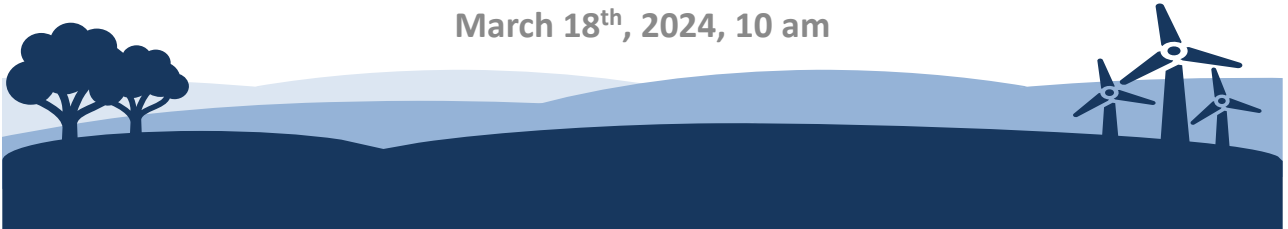




# HUD Housing Initiatives

Use of CDBG Funds in Support of Housing, PRO Housing,  
PRICE, Recovery Housing Program, Neighborhood  
Stabilization Program

March 18<sup>th</sup>, 2024, 10 am



1



# Use of CDBG Funds in Support of Housing

Updated and Enhanced Notice

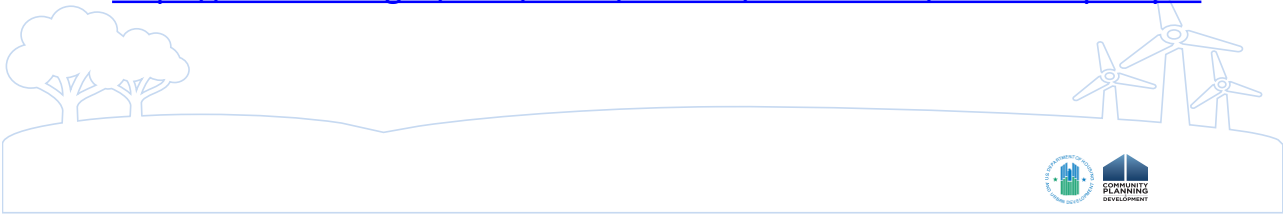
CPD-2023-10



2

## Overview

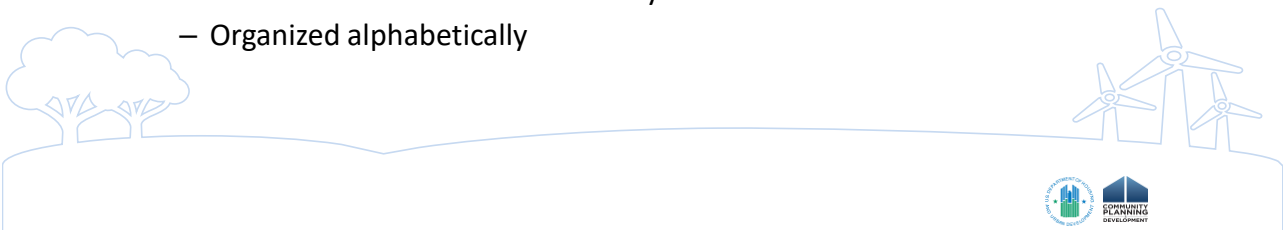
- CPD Notice CPD-2023-10 *Use of Community Development Block Grant (CDBG) Funds in Support of Housing*  
– Published October 26, 2023
- Target audience is All CDBG Grantees, All CPD Field Offices
- Supports better technical understanding and application of the CDBG regulations and statute, which did not change
- <https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-10cpdn.pdf>



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## Overall Contents of the Notice

- Supersedes CPD Notice: CPD-07-08  
– Originally published November 2007  
– Less comprehensive
- Generally, the same contents  
– A mini-encyclopedia of CDBG housing activities, how they are eligible and can meet a national objective under the regulations and the law  
– Restructured Notice for readability  
– Organized alphabetically



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## Overall Contents of the Notice

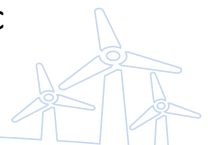
- Additions and Updates
  - Added State CDBG citations
  - Fair housing
  - Planning activities - ConPlan barriers element, resilience element
  - Manufactured housing eligibility
  - Special economic development
  - ADUs



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## I. Key CDBG Eligible Activity Types

- A. Direct Homeownership assistance
- B. Down Payment Assistance as an activity, a public service, or through a CBDO or CRSA
- C. Fair-Housing-Related Activities such as Outreach, Counseling, Ordinances, Enforcement, and Testing
- D. Homelessness Prevention, Public Facilities and Public Services for Special Needs



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## I. Key CDBG Eligible Activity Types

### I. Planning

- Housing strategy and barriers to affordable housing
- Disaster resilience planning
- Anti-displacement and long-term affordability planning
- Other functional plans
- Implementation plans
- Planning-Only Grants from States



7

## I. Key CDBG Eligible Activity Types

- D. Housing Counseling
- E. Housing Services and HOME Program Support
- F. In Rem Housing
- G. Match Funding for IDA Accounts and Other Purposes

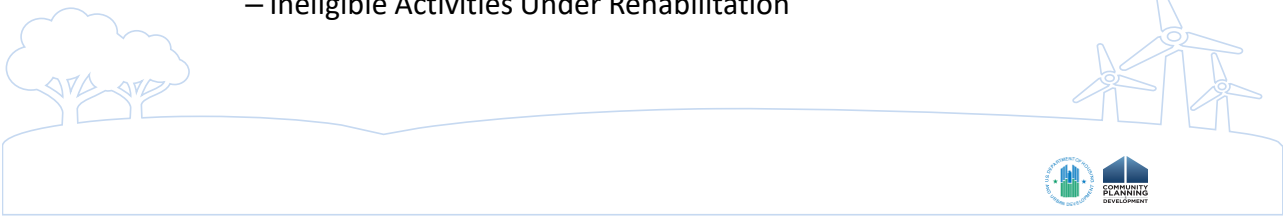


8

# I. Key CDBG Eligible Activity Types

## J. Rehabilitation

- Eligible Activities and Allowable Costs Under Rehabilitation
  - » Conversion of Existing Structures for Housing (Adaptive Re-Use)
- Broadband Requirements for Substantial Rehabilitation
- Use of Revolving Funds for Rehabilitation
- Ineligible Activities Under Rehabilitation



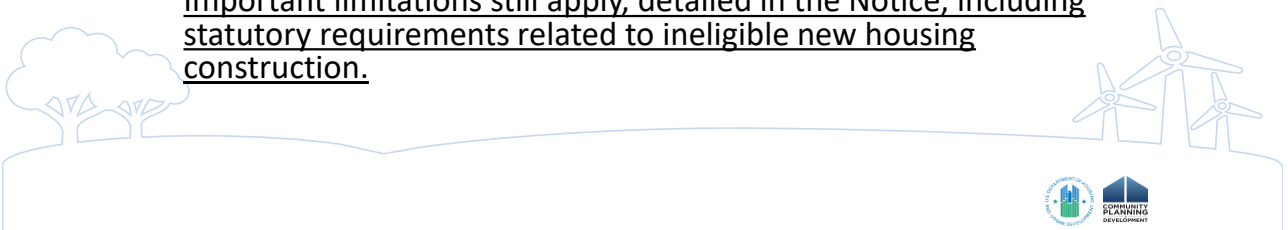
9

# II. Topics and Considerations

## Manufactured Housing Eligibility Category Update –

This notice notifies CDBG grantees and HUD field offices that CDBG guidance now aligns with this interpretation: *HUD will treat purchases of manufactured housing units that are part of the community's permanent housing stock as CDBG-eligible acquisition or direct homeownership assistance, not ineligible new construction of housing.*

Important limitations still apply, detailed in the Notice, including statutory requirements related to ineligible new housing construction.

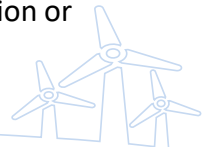


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## Manufactured Housing Eligibility

The key eligible activities applicable to manufactured homes are:

- Acquire manufactured housing
  - (24 CFR 570.201(a) or Section 105(a)(1) of the HCD Act: acquisition of real property, and 570.201(n) or Section 105(a)(24) of the HCD Act: direct homeownership)
- Acquire land for a homesite for manufactured housing
  - (24 CFR 570.201(a) or Section 105(a)(1) of the HCD Act: acquisition or 570.201(n); or Section 105(a)(24) of the HCD Act: direct homeownership)



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## Manufactured Housing Eligibility

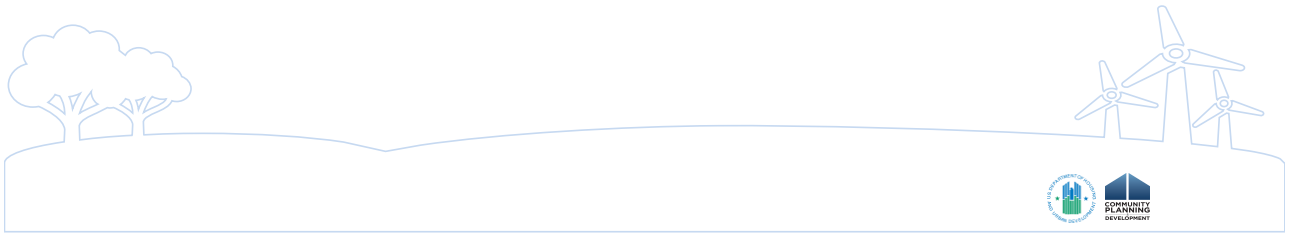
- CDBG funds can also be used to:
  - Rehabilitate manufactured housing or replace an existing substandard manufactured home with a new or standard manufactured home; and/or
    - (24 CFR 570.202 or Section 105(a)(4) of the HCD Act: rehabilitation/reconstruction)
  - Provide improvements to on-site infrastructure or utilities for a manufactured housing community
    - (570.201(c) or Section 105(a)(2): public facilities and improvements; 570.203(a) or Section 105(a)(14) if the community is publicly owned or owned by a subrecipient, or 570.203(b) or Section 105(a)(17) if the community is privately owned)



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## Manufactured Housing Eligibility

- Consideration where the pad or parcel are rented (mixed tenure)
  - Deed restrictions or other affordability mechanisms
- Direct homeowner assistance of manufactured units
  - Costs of installation are ineligible as a new construction activity. Use other funds.

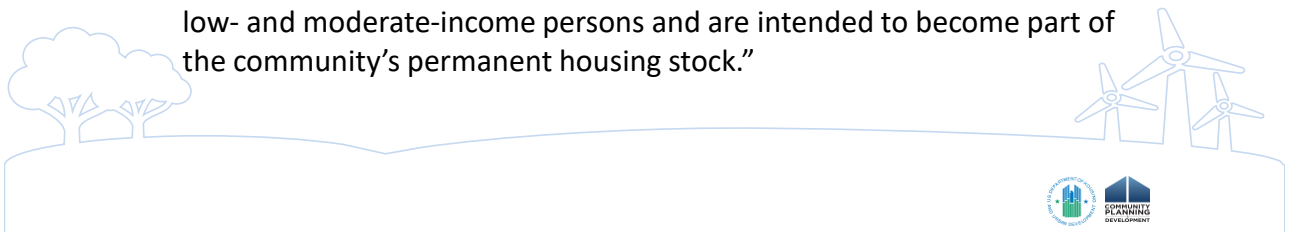


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## Manufactured Caveats and Considerations

### Special Economic Development and Manufactured Housing Production Facilities - Eligibility Update

“The acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including a manufactured housing factory or production facility, provided such factory or facility solely or predominantly makes housing units that will be affordable to low- and moderate-income persons and are intended to become part of the community’s permanent housing stock.”



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## Other Topics and Considerations

- Tornado Safe Shelters
  - Development funding for shelters
  - Ensures safety and compliance with FEMA construction standards to support manufactured housing communities
- Accessory Dwelling Units
  - Increased affordable housing options for tenants and homeowners
- New Housing Construction and Related Activities
  - Construction by CBDOs
  - Supporting New Construction through other eligible activities



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## Other Topics and Considerations

- Section 108 Loan Guarantee Financing
  - Leveraging 108 funds to support large-scale affordable housing development
- CDBG Timeliness Considerations
  - Increasing CDBG Expenditures
  - Evaluation of project Readiness

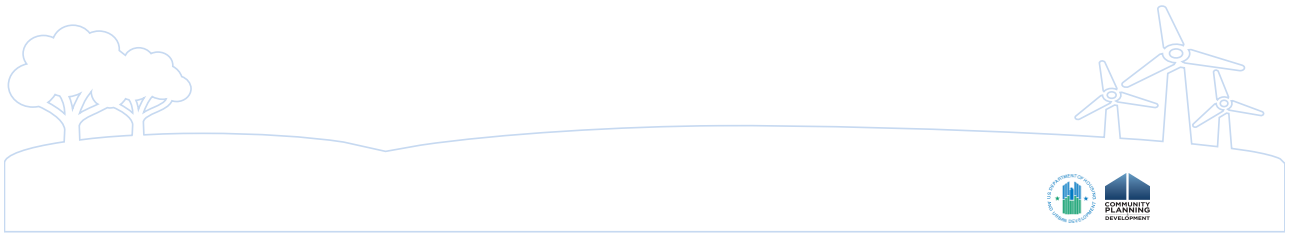


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## Other Topics and Considerations

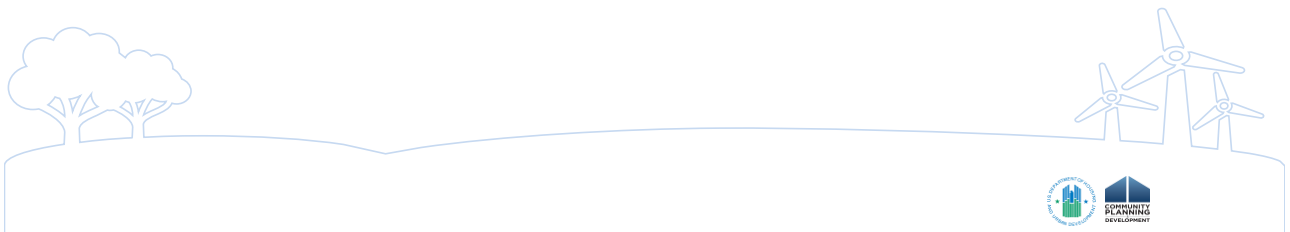
- Environmental Review of Real Property
- Relocation Assistance (including optional relocation)
- Documenting Compliance
- IDIS Specific Compliance



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## Questions?

- Contact your HUD field office Community Planning and Development (CPD) Representative here: [CPD Staff HQ & Field Offices | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#).
- For more on the manufactured housing updates, watch this [webinar series](#).



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# Pathways to Removing Obstacles to Housing (PRO Housing)

**COSFDA 2024**

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## Today's Agenda

- Introduction to PRO Housing
- Use of funds
- Opportunities for states
- What's next?
- Questions



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# Introduction to PRO Housing

Program basics, purpose, and Congressional authorization



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## Congressional Authorization

Congress directed HUD to undertake a competition using the Community Development Block Grant (CDBG) statutory and regulatory framework.

The Consolidated Appropriations Act, 2023 (Public Law 117-328, approved December 29, 2022) appropriated **\$85 million** for competitive grant funding for the **identification and removal of barriers to affordable housing production and preservation.**



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## Congressional Authorization, cont'd

Eligible uses include activities to further develop, evaluate, and implement housing policy plans; improve housing strategies; and facilitate affordable housing production and preservation.

Congress directed HUD to prioritize applicants that can demonstrate:

**A) Progress and commitment** to overcoming local barriers

**B) Acute demand** for housing affordable to households at or below AMI



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## Funding Available

Total Funds Available: **\$85 million**

Minimum Award Amount: **\$1 million**

Maximum Award Amount: **\$10 million**

HUD expects to make **20 awards** from the funds available under this NOFO



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# FY23 PRO Housing Timeline

- **December 2022:** FY23 Appropriations Act signed into law
- **July 2023:** PRO Housing NOFO preview published
- **Summer 2023:** HUD airs technical assistance webinars
  - [Barriers to Affordable Housing webinar series](#)
  - [PRO Housing webinar series](#)
  - The recordings and slides are still available at hud.gov and HUD Exchange!
- **September 2023:** PRO Housing NOFO published on Grants.gov; application window officially opens
- **During the application window:** 15-day public comment period required
- **November 2023:** Application window closes
- **Early 2024:** Awards announced
- **September 2029:** Period of performance ends



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## Use of funds

Eligible applicants, eligible activities, CDBG connection, and other program requirements



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## Eligible Applicants

- State Governments
- Local governments
- Metropolitan Planning Organizations
- \*Multijurisdictional Entities\*

Tribes are not eligible to apply for PRO Housing funds on their own; however, they may partner with eligible applicants



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## Eligible Activities: CDBG requirements

Each proposed activity must be eligible pursuant to section 105(a) of the Housing and Community Development Act of 1974 and applicable program regulations at 24 CFR part 570, as applied and modified by this NOFO, or receive an eligibility waiver for the activity, requested in the application. Applicants may submit a waiver request pursuant to Appendix A (Waiver Requests) of this NOFO. HUD does not guarantee that it will grant such waivers, but it will evaluate any request prior to determining whether to award funds for an application.



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## Eligible Activities: CDBG requirements, cont'd

From NOFO Section III.F.2:

PRO Housing funds **can be used for new construction** of affordable accessible housing.

HUD is waiving 42 U.S.C. 5305(a) and 24 CFR 570.207(b)(3) and adopting alternative requirements to the extent necessary to permit new construction of housing, subject to the same requirements that apply to rehabilitation activities under the provisions at section 105(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(4)) and 24 CFR 570.202(b).



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## Types of Activities

- I. Planning and Policy
- II. Development
- III. Infrastructure
- IV. Preservation



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## Application scoring

HUD evaluated applications based on the following rating factors:

- Need (35 points)
- Soundness of Approach (35 points)
- Capacity (10 points)
- Leverage (10 points)
- Long-term Effect (10 points)



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## Opportunities and requirements for states

How can states take advantage of PRO Housing?



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## Requirements for States

States are eligible to apply for PRO Housing funds.

Except as described in this NOFO, statutory and regulatory provisions governing the State CDBG program shall apply to any State government receiving an award.

NOFO Section VI.E waives the requirement for States to distribute funds through a method of distribution as is required for annual State CDBG funds.



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## How can States take advantage of PRO Housing?

- Scope of impact
  - Competitive proposals will seek to remove the most significant barriers to unlocking affordable housing production and pursue area-wide benefits across a neighborhood, zoning district, station area, city, region, State, or similar geographic area, rather than smaller reforms or changes that may be limited in scope or geography
- Priority geographies
  - What geography are you 'primarily serving'?
- Pass-through programs are eligible
- Consider how the State's authority differs from local governments
  - Are there local barriers that a State has unique authority to supersede?



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## What's next?

Awards, results, and potential for future funding



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## Awards and results

### **STAY TUNED!!!!**

HUD is limited in the information we can share during the present stage of the competition. When they are announced, awards will be available on [www.hud.gov](http://www.hud.gov).

Applicants will be notified directly.



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## FY24 PRO Housing

Congress has included \$100 million in the FY24 budget for another round of PRO Housing!



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## Contact the PRO Housing team

**[CDBG-PROHousing@hud.gov](mailto:CDBG-PROHousing@hud.gov)**

Learn more at  
**[https://www.hud.gov/program\\_offices/comm\\_planning/pro\\_housing](https://www.hud.gov/program_offices/comm_planning/pro_housing)**



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# Questions?



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Presentation to  
**COSCDA**  
 Council of State Community  
 Development Agencies  
 March 18, 2024

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## Overview

### Manufactured housing comprises approximately 7% of the nation's housing stock

- 15% in rural areas, 17% on Tribal lands.

- 22 million Americans currently live in manufactured housing.
- The median household income of a manufactured housing unit owner is about half the median household income of site-built homeowners. Nearly 30% of owners of manufactured homes earn less than \$20,000 annually and 60% earn less than \$50,000 annually.
- Nearly a third of households living in manufactured housing are headed by an elderly individual, and manufactured housing households have a higher prevalence of a significant disability.

### Challenges:

- In many States, manufactured housing units are treated as personal property, which leads to financing challenges, titling issues, and home value depreciation.
- There is a hybrid ownership structure where ~40% of homeowners with manufactured housing units are renting the land where the unit is installed.
- Many communities have significant infrastructure needs, vulnerability to disasters / extreme weather, and limited access to capital improvement funds.
- When owners upgrade infrastructure or ownership changes, it can impact tenant's rent and the community's affordability.



Residents are concerned by the threat of acquisition from institutional investors and lack of protections.

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## New Support for Manufactured Housing



- The Biden-Harris Administration **Housing Supply Action Plan** committed to “**deploying new financing mechanisms to build and preserve more housing where financing gaps currently exist**” including in support of manufactured housing.
  - CPD **updated CDBG guidance** to clarify that funding can be used for acquisition of manufactured homes, assistance for homeowners of manufactured units, and infrastructure and resilience needs of manufactured housing communities. [CPD Notice 23-10](#)
  - The [CDBG proposed rule](#) also **emphasizes the importance of considering manufactured housing communities needs** in the planning process. The public comment period was open until March 11, 2024
  - FHA drafted a Mortgagee Letter which will complement PRICE funding by creating a new program to preserve affordability for existing residents of manufactured housing communities.
  - FHA published a proposed rule for the **Title I Manufactured Housing program**, which insures loans to finance the purchase or refinancing of manufactured homes titled as personal property.
  - Ginnie Mae also revised eligibility requirements for **Issuers of its Manufactured Housing Mortgage-Backed Securities** program. These actions are intended to reduce barriers to entry for Issuers and increase participation in its securitization program for Title I loans.
- The FY23 Appropriations Bill included: **\$225 million in competitive grant funding** to “preserve and revitalize manufactured housing and eligible manufactured housing communities.” Though PRICE is connected to the CDBG framework, this is a **first-of-its-kind competitive program**.



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Photo credit from top to bottom: HUD/NAHB, ROC USA, HUD

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## Goals of PRICE



**As with all CDBG assistance, the priority is to serve low- and moderate-income people.**

1. Fairly and effectively allocate the PRICE funding and related technical assistance
2. Increase housing supply and affordability for people of modest means nationwide, including in urban, suburban, rural, and tribal areas
3. Preserve and revitalize existing manufactured housing and manufactured housing communities
4. Increase resilience to extreme weather, natural hazards, and disaster events, support energy efficiency, and protect the health and safety of manufactured housing residents
5. Promote homeownership opportunities and advance resident-controlled sustainable communities through new and revitalized units of manufactured housing that will remain affordable
6. Support accessibility modification, repairs, and replacement of deteriorating manufactured housing units – especially those that facilitate aging in place for older adults and increase access to affordable housing for low-income households

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## How is PRICE related to CDBG and ICDBG?

- PRICE funds use the CDBG framework. This means that statutes and regulations governing the CDBG program, including Title I of the Housing and Community Development Act of 1974 and 24 CFR part 570, apply to PRICE funds as modified in waivers and alternative requirements described in this NOFO.
- Tribal Applicants will be subject to ICDBG program requirements in 24 CFR part 1003, as modified in waivers and alternative requirements described in this NOFO.
- The NOFO contains certain exceptions and waivers. See Appendix A of the NOFO for more information.
- As with all CDBG and ICDBG assistance, the priority is to serve low- and moderate-income people.



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## Which regulations apply to me?

- For CDBG entitlement communities receiving funding under this NOFO, except for states and Tribal Applicants, regulatory provisions at 24 CFR part 570 subparts A, C, D, J, K, and O apply, as appropriate.
- For other entities receiving funding under this NOFO (see Section III.A.), except for states and Tribal Applicants, regulatory provisions at 24 CFR part 570 subparts A, C, D, J, K, and O apply, as appropriate.
- For states, 24 CFR part 570 subpart I applies, as appropriate; however, Section VI.E. waives the requirement for states to distribute funds through a method of distribution as is required for annual State CDBG funds
- For Tribal Applicants, the ICDBG requirements in 24 CFR part 1003 will apply, as appropriate.



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photo credit from top to bottom: HUD/NAHB, ROC USA, NAHB

## What are PRICE Grants for?



- PRICE seeks to preserve long-term housing affordability for residents of manufactured housing or Manufactured Housing Communities (MHCs), to redevelopment MHCs, and to primarily benefit low-and moderate-income (LMI) residents.
  - **PRICE Main** – \$200 million to assist residents of such eligible communities for the purposes of development of infrastructure, planning activities, resident and community services, resilience activities, and providing other assistance to manufactured housing tenants and homesite renters for land and site acquisition.
    - There is a **Tribal set-aside** of at least \$10 million for tribal governments, TDHEs, and other tribal entities.
  - **PRICE Replacement Pilot** – \$25 million to assist residents of such eligible communities in the redevelopment of manufactured communities as replacement housing that is affordable.

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# Grant Amounts and Eligible Applicants



**\$200,000,000 for PRICE Main awards (of which at least \$10 million is intended for Tribal applicants)**

- Maximum: \$75,000,000
- Minimum: \$5,000,000 (except Tribes, which may request \$500,000)

**\$25,000,000 for PRICE Replacement Pilot awards (>50% Financial Match Required)**

- Maximum: \$10,000,000
- Minimum: \$5,000,000

## Eligible Applicants

- State and local governments
- Multi-jurisdictional entities
- Indian Tribes or their Tribally Designated Housing Entities (TDHEs), Tribal non-profits, and Tribal CDFIs
- Resident-controlled Manufactured Housing Communities (MHCs)
- Cooperatives
- Non-Profit Entities (including consortia of non-profit entities)
- Community Development Finance Institutions (CDFIs)



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# Eligible Activities



*Activities must meet one of the three National Objectives for CDBG (LMI, Blight, Urgent Need)*

## Preservation / Revitalization

- Including repair, rehab, reconstruction of units
- Acquisition of units, MHCs, or lots where units are sited
- Development of anti-displacement policies, programs to support shared housing, and capacity building activities

## Development / Improvement of Infrastructure

- Installation or upgrades of utilities, water/sewer, septic systems, stormwater / drainage, or broadband
- Improvements to roads, pads, sidewalks, parks, playgrounds, or other common amenities

## Manufactured Housing Development

- Acquisition / installation of affordable housing
- Conversion to resident-controlled communities

## Mitigation / Resilience

- Mitigation activities such as elevation, insulation, fire breaks, tornado/storm shelters, and green infrastructure
- Reconstruction / replacement of units for resilience
- Incentives for energy efficiency and resilience upgrades

## Housing / Supportive Services

- Relocation Assistance
- Housing mobility counseling
- Eviction prevention
- Down payment assistance, homebuyer education, appraisals

## Planning Activities

- Addressing local policy / permitting barriers
- Developing or updating local housing plans



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## What are the rating factors?

- Factor (a): Need (15 points)
- Factor (b): Soundness of Approach (50 points)
- Factor (c): Capacity (20 points)
- Factor (d): Match or Leverage (5 points)
- Factor (e): Long Term Effect (10 points)
- The minimum score to receive funding is 70 points and the maximum score is 104, including up to 4 bonus points for applications that propose going beyond the required period of affordability.
- You can review the complete prompts at Section V.A.1 of the NOFO.



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## Period of Affordability – Preference Points

- Preference points will be awarded to applications that ensure the long-term availability of and access to affordable housing units in underserved communities, including both units of housing and the lot on which the housing sits, regardless of whether the lot is owned or rented by the homeowner.
- Up to four preference points will be awarded to applications that propose going beyond the required period of affordability by demonstrating and documenting a plan to keep homeownership and/or rental opportunities affordable for

Period of Affordability – Preference Points	Preference points awarded
30 years or more	4
More than 15 years, but less than 30 years	2

Maximum Points Available: 104



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## Are there required attachments?

- Advancing Racial Equity narrative per Section III. F. of this NOFO (Attachment A)
- Affirmative Marketing narrative per Section III. F. of this NOFO (Attachment B)
- Affirmatively Furthering Fair Housing narrative per Section III. F and Section IV.G of this NOFO (Attachment C)
- Eligible Applicants documentation per Section III. D. of this NOFO (Attachment D)
- Evidence of Partnership letters per Section III. D. of this NOFO, as applicable (Attachment E)
- Match or leverage documentation per Section III. C. of this NOFO, as applicable (Attachment F)
- Application Certifications and Standard forms per Sections IV. B. and Appendix B of this NOFO (Attachment G)
- Summary of comments received on published Application and list of commenters by name/organization per Section VI. E. of this NOFO (Attachment H)
- *Note: Attachments do not count towards the application page limit.*



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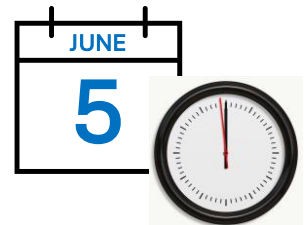
## What is the standard application format?

- Applications have a maximum of 40 pages.
- These pages must use 12-point (minimum) Times New Roman font on letter sized paper (8 1/2 x 11 inches) with at least 1-inch margins on all sides.
- For more information about format and form, see Section IV.B.2 of the NOFO.



## When is the application due?

**June 5, 2024, by 11:59pm ET / 8:59pm PT**



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## What are the public participation requirements?

- Before submitting to HUD, you must publish your PRICE application or amendment in its entirety for public comment.
- The streamlined requirements mandate at least one public hearing for the application and require providing a reasonable notice (at least 15 days) and opportunity for public comment and ongoing public access to information about the use of grant funds.
- Public comment period must end no less than three calendar days before application submittal to allow the applicant time to consider and incorporate public comments.



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## What are the public participation requirements? (Continued)

- Tribal Applicants have the option of following the streamlined public participation requirements outlined in this paragraph or following the public participation requirements outlined in the ICDBG regulations at 24 CFR 1003.604.
- For more information, please visit Section VI.E.5.a.iii of the NOFO



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## Can I request an activity eligibility waiver?

- Yes, an applicant may request a waiver of activity eligibility or administrative requirements.
- For information about waivers and how to request them, please see Section III.F and Appendix A of the NOFO.



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## Resources / Webinars



<b>FOR MORE INFORMATION:</b> <a href="https://www.hud.gov/program_offices/comm_planning/PRICE">HUD.gov/program_offices/comm_planning/PRICE</a>	TIME: 3:00 – 4:00 PM ET	FY23 PRICE WEBINAR TOPICS
	March 6 <sup>th</sup>	NOFO Walkthrough
<b>APPLICATION DEADLINE:</b> <b>JUNE 5<sup>th</sup> 2024</b> <b>11:59 P.M. ET</b>	March 13 <sup>th</sup>	CDBG 101 and Regulations Walkthrough
	March 20 <sup>th</sup>	Tribal Applicants Walkthrough
	March 27 <sup>th</sup>	Application Must-Haves Walkthrough and FAQs
	April 3 <sup>rd</sup>	Civil Rights, Fair Housing and Uniform Relocation Act Requirements
<b>WEBINAR SERIES ON USING CDBG FOR MANUFACTURED HOUSING</b> <a href="https://www.hudexchange.info/news/manufactured-housing-webinar-series/">www.hudexchange.info/news/manufactured-housing-webinar-series/</a>	April 10 <sup>th</sup>	Resilience, Climate, and Disaster Recovery
	April 17 <sup>th</sup>	Eligibility, Public Participation, and Partnerships Considerations
	April 24 <sup>th</sup>	Office Hours and Final FAQs

Interested applicants may submit questions to: [PRICE@HUD.gov](mailto:PRICE@HUD.gov)



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## Reminders: HUD Reform Act and CDBG Activities

- Under the HUD Reform Act, HUD cannot provide advice about prospective proposals. This means that HUD cannot answer questions about specific proposals, including whether a proposal would be eligible or competitive. Prospective applicants should rely on the PRICE NOFO preview as the definitive source of information about the PRICE competition.
- Each proposed activity must be an eligible CDBG activity, except as waived or modified by this NOFO. For more information about eligible activities, we recommend you consult Section III of the PRICE NOFO preview, section 105(a) of the Housing and Community Development Act of 1974, and 24 CFR 570.200(f) and 201-207.



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Thank you!

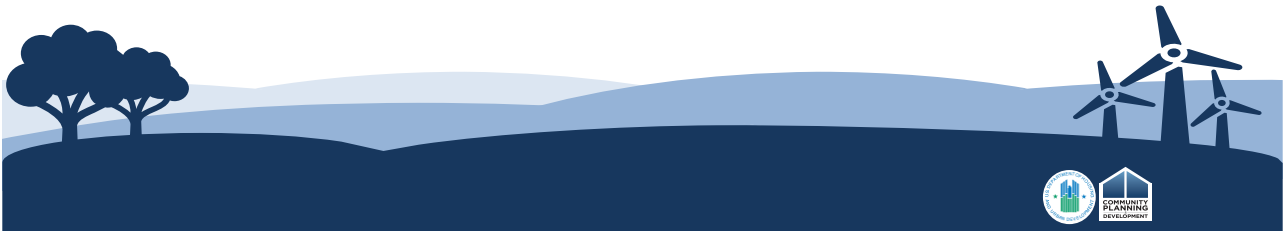
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# Recovery Housing Program

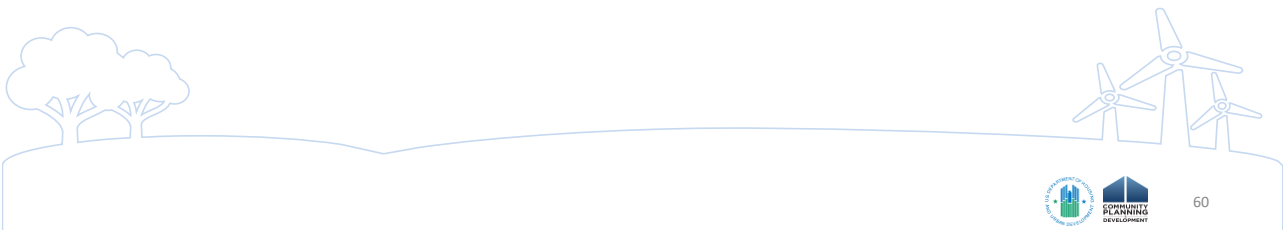
March 18<sup>th</sup>, 2024



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## Topics Covered

- SUPPORT Act History
- What is Recovery Housing?
- Program Requirements
- Technical Assistance



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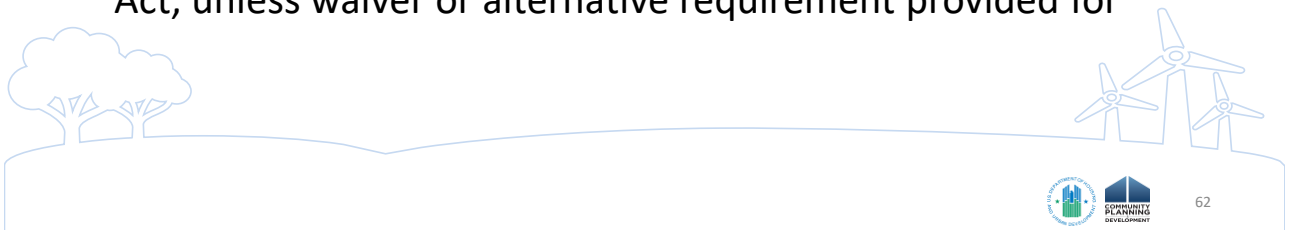
# SUPPORT ACT HISTORY



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## Support Act Overview

- RHP is authorized by Section 8071 of the 2018 SUPPORT for Patients and Communities Act (SUPPORT Act)
- In response to the opioid epidemic
- States and DC are eligible grantees
- Requires RHP funds be treated as CDBG funds under the HCD Act, unless waiver or alternative requirement provided for

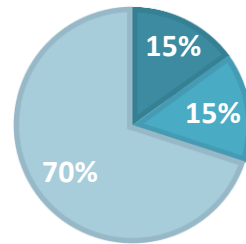


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## RHP Formula

- To receive funding, grantees must have an age-adjusted rate of drug overdose deaths above the national overdose mortality rate. Proportion of funding is allocated by these factors:

- Labor force nonparticipation rate (15%)
- Average rate of unemployment (15%)
- Age-adjusted rate of drug overdose deaths (70%)



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## RECOVERY HOUSING OVERVIEW



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## Funding Rounds

- **FY 2020: \$25 million - 25 Grantees**
- **FY 2021: \$25 million - 27 Grantees**
- **FY 2022: \$25 million - 25 Grantees**
- **FY 2023: \$30 million - 24 Grantees**
- **FY 2024: \$30 million - not yet allocated**
- **FY 2025 President's Budget request: \$30 million**

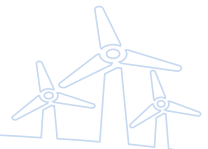


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## What is Recovery Housing?

- RHP intends to support individuals in recovery from substance use disorders (SUD) on a path to self-sufficiency by providing stable, temporary housing.
- Not “one size fits all,” could be:
  - Shared or congregate single-family homes
  - Apartment buildings or complexes
  - Individual apartment



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# OVERVIEW OF PROGRAM REQUIREMENTS

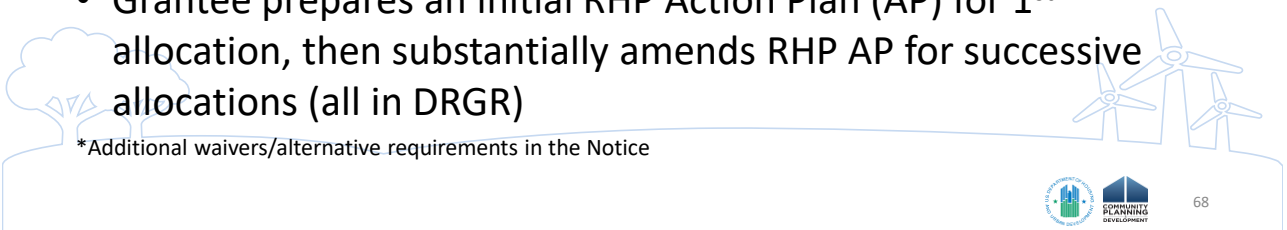


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## Key Alternative Requirements

- All RHP-eligible activities shall be for the purpose of providing stable, temporary housing for individuals in recovery from a SUD
- States can carry out activities directly (not required)
- All funds must be used for activities that benefit LMI persons
- Grantee prepares an initial RHP Action Plan (AP) for 1<sup>st</sup> allocation, then substantially amends RHP AP for successive allocations (all in DRGR)

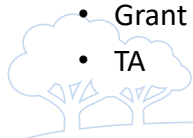
\*Additional waivers/alternative requirements in the Notice



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## RHP Eligible Activities

- Public Facilities and Improvements
- Acquisition of Real Property
- Lease, rent, and utilities
- Rehabilitation and Reconstruction for Single-Unit, Multi-Unit, and Public Housing
- Disposition of Real Property
- Clearance and Demolition
- New Construction for recovery housing
- Grant Admin
- TA



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## RHP Progress

- Initial RHP activities underway and funding and benefiting:
  - Lease, rent or utilities for over 2,300 people
  - Acquisition or rehabilitation of more than 65 single- or multi-family housing units
  - New construction, rehabilitation, or reconstruction of over 30 facility or group homes
  - Increase residential capacity by more than 830 beds through acquisition, new construction, rehabilitation and reconstruction of residential units
  - Over 2,000 individuals transition to permanent housing



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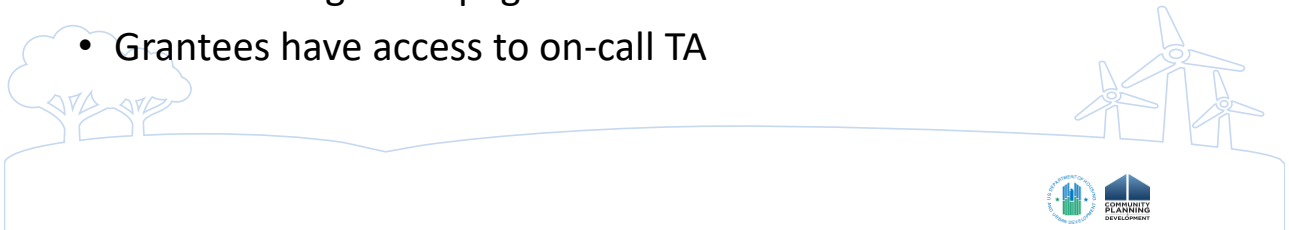
# TECHNICAL ASSISTANCE



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## Technical Assistance

- TA provider will be conducting outreach with grantees who have unique challenges carrying out their program, such as:
  - Low expenditures rates
  - Lack of subrecipient applications for NOFOs
  - State capacity
- HUD Exchange RHP page contains TA materials
- Grantees have access to on-call TA



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QUESTIONS?



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## Neighborhood Stabilization Program Status and Closeout Basics

COSCDA Program Manager Training

March 18, 2024



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## What I'll Cover Today

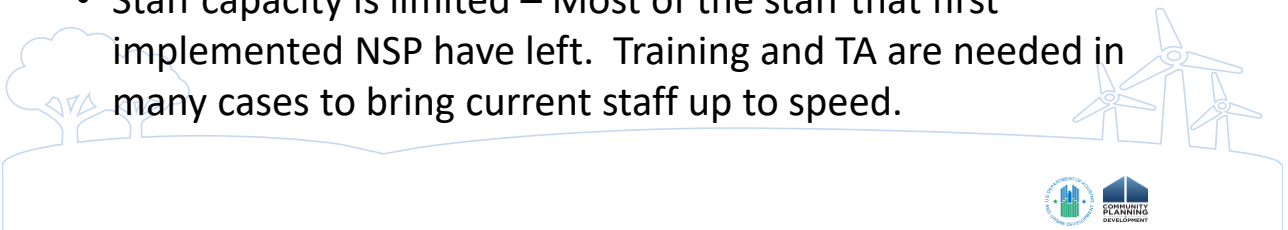
- Program Status and Closeout Strategy
- NSP and Closeout Basics
- Technical Assistance Opportunities
- Web Resources to Get You Started on the Road to Closeout



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## Program Status

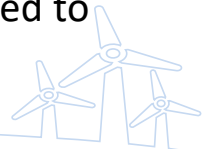
- Nationally, 467 grants are still open...
- All but five states still have at least one open grant
- Majority of grants are dormant – Activities have been completed, PI Transfer to Annual Formula CDBG Program is needed
- Staff capacity is limited – Most of the staff that first implemented NSP have left. Training and TA are needed in many cases to bring current staff up to speed.



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# NSP National Closeout Strategy

- First implemented in March 2022; renewed in November 2023
- NSP portfolio triage sessions with HUD Field Offices
- Identify action steps for Field Office
- Identify grantees who need TA to address DRGR reporting issues
- Grantees that do not have active projects should proceed to closeout in FY24

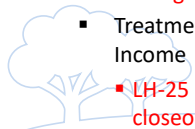


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## NSP Basics

### What it is:

- Think CDBG 2.0 with some extras!
- All NSP activities completed using Line of Credit and Program Income funds must meet a National Objective
  - NSP 2 and NSP 3 had limited eligibility categories
- Treatment of Program Income
  - LH-25 Requirement after closeout
  - PI transfer to CDBG



### The Extras:

- LH-25 Requirement – 25% of expenditures of LOC and PI benefiting households at 50% AMI or less
- Landbanking and disposition – follows CDBG requirements
- Household eligibility – up to 120% AMI
- Housing projects contained affordability requirements
  - Defined in AP or HOME Safe Harbor

### DRGR Fun:

- NSP Grants are contained in the DRGR system (not IDIS)
- Grantees are required to have NSP Action Plans in the DRGR system
- QPRs – required through the life of the grant until closeout
  - Back-QPR guidance is available
  - APRs, post-closeout



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## NSP Basics - Closeout

### Can my NSP grant close?

- ❖ Activities are complete, national objectives were met, and LH-25 requirement has been satisfied
- ❖ Closeout can occur once all activities funded with the line of credit are complete, PI-funded activities can continue forward; grantees have an extra 3 years on PI projects if in progress to meet LH-25 requirements
- ❖ PI Transfers – can occur before (cleaner) or after grant closeout
- ❖ Ongoing affordability – grantee should know what projects still have an open PofA and report them as part of the closeout package, that will determine if the grant is closed, or closed with on-going reporting
- ❖ Landbank – if a grantee has a landbank, they must have a management plan and have 10 years from date of closeout to dispose of property – closed with ongoing reporting



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## NSP Basics – Closeout (cont.)

### We can't close, but we are close...

- ❖ LH-25 requirement is short ☹️
  - Look First – are there other LH-25 eligible activities not accounted for? Consider project/voucher revision/LH-25 eligible activities
  - Co-funded projects (NSP 1/NSP3 example) can have vouchers revised to balance LH-25
  - Repayment
- ❖ Other data issues, DRGR
  - Review DRGR reports to look at activity status
  - **Updated NSP Clean-up report to assist with closeout is in testing**
  - Use TA to complete financial and activity reporting reconciliation issues
  - Complete back QPRs



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## See Your Field Office for TA, if Needed

### What level of assistance do you need?

Issue	Solution
"We just need to work out a few errors in DRGR; we know the system, there are just some errors that are preventing us from moving forward."	<b>DRGR Office Hours</b> – Up to five hours of on call assistance to resolve common issues like errors inhibiting PI transfers or completion of LH-25 data
"We have multiple issues that we need to address. DRGR issues, reconciliation of our accounting records with DRGR, LH-25 file and reporting compliance, etc."	<b>NSP On-call</b> – Depending on scope of work, may be up to 32 hours, depending on steady progress in resolving issues and moving to closeout.



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## Before You Call Your Field Office...

Take advantage of these resources, so at least you will know what you don't know (and can articulate your need for TA more clearly).

#### NSP Landing Page:

<https://www.hudexchange.info/programs/nsp/>

#### NSP Closeout Crosswalk Tool:

<https://files.hudexchange.info/resources/documents/NSP-Closeout-Crosswalk.pdf>

#### NSP Closeout Landing Page/closeout training:

<https://www.hudexchange.info/programs/nsp-closeout-guidance/closeout-process-overview/>  
<https://www.hudexchange.info/trainings/courses/nsp-closeout-page-resources-on-the-hud-exchange-webinar/2971/>



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## Before You Call Your Field Office (cont.)...

### More valuable resources...

#### NSP QPRs, Including Missed or Late QPRs:

<https://files.hudexchange.info/resources/documents/NSP-Policy-Alert-Clarification-of-Requirements-for-Quarterly-Performance-Reports.pdf>

#### Program Income Transfer: THIS IS BEING UPDATED, but good resource

<https://www.hudexchange.info/resource/5122/neighborhood-stabilization-program-program-income-transfer-instructions/>

#### DRGR Resources:

"NSP Closeout - Using DRGR Reports to Prep for Closeout Webinar"

<https://www.youtube.com/watch?v=niGm1novWDw>

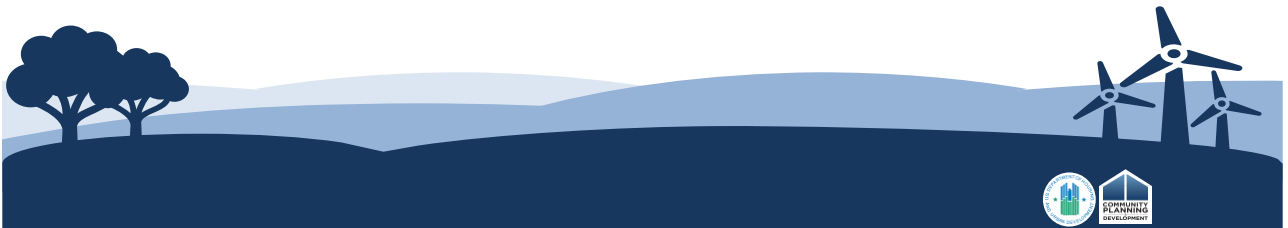
Updated DRGR Manual references (more updates/guidance for NSP also forthcoming)

[Updated DRGR User Manual Now Available - HUD Exchange](#)



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## QUESTIONS?



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