Rural Housing Stability Assistance Program (RHSP):
Proposed Regulation

Subpart A – Purpose

The purpose of the Rural Housing Stability Assistance
Program (RHSP) is to:
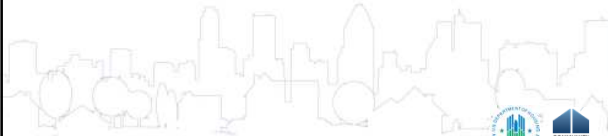
1. Re-house or improve the housing situations of persons
   who are homeless or in the worst housing situation
2. Stabilize the housing of individuals and families who
   are at risk of becoming homeless
3. Improve the ability of the lowest-income residents of
   the county to afford stable housing

Subpart A – Scope

RHSP serves three core populations as defined
in § 579.3:

1. Persons who are homeless
2. Persons who are at risk of homelessness
3. Persons living in the worst housing situation

Subpart A – Defining Rural Area

Rural area is defined as rural county in § 579.3

County is defined as a state-recognized county, as well as county equivalents, such as boroughs in Alaska and parishes in Louisiana

A county may be defined as **rural** if it meets one of the following categories:

1. Is NOT in a metropolitan statistical area (MSA), as defined by OMB
2. Is in an MSA where at least 75% of the population is in a non-urban area, as defined by U.S. Census
3. Is in a State with a population density of less than 30 persons per square mile, and of which at least 1.25% of the total acreage of such State is Federal land

Subpart B – Eligible Applicants

- Eligible applicants:
  1. Counties
  2. Private non-profit organizations designated by the county
  3. Units of local government designated by the county

- There can only be one application per county
- Only those counties that do not receive HUD's Continuum of Care Program funds are eligible to receive RHSP funds

Subpart B – Application Process

- Each year funds are available, HUD will announce:
  1. A list of all eligible counties
  2. The PPRN amounts assigned to each county
  3. A Notice of Funding Availability (NOFA) announcing available funds and the application requirements

Subpart B – Application Process

- Each year funds are available, applicants will be required to:
  1. Submit an application that meets the requirements set forth in the NOFA
  2. Complete a consolidated plan or abbreviated consolidated plan, which must contain sufficient information about the county's:
     - Needs
     - Strategies
     - Resources that will be used to address identified needs
     - Planned activities through RHSP funds to meet needs

Subpart C – Eligible Activities

The interim rule establishes 15 categories of eligible costs:

1. Rent, mortgage, and utility assistance
2. Relocation assistance
3. Short-term emergency lodging
4. New construction
5. Acquisition
6. Rehabilitation
7. Leasing
8. Rental assistance
9. Operating costs
10. Rehabilitation and repairs of participant-owned housing
11. Supportive services
12. Use of Federal inventory property
13. Capacity building
14. Data collection costs
15. Administrative costs

Subpart D – Selection Process

- All applications will be evaluated in accordance with NOFA requirements
- Applications will be competitively selected based on their final score

Subpart D - Selection Priorities

There is one set aside and two selection priorities for RHSP funds:

1. **Set Aside - Population of 10,000 or less**: HUD will award at least 50% of its funds to counties with a population of 10,000 or less
2. **Priority - Population of 5,000 or less**: HUD will give priority to counties with a population of 5,000 or less
3. **Priority - Significant Federal assistance**: HUD will prioritize counties that lack significant Federal assistance, especially any CoC or ESG units

No state may receive more than 10% of the total RHSP funds awarded in a given year

Subpart E – Program Requirements

- Recipients must provide cash or in-kind match for all grant funds with **no less than 25%** on all activities except:
  1. Leasing
  2. Data collection costs
  3. Administrative costs

- Recipients must obligate funds by the end of the recipients' second fiscal year
- Recipients must drawdown funds at least quarterly

Subpart E – Program Requirements

- Housing assisted through new construction, acquisition, or rehabilitation must meet State or local building code
- Housing assistance funded with leasing, rental assistance, or operating activities must meet HUD's housing quality standards (HQS)
- Projects with development costs will have a 15-year use restriction

Subpart F – Grant Administration

- Recipients must collect client data in a Homeless Management Information System (HMIS) or comparable database in order to fulfill HUD's data collection and reporting requirements
- HUD is authorized to provide technical assistance to recipients, if funds are available
- Recipients are required to document client eligibility and program compliance
- Recipients must submit an annual performance report within 90 days after the end of each operating year

Public Comment

- Interested persons are invited to submit comments regarding the RHSP proposed rule
- Comments may be submitted to HUD either by mail or electronic submission at www.regulations.gov
- For more information about submitting a comment, see page 2 of RHSP proposed rule
- The deadline for comments on the proposed rule has been extended to July 1, 2013

Questions