIS to the monthly payment request form received from the subgrantees assuring all entries are accounted for in HMIS. Monthly review of subgrantees and overall HPRP expenditures will ensure funds are being used in a timely manner. Re-allocation of funds will be used as a tool, when necessary, to ensure effective and timely use of funds.

The grantee will also provide technical assistance to subgrantees. Monitoring will be accomplished through desk reviews and on-site visits. Monitoring visits include review of client files for proper documentation for all eligible services received as well as fiscal review.

Additional training as necessary for HMIS will be provided onsite with the sub-grantee.

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:

Subgrantees will provide updates about the HPRP funds at the local rural Continuum of Care meetings, updates will include numbers served and types of assistance provided.

They will also discuss eligibility for services, application process, documentation needed, etc.. at the meetings. Subgrantees will also be required to work with local shelters and other service agencies as a referral source or potential case management provider. This is a very important program and subgrantees collaboration with homeless providers and other services providers will be watched closely.

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:

ADOH is the chair of the Arizona Balance of State (rural) Continuum of Care; we attend the majority of the local meetings and have a very productive relationship with the providers. Use of HPRP fund will be a standing agenda item on each local continuum agenda.

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The ADOH Director and the Department of Economic Security (DES) Director co-chair the Interagency Community Council on Homelessness, which has members from many State Agencies. DES is an important partner who provides many of the necessary mainstream services. We have and will continue to work with DES and other State partners to address barriers in accessing mainstream services.

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:

HPRP funds will expand the amounts of financial assistance and stabilization services that are and have been part of the consolidated plan for years. Homeless Prevention through rental assistance and other housing costs as well as proper case management services is a focus of our current EPEH program identified in the Consolidated Plan. Prevention has been especially important in rural parts of the State where there are fewer shelter resources.

E. Budget Summary (allocated September 2009)

HPRP Budget Summary			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$ 3,456,272	\$ 1,196,402	\$ 4,652,674
Housing Relocation and Stabilization Services ²	\$ 1,196,402	\$ 797,601	\$ 1,994,003
Subtotal (add previous two rows)	\$ 4,652,674	\$ 1,994,003	\$ 6,646,677
Data Collection and Evaluation ³			\$ 35,168
Administration (up to 5% of allocation)			\$351,675
Total HPRP Amount Budgeted⁴			\$7,033,520

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E. Estimated Budget Summary (current – December 2010/January 2011)

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. The final allocation mix will be approximately 80-90% rural and 10-20% urban.

HPRP Estimated Budget Summary			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$ 3,399,332	\$ 1,345,300	\$ 4,744,632
Housing Relocation and Stabilization Services ²	\$ 1,126,509	\$ 668,943	\$ 1,795,452
Subtotal (add previous two rows)	\$ 4,525,841	\$ 2,014,243	\$ 6,540,084
Data Collection and Evaluation ³			\$ 141,761
Administration (up to 5% of allocation)			\$351,675
Total HPRP Amount Budgeted⁴			\$7,033,520

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

1-13-2011
Date

Director
Title