

NORTH CAROLINA HPRP-FUNDED PREVENTION PROGRAM

The state of North Carolina's homelessness prevention program, funded by HUD's Homelessness Prevention and Rapid Re-housing Program (HPRP), provided housing-focused case management. The state concentrated on helping more than 1,450 households toward long-term housing stability by addressing underlying barriers in conjunction with offering medium- to long-term rental assistance. Strongly focused on housing self-sustainability rather than simple crisis intervention, the program offered households prevention through coordinated, geographically strategic entry points that maximized coverage of rural areas while tailoring to the unique needs of the local communities. Households stayed in the program for an average 189 days (and a median 126 days).

Community Description

Based on the 2010 statewide point-in-time counts, North Carolina had 4,979 people in emergency shelter, 4,194 in transitional housing, and 3,018 unsheltered. There were also 3,328 permanent supportive housing beds at the time of the count. North Carolina had 12 continuums of care (CoCs) homeless service systems, including the Balance of State CoC, which covered 79 counties. Within the nine continuums that received state HPRP prevention funds were 3,889 emergency beds, 2,954 transitional housing beds, and 2,122 permanent supportive housing beds. These CoCs covered 97 of the 100 counties in the state. Currently, there is no active statewide ten-year plan to end homelessness, though several communities have their own plans.

DESIGN AND SETUP OF HPRP PREVENTION

In 2009, the North Carolina Office of Economic Recovery and Investment (OERI), a state agency established to coordinate and monitor handling of federal stimulus funds, received \$22.5 million for HPRP (approximately 72 percent of the total allocation to North Carolina). The state entitlement covered 92 of the state's 100 counties; the remaining counties received local HPRP entitlement funds. Four of the nine CoCs receiving state HPRP funds also received local HPRP entitlements.

OERI created a workgroup to develop program structure and identify the characteristics desirable in subgrantees to deliver services. In addition to staff from the Department of Health and Human Services (DHHS) and the NC Housing Finance Agency (HFA), the workgroup included members of the North Carolina Coalition to End Homelessness (NCCEH)—an organization comprising individuals, local homeless coalitions, and providers serving people at risk of or experiencing homelessness.¹¹⁶

Prospective HPRP applicants were required to submit a HPRP implementation plan that identified community needs, a lead agency, partner agencies, and outreach/referral strategies. A letter of support from the local CoC or regional committee and a plan for local and mainstream provider coordination was also required. Applications from non-entitlement areas received priority for funding.

OERI participated in memoranda of understanding with DHHS to implement the policy aspects of HPRP (because of its prior experience administering homeless programs) and with HFA to manage financial reimbursements and monitoring (for its ability to quickly process payments). HPRP funded 1.25 state-level full-time-equivalent positions to oversee the development, implementation, and management of HPRP.

¹¹⁶ <http://www.ncceh.org/members/>

Initially, North Carolina targeted 60 percent of the funds to rapid re-housing and 40 percent to prevention. However, distribution changed to 75 percent of funds supporting prevention activities due to community needs. Before HPRP, the only prevention programs that existed were informal, uncoordinated, one-time assistance efforts operated by local Department of Social Service (DSS) offices, community action agencies, and faith-based institutions.

IMPLEMENTATION

Of the \$22.5 million allocation, North Carolina awarded \$660,000 to the homeless management information system (HMIS), Carolina Homeless Information Network (CHIN),¹¹⁷ and \$470,000 to the NC Housing Search¹¹⁸ (an online housing locator). North Carolina awarded the remaining \$18 million competitively to 20 agencies as well as three direct allocations to Housing Support Team Initiative¹¹⁹ service providers, a case management housing-first approach funded by the Mental Health Trust Fund. Together, subgrantees covered 56 of the 92 counties in the state's entitlement area, with service areas ranging from 1 to 15 counties each managed by one lead agency.

Outreach

Subgrantees worked with other community agencies to establish partnerships for screening and referral, including with landlords, to raise awareness about the program. North Carolina established a preference for serving renters at 30 percent of area median income (AMI) in urban areas and 50 percent of AMI in rural areas, based on priorities in the consolidated plan. Many subgrantees specifically looked for clients who had high housing stability barriers.

Point of Entry

The point of entry and referral structure varied based on subgrantee role in the community. Local DSS offices and homeless and housing service providers were often the referral source.

Intake: Eligibility and Assessment

DHHS and HFA provided clear guidance for screenings to assess housing status and income eligibility (including assets), along with specific forms for use and "but for" criteria (that is, the participant would be homeless but for HPRP assistance). Screening was a four-step process with a decision for eligibility and fit at the end of each step.

1. *Prescreening.* Subgrantees conducted a simple prescreening for likelihood of eligibility to determine whether a full assessment was necessary. The prescreening looked at location and length of stay at current housing, family size, the candidate's current housing status, a cursory explanation of "but for," along with identifying income level and sources of income. Successful prescreened candidates were referred directly to a subgrantee. A large proportion of applicants did not pass the prescreening stage.

¹¹⁷ <http://www.nchomeless.org/index2.html>

¹¹⁸ <http://www.nchousingsearch.com/index.html>.

¹¹⁹ <http://www.ncceh.org/HST/>.

2. *Screening.* Screening was conducted only by HPRP subgrantees. A DHHS-provided screening tool evaluated applicants' housing status, financial eligibility, and supports. The screening included specific documentation and verification procedures developed by DHHS.

- **Housing status:** To qualify, a candidate had to be imminently homeless (losing housing within 7 days) or precariously housed. Precarious housing was evidenced by two circumstances: a candidate was currently housed but was being evicted, or a candidate was asked to leave housing or needed to leave for other reasons (such as health or safety concerns, unaffordable rent, or institutional discharge) and lacked the resources and support networks needed to maintain housing. Subgrantees also assessed housing unit compliance with fit premises standards, frequently verified by case manager home visits.
- **Financial eligibility:** In addition to households at or below 50 percent of AMI based on HUD requirements, subgrantees could not serve households with HPRP if they had more than \$2,000 of assets. Subgrantees went through four key steps to the financial eligibility process (application, verification, calculation, and certification) using DHHS forms and checklists to ensure they were eligible financially and documentation was adequate.
- **Supports:** Households that exhibited relationships with family or friends able and willing to offer sufficient assistance were determined ineligible and referred to other services, if applicable.

A specific form for conducting the household support system and risk assessment collected information on general household characteristics, housing, support system networks, foster care involvement, financial stability, criminal justice history, work experience, and health status. Prevention-specific questions included information about the landlord, utility information, unit repair needs, and stability of current housing. The assessment also included case managers' impressions of household discord, housing stability, and access to adequate supports. Approximately two-thirds of applicants were found eligible at the end of this step.

3. *Assessment.* If determined eligible, clients underwent a housing-barriers assessment that began their case management and housing stability action plan. Developed by NCCEH to rate a candidate's level of housing barriers (from 1 to 5), the assessment looked at barriers to retaining housing and included criminal history, rental and credit history, finances, physical and mental health, household skills, and previous episodes of homelessness. Candidates with severe housing barriers received referrals to programs more appropriate for their needs.

“But For” and Sustainability Rules

The major test for “but for” was whether the candidate had other options for housing without the help of HPRP. Case managers looked at five key components: family/friend supports; community supports (churches, schools, etc.); housing supports potentially available (financial assistance with rent, a place to stay); other supports potentially available (childcare, food); and assistance needed to access supports (facilitated conversation with family or friends).

Enrollment was determined based on the four-step process. Subgrantees determined whether a candidate was ineligible in any one of the first three steps: housing status, financial eligibility, and access

to supports. The fourth step, housing-barrier assessment, determined candidate “fit” and whether to enroll someone. Case managers considered housing history, employment history, education, connection to resources, debt, housing-to-income ratio, employment prospects, transportation capacity, criminal activity, and childcare capacity. Candidate motivation was also a component; case managers asked participants if stable housing was their goal and evaluated services and homelessness history. If applicants resisted developing action steps to retain housing or increase stability, they were not enrolled in the program.

Prevention Activities

The focus of North Carolina’s HPRP effort was to help individuals and families achieve long-term housing stability. The flexibility of the program allowed for creative solutions with customized types and amounts of assistance to address each participant’s unique challenges.

Financial Assistance. Almost all participants received some rental assistance, depending on the participant’s needs. However, subgrantees were encouraged not to set limits or guidelines on the length or amount of assistance above the HUD requirements. In addition to rental assistance, most financial assistance provided was utility assistance or security deposits. Utilities were a challenge in several communities; utility bills were higher than rent, requiring participants to relocate into more affordable housing. Participants’ rent contribution requirements were flexible.

Any landlord paid more than 2 months of rent assistance was required to sign a housing assistance payment agreement. This clarified the expectations and responsibilities required by participation in HPRP. Subgrantees updated this agreement monthly.

Case Management. All subgrantees were required to provide case management specifically focused on housing stability. The housing stabilization action plan (HSAP) documented *what the participant would do* to get and keep housing as well as *what the case manager or program would do to assist the participant* in getting and keeping housing, including a description of the amount and types of financial assistance to be provided. Common goals included paying arrears or debt, applying for income supports or other mainstream benefits, providing portions of rent, reporting progress, and increasing income. The plan included referrals for other services or mainstream benefits. HSAP goals focused only on issues that threatened housing stability and were required for participants receiving more than one month’s rental assistance. Because the focus was on long-term stability, subgrantees addressed barriers to housing stability; DHHS reiterated this philosophy during trainings and monthly conference calls.

Housing Search. If a participant’s best option was to move to a new unit or community, case managers helped him or her determine rent reasonableness and locate appropriate potential units through the program’s Web-based housing search tool, North Carolina Housing Search.¹²⁰ This application allowed people to locate housing that best fit their individual or family needs. The site also linked to other housing resources and provided helpful tools for renters such as an affordability calculator, rental checklist, and renter rights and responsibilities information.

¹²⁰ <http://www.nchousingsearch.com/About.html>.

DATA AND MONITORING

The Carolina Homeless Information Network (CHIN) was the state's primary HMIS, covering all but Charlotte. CHIN was an open system, allowing HPRP service providers to share data. Subgrantee HMIS data were regularly reviewed by multiple agencies: HFA ensured HMIS data were complete before issuing a payment, CHIN reviewed data quality and worked with subgrantees to correct any issues, and DHHS staff members reconciled subgrantee reports and regularly reviewed data. Agencies used HMIS data to ensure subgrantees were not serving only a specific population or serving participants with very low or very high housing barriers. They also examined housing stability at program exit to identify and address any concerns quickly and proactively. Several subgrantees used HMIS reports for monitoring case managers and reporting program progress to leadership and community partners. Based on the data available at the time of this case study, the subgrantees exited 91 percent of participants into permanent housing.

DHHS staff members provided subgrantees with a high level of support and monitoring by holding periodic program trainings in addition to monthly conference calls. Staff also updated and published frequently asked questions to keep subgrantees apprised of HUD requirements. Each subgrantee received at least one onsite monitoring visit a year; DHHS visited all subgrantees within the first 6 to 7 months of the program and focused on program design, documentation, and service provision. In addition, DHHS staff members conducted desk audits; to promote accurate documentation, each HPRP case manager was required to submit to DHHS monitors de-identified case files for their first five enrollments and first three rejections. Case managers were also required to submit a case file for review if requesting permission to terminate assistance.

PLANS FOR THE FUTURE

Owing to lack of funding, there are no plans to continue state homelessness prevention programming now that HPRP has ended, although up to 20 percent of the new Emergency Solutions Grants Program funds may be spent on prevention activities. However, the program has raised awareness about the population of individuals and families at risk of homelessness and about homelessness prevention as an effective strategy to address this population's needs. This is especially true in communities that previously thought they did not have a problem with homelessness. For many communities, especially those that previously lacked a formal homeless service system, HPRP created lasting partnerships among agencies. Several communities altered their ten-year plans to focus more on prevention. One of the interviewed subgrantees mentioned that experience gained with HPRP would change how the organization administered TANF prevention funds. Rather than providing shallow, one-time rental assistance, the subgrantee will shift the focus to housing stability and housing case management.

Exhibit E.16: The State of North Carolina Prevention Overview, Homelessness Prevention, and Rapid Re-housing Program

	Persons		Households	
	#	%	#	%
Total served Year 1 ^a	3,582	100	1,452	100
Persons in families	2,714	76	—	—
Adults without children	868	24	—	—
Total served Year 2 ^a	4,271	100	1,688	100
Persons in families	3,384	79	—	—
Adults without children	868	20	—	—
HPRP services				
Rental assistance	—	—	1,865	79
Case management	—	—	1,755	74
Security/utility deposits	—	—	1,109	47
Outreach and engagement	—	—	2,084	88
Utility payments	—	—	1,289	55
Housing search/placement	—	—	498	21
Legal services	—	—	43	2
Credit repair	—	—	36	2
Motel and hotel vouchers	—	—	47	2
Moving cost assistance	—	—	191	8
Destination^b				
Total leavers	4,472	100	—	—
Homeless	75	2	—	—
Institutional setting	29	1	—	—
Permanent housing with subsidy	1,158	26	—	—
Permanent housing without subsidy	2,822	63	—	—
Family or friends	208	5	—	—

Source: Carolina Homeless Information Network, Annual Performance Report Data, 2009 program start through September 30, 2011.

— not applicable

^a Total served numbers may not add to 100 percent because the “children only” and “unknown” categories are not included in this table. Numbers may add to greater than 100 percent due to data reporting errors.

^b Destination numbers may not add to total leavers because the “other,” “hotel/motel,” “unknown,” and “deceased” categories are not included in this table.

“Homeless” includes the following destinations: emergency shelter, TH for homeless persons, staying with friends (temporary tenure), staying with family (temporary tenure), place not meant for human habitation, safe haven, and hotel or motel paid by client.

“Institutional setting” includes foster care, psychiatric facility, substance abuse or detox facility, hospital (non-psychiatric), and jail or prison.

“Permanent housing” with subsidy includes housing owned by client with ongoing subsidy, rental by client with VASH subsidy, rental by client with other ongoing subsidy, and Permanent Supportive Housing for Homeless Persons.

“Permanent housing” without subsidy includes housing owned by client without ongoing subsidy and rental by client with no ongoing subsidy.

“Family or friends” includes living with family, permanent tenure or living with friends, permanent tenure.