

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	State of Illinois
Name of Entity or Department Administering Funds	Department of Commerce and Economic Opportunity (DCEO)
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Patrick Davis
Title	Community Assistance Division Manager
Address Line 1	620 E Adams Street
Address Line 2	CIPS 3
City, State, Zip Code	Springfield, IL, 62701
Telephone	217-785-6142
Fax	217-782-1206
Email Address	patrick.davis@illinois.gov
Authorized Official (if different from Contact Person)	Warren C. Ribley
Title	Director Designee
Address Line 1	620 E. Adams
Address Line 2	6th Floor
City, State, Zip Code	Springfield, IL 62701
Telephone	217-782-3233
Fax	217-524-0864
Email Address	warren.ribley@illinois.gov
Web Address where this Form is Posted	http://www2.illinoisbiz.biz/econ/default.htm

Amount Grantee is Eligible to Receive*	\$20,286,504
Amount Grantee is Requesting	\$20,286,504

*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:

Governor Pat Quinn designated the Department of Commerce and Economic Opportunity (DCEO) to administer the State of Illinois Homelessness Prevention and Rapid Re-Housing Program (HPRP). In the development of a method of distribution, the following advisory bodies were consulted:

- Illinois Department of Human Services (DHS) – DCEO met with DHS on February 17, 2009 to discuss ways the HPRP program could use the infrastructure of the established and effective DHS Homeless Prevention Program. Telephone calls and emails followed to further refine the plan.
- Illinois Continuum of Care Network (CoC) – On April 8, 2009 DCEO hosted a discussion with the 21 Illinois CoC's to outline the proposed plan and gather input. 54 participants were present and five joined by teleconference; all representing the CoC's, DHS, HUD and DCEO. This meeting also included HUD's HPRP webcast. Nora Lally of HUD's Regional CPD Office was present to assist.

On April 17, 2009, a Public Hearing Notice was announced as follows:

- posted on the DCEO website;
- mailed to 36 statewide housing-related agencies;
- provided to the Illinois Housing Development Authority (IHDA) Board of Directors;
- provided to the IHDA Office of Housing Coordination Services;
- published in ten newspapers for statewide coverage;
- emailed to all statewide CoC's.

On April 21, 2009, a Public Hearing convened in Springfield, the most centralized location for all interested parties. Through this process, the State presented its proposed method of distribution.

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.

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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: **To be completed after comment period expires.**

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

X Formula Allocation (See Appendix A)

Other (Specify: _____)

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

Response:

Using HUD's formula for CDBG, ESG and CoC, which considers population and measures of distress including poverty, age of housing, housing overcrowding and growth lag, DCEO will allocate funds to ___ Illinois CoC's through a funding packet developed using DHS' Homeless Prevention Fund information. After notification of Substantial Amendment approval, the funding packet will be distributed to CoC's with instructions to achieve the following goals by responding to the following:

Goals:

- Prevent homelessness.
- Divert people who are applying for shelter, when appropriate, into other housing.
- Help the homeless to quickly move into permanent housing.

Please describe how the Continuum will:

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- reach out to those at the highest risk of homelessness and the target those who would likely become homeless without assistance;
- divert those who are applying for shelter, when appropriate, into other housing; and
- assist those who become homeless to quickly move into permanent housing.

Additionally the CoC will detail which organizations (subgrantees) within its Continuum will carry out HPRP activities addressing goals, including funding amounts for each by activity. Subgrantees will be the same as those of the DHS Program.

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

Response:

Due to the State's method of distribution described in #2, all CoC funding packets will be reviewed, modified as necessary, approved and subgrant agreements prepared prior to HUD's issuance of a grant agreement. Once the grant agreement between HUD and the State has been fully executed, subgrant agreements will be distributed to subgrantees for review, signature and return to DCEO prior to 9/30/09.

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:

DCEO plans to retain 3% of the HPRP funds for appropriate administrative expenses and will share the remaining 2% with subgrantees.

Currently, all DCEO staff are required to complete monthly timesheets which detail the amount of time spent administering each program in the division. These timesheets are completed by the employee, verified by the Division Manager, and forwarded to the DCEO Budget Office for appropriate payroll percentage distribution over the fiscal year, while simultaneously ensuring deadline adherence. This is an established process that has satisfied all audit requirements.

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DCEO will enter into legally binding agreements with subgrantees by September 30, 2009. While the HPRP notice provides that 60% of the State's HPRP funds must be drawn within two years of the date of the signed grant agreement and 100% within three years, the State has elected to enter into two-year grant agreements with subgrantees. Doing so will guarantee timely expenditure of funds, as well as provide an additional year to process grant ending date extensions for those who struggle to meet the two-year expenditure deadline.

At the time subgrant agreements are issued, appropriate forms and instructions will be provided to request HPRP funds at least monthly. Those requests will be verified by HPRP program staff and DCEO Accounting Office staff and then approved for payment. DCEO tracking of expenditures will occur monthly using the department's Grantee Reporting System database, as is currently done with the Emergency Shelter Grants Program. Upon expenditure of an appropriate portion of HPRP funds, DCEO staff will perform fiscal, participant and programmatic monitoring, which will occur either on-site or through desk monitoring using an approved review tool. The following documentation will be reviewed upon monitoring:

- Fiscal – Subgrantee's records must demonstrate a separation of fiscal responsibility. Its fiscal ledger must document all HPRP expenditures for the period in review and must isolate the same by code. Expenditures must be used only for awarded eligible activities. The subgrantee must also provide review copies of all cancelled checks, payroll ledgers, timesheets, vouchers, invoices and/or billings as they relate to HPRP.
- Participant – Subgrantee client files must contain verification that an initial consultation took place between the client and a subgrantee case manager, a homelessness risk assessment was conducted which includes the risk factors considered, and proof that the household served was at or below 50% AMI. Files must also contain subgrantee follow-up documentation.
- Programmatic – Various policies and procedures must be available, including Confidentiality, Termination of Housing Assistance, Conflicts of Interest, Habitability Standards, Nondiscrimination and Equal Opportunity, Community-wide Access, Fair Housing, Lead-Based Paint, Uniform Administrative Requirements, Lobbying and Disclosure, Drug-Free Workplace, Procurement and Equal Participation of Religious Organizations. A review of the subgrantee's outreach plan will be conducted, as well as verification of its assistance to clients with other public benefit programs.

DCEO will follow up to ensure that any monitoring findings are addressed and corrected in a timely fashion.

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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:

As a HPRP subgrantee, providers must:

- have a referral process that assists clients with enrollment into public benefit programs such as TANF, food stamps, the Illinois All Kids Program, medical and disability assistance;
- have the ability to download the DHS food stamp application and distribute it to eligible households;
- screen every HPRP household to determine its need and eligibility for LIHEAP assistance and, if eligible, assist with a LIHEAP application or referral;
- coordinate with the local offices of other federal recovery programs to ensure all resources are utilized to the fullest extent to most effectively reach those most in need.

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:

See C.2. On April 8, 2009 DCEO hosted a round table discussion with the 21 Illinois CoC's to outline the proposed plan and gather input. A total of 54 participants were present and five joined by teleconference. The CoC's, DHS, HUD and DCEO were represented.

Using HUD's formula for CDBG, ESG and CoC, which considers population and measures of distress including poverty, age of housing, housing overcrowding and growth lag, DCEO will allocate funds to 18 Illinois CoC's through a funding packet developed using DHS' Homeless Prevention Fund information. After

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notification of Substantial Amendment approval, the packet will be distributed to CoC's with instructions to achieve the following goals by responding to the following:

- Prevent homelessness.
- Divert people who are applying for shelter, when appropriate, into other housing.
- Help the homeless to quickly move into permanent housing.

Please describe how the Continuum will:

- reach out to those at the highest risk of homelessness and the target those who would likely become homeless without assistance;
- divert those who are applying for shelter, when appropriate, into other housing;
and
- assist those who become homeless to quickly move into permanent housing.

Additionally the CoC will detail which organizations (subgrantees) within its Continuum will carry out HPRP activities, including funding amounts for each by activity. Subgrantees will be the same as those of the DHS Program.

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:

Illinois has been a leader in homelessness prevention since the passing of the Homeless Prevention Program Act of 1999. Prevention of homelessness, rather than just providing temporary shelter or other short-term solutions to the homeless, is more cost-effective, preserves family self-respect and helps to keep families intact. Interventions for the prevention of homelessness serve to prevent the need for long-term assistance programs that are more costly taxpayers.

As stated in the Consolidated Plan, the fourth State priority is the provision of supportive housing for the homeless and at-risk. Within the homeless population, there are many of sub-populations with varying housing needs. The Needs Assessment Section of the State Profile contained in the Consolidated Plan includes a discussion of the nature and extent of homelessness in Illinois, as well as the needs of persons threatened with homelessness.

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The need for rental assistance and adequate support services is crucial to serve the affordable housing needs of these underserved populations. To address this issue, a Consolidated Plan recommendation was to provide ongoing homeless prevention efforts to avoid the more costly option of having to develop more permanent supportive housing.

The HPRP dollars available to the State will not only fund further rental and utility assistance, but also enable DCEO to make available a more comprehensive program to work in concert with the DHS prevention program. Together these programs will more effectively address a multitude of long-term needs of the homeless and at-risk population with the goal of significantly reducing homelessness statewide.

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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	\$5,781,653.64	\$1,927,217.88	\$7,708,871.52
Housing Relocation and Stabilization Services ²	\$5,781,653.64	\$1,927,217.88	\$7,708,871.52
Subtotal (add previous two rows)	\$11,563,307.28	\$3,854,435.76	\$15,417,743.04
Data Collection and Evaluation ³			\$ 3,854,435.76
Administration (up to 5% of allocation)			\$ 1,014,325.20
Total HPRP Amount Budgeted⁴			\$20,286,504.00

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)

Title

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APPENDIX A

DCEO Funding Distribution of the State Program's Allocation

Continuum of Care		Allocation
500	McHenry County CoC	\$498,708
501	Rockford/ Winnebago/ Boone Counties CoC	\$1,041,707
502	Waukegan/ North Chicago/ Lake County CoC	\$1,172,658
503	Champaign/ Urbana/ Rantoul/ Champaign County CoC	\$634,345
504	Madison County CoC	\$752,471
505	Evanston CoC	\$0
506	Joliet/ Bolingbrook/ Will County CoC	\$974,401
507	Peoria/ Pekin/ Fulton/ Peoria/ Tazewell/ Woodford CoC	\$1,115,323
508	East St. Louis/Belleville/Saint Clair County CoC	\$851,137
509	DeKalb City & County CoC	\$282,280
510	Chicago CoC	\$0
511	Cook County CoC	\$0
512	Bloomington/Central Illinois CoC	\$1,962,169
513	Springfield/Sangamon County CoC	\$592,644
514	DuPage County CoC	\$1,296,342
515	South Central Illinois CoC	\$1,453,061
516	Decatur/Macon County CoC	\$395,308
517	Aurora/Elgin/Kane County CoC	\$1,188,345
518	Rock Island/Moline/Northwestern Illinois CoC	\$2,425,888
519	West Central Illinois CoC	\$896,141
520	Southern Illinois CoC	\$2,144,979
		\$19,677,909

Notes on Funding Formula

Formula Distribution Notes:

¹ DCEO will distribute HPRP funding by formula developed, to the 18 CoC regions outside of the Cook County, Chicago areas. Three CoC regions that comprise the Cook County region as a whole (Chicago, Cook, Evanston) will receive \$41,215,956 collectively of Illinois' 70 million in HPRP funding as HPRP

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Total HPRP Funding in Illinois

	HUD CoC NAME	HPRP Direct Funding to Illinois' HPRP Entitlement Areas Per HUD's Notice	DCEO Funding Distribution of the State Program's Allocation Across IL's CoC Regions 1	Total HPRP Funding Across IL's CoC Regions
500	McHenry County CoC	\$540,732	\$498,708	\$1,039,440
501	Rockford/ Winnebago/ Boone Counties CoC	\$861,073	\$1,041,707	\$1,902,780
<i>HPRP direct to Rockford only</i>				
502	Waukegan/ North Chicago/ Lake County CoC	\$1,057,106	\$1,172,658	\$2,229,764
503	Champaign/ Urbana/ Rantoul/ Champaign County CoC	\$0	\$634,345	\$634,345
504	Madison County CoC	\$566,987	\$752,471	\$1,319,458
505	Evanston CoC	\$801,460	\$0	\$801,460
506	Joliet/ Bolingbrook/ Will County CoC	\$602,271	\$974,401	\$1,576,672
507	Peoria/ Pekin/ Fulton/ Peoria/ Tazewell/ Woodford CoC	\$790,404	\$1,115,323	\$1,905,727
<i>HPRP direct to Peoria city only</i>				
508	East St. Louis/Bellefonte/Saint Clair County CoC	\$1,336,752	\$851,137	\$2,187,889
509	DeKalb City & County CoC	\$0	\$282,280	\$282,280
510	Chicago CoC	\$34,356,259	\$0	\$34,356,259
511	Cook County CoC	\$6,058,237	\$0	\$6,058,237
512	Bloomington/Central Illinois CoC	\$0	\$1,962,169	\$1,962,169
513	Springfield/Sangamon County CoC	\$516,191	\$592,644	\$1,108,835
<i>HPRP direct to Springfield only</i>				
514	DuPage County CoC	\$1,443,723	\$1,296,342	\$2,740,065
515	South Central Illinois CoC	\$0	\$1,453,061	\$1,453,061
516	Decatur/Macon County CoC	\$623,309	\$395,308	\$1,018,617
<i>HPRP direct to Decatur only</i>				
517	Aurora/Elgin/Kane County CoC	\$1,024,277	\$1,188,345	\$2,212,622
518	Rock Island/Moline/Northwestern Illinois CoC	\$0	\$2,425,888	\$2,425,888
519	West Central Illinois CoC	\$0	\$896,141	\$896,141
520	Southern Illinois CoC	\$0	\$2,144,979	\$2,144,979
		\$50,578,781	\$19,677,909	\$70,256,690

Notes on Funding Formula

Formula Distribution Notes:

- ¹ DCEO will distribute HPRP funding by formula developed, to the 18 CoC regions outside of the Cook County, Chicago areas. Three CoC regions that comprise the Cook County region as a whole (Chicago, Cook, Evanston) will receive \$41,215,956 collectively of Illinois' 70 million in HPRP funding as HPRP