

Preliminary Recommendations
HOPWA Tenant Based Rental Assistance (TBRA) Assessment
City of New Orleans, LA

I. Background

Excerpts of the approved HUD TA plan are as follows:

Collaborative Solutions, Inc. (CSI) has been assigned (by HUD) to provide TA to (New Orleans, LA “NOLA”) to address resource allocation planning ... The scope of this work plan includes ... an assessment of the grantee’s TBRA program design and recommendations to assure compliance with HOPWA requirements and best practices. ...

The TA scope is based on needs identified by the grantee with input from the HOPWA program office (OHH) and the New Orleans Field Office. All work under this work plan will be conducted remotely. Crystal Pope, CSI, is the engagement lead for the project. ...

(Work Includes)

- 2) An assessment of the grantee’s TBRA program design and recommendations to assure compliance with HOPWA requirements and best practices. The description of this task includes the following:*
 - a. Assess the grantee’s current HOPWA TBRA program design and implementation plan. This will include a review of the current TBRA program in progress, review of NOLA’s plan to amend the program delivery design and identification of key decision points and issues to consider for optimal program operation.*
 - b. TA provided will include discussion of key design/implementation decision with the City and development of recommendations for any additional TA needed to assure grantee capacity in program management, oversight and compliance.*
- Lead TA Provider: John Bassett*

II. Information Gathering

February 25, 2016 – Initial CSI call with New Orleans staff, including Ellen Pope, Tyra Brown, Madelyn Sanchez, Darlene Hargrove. Crystal Pope and John Bassett, CSI. TBRA-related impressions based on input from NOLA staff included:

1. Making sure there is a HOPWA continuum of assistance with an emphasis on evidence based practices in order to maximize housing stability;
2. Planning to assure that all HOPWA activities (TBRA, facility-based housing, short term assistance, supportive services, etc.) meet the MSA need and are scaled appropriately to match those needs;
3. Since HOME funds are no longer available for an HIV/AIDS-specific TBRA program, there is a need for an updated TBRA design if TBRA is to be continued as a HOPWA activity;
4. Since the intent of the HOME-funded TBRA pilot was to use HOME TBRA as “transitional,” part of any new design should include a 3rd party assessment of the housing stability plans for each of the clients currently enrolled in TBRA in order to determine why almost no one achieved independent housing; and
5. Continued work with Crescent Care to make sure that HOPWA requirements are being met for the existing TBRA program

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March 9, 2016 – Discussion between Alice Reiner of Crescent Care and John Bassett. TBRA-related impressions based on input from Ms. Reiner are as follows:

1. Through March 31, 2016, Crescent Care is receiving HOPWA funds to provide TBRA and related services. Beginning in 2014 and to date, Crescent Care staff have successfully transitioned clients from HOME TBRA to HOPWA TBRA or to NOLA-sponsored S+C (or if in renewal CoC TBRA);
2. Crescent Care appears to have ongoing proficiency in almost all aspects of housing related tasks associated with TBRA implementation, including --
 - a. housing search,
 - b. tenant/landlord negotiation,
 - c. preparing leases,
 - d. preparing TBRA program participation agreements,
 - e. resolving tenant/landlord issues,
 - f. inspecting for housing quality and lead-based paint,
 - g. assuring rent reasonableness and keeping rents within the area's FMR,
 - h. verifying and certifying income,
 - i. determining tenant rental shares,
 - j. annual re-inspection and re-certification,
 - k. etc.;
3. In administering the NOLA HOPWA TBRA program, Crescent Care does not appear to experience significant issues often seen in TBRA programs, such as those related to --
 - a. unit cost or quality,
 - b. landlord acceptance of the population to be served,
 - c. landlord reluctance to mitigate, rather than to evict, and
 - d. the provision of mainstream mental health and substance abuse services;
4. Crescent Care indicates that it has a recurrent issue with identifying appropriate units to meet the needs of physically handicapped clients;
5. In 2015, Crescent Care was verbally advised that TBRA funding would not be renewed when their current grant ends on March 31, 2016;
6. On February 19, 2016, Crescent Care notified landlords and clients that TBRA would be transitioning to a program administered by NOLA with Tyra Johnson Brown as the NOLA contact;
7. Sometime between February 19 and today's date, Crescent Care became aware of the Housing Authority of New Orleans' (HANO's) involvement as NOLA's HOPWA sub-recipient solely responsible for providing rental assistance payments, as calculated by Crescent Care;
8. Beginning April 1, 2016, Crescent Care has (or will have) an agreement with NOLA to provide staffing for service and housing related activities associated with maintaining HOPWA TBRA; and
9. As of today's date, Crescent Care, NANO and HANO (having mutual responsibility for meeting all of the requirements associated with the HOPWA TBRA program) have not met to form the basis for any agreement(s) or mutual understandings governing responsibilities for the TBRA program.

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March 14, 2016 – TBRA-specific information gathering discussion with NOLA staff to inform the “assessment” phase (item 2.a. of the HUD TA assignment detailed on page 1). Participants were Tyra Brown, Madelyn Sanchez and Darlene Hargrove, NOLA, and John Bassett, CSI. Impressions based on input from NOLA staff are as follows:

<u>TBRA Task</u>	<u>Discussion</u>
<u>Part I – Pre Award</u>	
1. TBRA Program Policy	NOLA had a policy on HOME TBRA pilot. NOLA staff are presently working on a draft HOPWA TBRA policy, but it is not approved yet.
2. Sponsor Selection	N/A – TBRA only to HANO via Interagency Agreement
3. Sponsor / Interagency Agreements	NOLA staff are currently working to finalize an Interagency Agreement (MOA) with HANO for the distribution of \$168,000 in rental assistance funds.
<u>Part II – Program Implementation</u>	
4. Sponsor / PHA Policy	HANO and Crescent are following HOPWA policy as directed by NOLA.
5. Sponsor / PHA MOA	HANO and Crescent do not have an MOA, but instead, are following directives from NOLA.
6. Marketing – Clients and Community	N/A -- Serving current clients only
7. Intake / Authorizations	N/A -- closed to new enrollments
8. Short term, facility based housing, transitional, rapid rehousing assistance, etc. (as needed)	N/A -- closed to new enrollments
9. Verification of Eligibility	N/A -- closed to new enrollments
10. Individualized Services Housing Stability Plan Agreement	N/A -- closed to new enrollments
11. TBRA Application	N/A -- closed to new enrollments
12. Approval or Denial	N/A -- closed to new enrollments
13. Meeting to Issue Voucher – Discussion of Program Policy	N/A -- closed to new enrollments
14. Housing Search	If current clients relocate, this will be handled by Crescent Care.
15. Landlord Negotiation	If current clients relocate, this will be handled by Crescent Care.
16. HQS, Other Standards	If current clients relocate, this will be handled by Crescent Care.
17. Environmental	If current clients relocate, Crescent researches information and provides it to NOLA staff.
18. Rent Reasonableness	If current clients relocate, this will be handled by Crescent Care.

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| 19. Landlord Lease | Crescent Care provided copies of existing leases to NOLA staff who provided them to HANO. HANO to re-draw leases and submit to tenants (via Crescent Care) and landlords for approval. If current clients relocate, this process is unclear. |
| 20. Initial Meeting to Discuss Program Contract (tenant rent share, utility payments, etc.), Landlord Lease, etc. | N/A -- closed to new enrollments |
| 21. Utility Connections | If current clients relocate, this will be handled by Crescent Care. |
| 22. Moving Expenses | If current clients relocate, this will be handled by Crescent Care. |
| 23. Furnishings | If current clients relocate, this will be handled by Crescent Care. |
| 24. Household startup | If current clients relocate, this will be handled by Crescent Care. |
| 25. Client Landlord Issues | Crescent Care |
| 26. Ongoing Case Management | Crescent Care |
| 27. Ongoing Support Services | Crescent Care |
| 28. Client Satisfaction | Crescent Care |
| 29. Client Councils | Crescent Care |
| 30. Annual Inspection | Crescent Care |
| 31. Annual Re-Certification | Crescent Care |
| 32. Annual meeting to Discuss Program Contract (tenant rent share, utility payments, etc.), Landlord Lease, etc. | Crescent Care |

**Part II – Financial,
Reporting and
Compliance**

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| 33. Policy on compliance, program quality assurance, conflict of interest, internal controls, etc. | Not discussed |
| 34. HMIS | Not required by NOLA but HOPWA sponsors are in HMIS anyway |
| 35. Sponsor / PHA Oversight and Monitoring by City | NOLA (Darlene Hargrove) does programmatic monitoring. Fiscal monitoring is performed by the NOLA "Compliance and Fiscal Unit." |

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| 36. Payments to PHA and Sponsors, IDIS | NOLA (Darlene Hargrove) does a desk review for eligibility. She then sets up the payment in IDIS. The Compliance and Fiscal Unit verifies backup and processes payment. |
| 37. HOPWA APR and Other reporting | NOLA (Darlene) Hargrove is responsible. |

April 6, 2016 –Participants were Ellen Lee, Tyra Brown, Madelyn Sanchez and Tony Faciane, NOLA, Crystal Pope and John Bassett, CSI. The discussion concentrated on Part I of the TA request led by Crystal Pope. Information gathered relevant to TBRA follows:

1. HOME TBRA pilot targeting HOPWA clients was not successful in transitioning clients enrolled in the program to independent housing or to independent housing with permanent rental subsidies other than HOME.

III. New Orleans Documents Reviewed

1. NOLA HUD TA Request
2. HOPWA Policies and Procedures (TBRA Section) Draft
3. 2015 HOPWA Notice of Funding Availability
4. 2016 HOPWA Budgets
5. 2016 Budget and Cost Control Statements, New Orleans AIDS Task Force
 - a. Housing Information Services, \$105,345
 - b. Supportive Services - Permanent Housing Placement, \$208,000
 - c. Short-Term Rent, Mortgage and Utility Assistance, \$291,155
 - d. Administrative Assistance, \$45,500
6. 2016 Contract Analysis Document – Crescent Care

IV. Recommendations

The following recommendations are based upon the information gathered above.

A. Short Term, 30 days

1. To ensure the housing stability of HOPWA clients, NOLA, HANO and Crescent Care staff should meet immediately to review the status of each client enrolled in the program.
2. For quality control, and in order to ensure compliance, Crescent Care should be provided with copies of all HANO TBRA (and related) documents.
3. Crescent Care, utilizing HUD tools, should perform an internal evaluation of all aspects of HOPWA TBRA program compliance.

B. Medium Term, 30 - 90 days

1. NOLA should develop HOPWA TBRA interim guidelines to govern program operations for the current funding year. In doing this, Crescent Care and HANO should formalize an MOU to address key aspects of program implementation and hold weekly meetings to proactively address current or potential issues.
2. HANO may wish to review the work of the Grant Manager or Grants Billing Specialist (PH Placement). It is budgeted as programmatic but may be administrative.

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3. The Peer Housing Case Manager performs housing information services for TBRA clients, but is paid through permanent housing placement. Crescent / NOLA may wish to modify budgets to clarify this work. HOPWA activity descriptions follow:

- Permanent Housing Placement includes eligible expenses costs associated with
 - (a) locating housing, housing referral, tenant counseling, e.g.
 - (b) understanding a residential lease and its obligations
 - (c) mediation of disputes
 - (d) costs associated with placement in housing
 - (e) application fees and credit check expenses
 - (f) first month's rent and security deposit (not to exceed two months' rent)
 - (g) one-time utility connection fees and processing cost

(Reference: <https://www.hudexchange.info/resources/documents/Permanent-Housing-Placement-Services-Fact-Sheet.pdf>)

- Housing information services include, but not limited to, counseling, information, and referral services to assist an eligible person to locate, acquire, finance and maintain housing. This may also include fair housing counseling ... (regulatory).

C. Longer Term, 90 - 180 days

The TBRA section of the draft "HOPWA Policies & Procedures" is irrelevant to the program currently in operation. Based on an assessment of need in the MSA, input from HUD TA providers, the Ryan White Coalition, consumers, and other organizations in the area with an interest in serving persons with HIV/AIDS, NOLA should finalize its HOPWA TBRA guidelines for the program year 2017.

Beginning in 2017, it is recommended that a single entity or entities across the MSA manage and hold complete responsibility for TBRA programs without having to be dependent upon the performance of third parties over which the managing entity has no contractual authority. NOLA should choose to either:

1. Take the program "in house" (as discussed as a possibility by NOLA staff) by utilizing current staff who perform eligibility assessment, income verification, etc. for other HUD programs, including rental assistance through the Continuum of Care program. This work should be expanded to include other PHA-standard work such as issuing vouchers, negotiation with and entering into agreements with landlords, calculating tenant rents, annual re-certification, property standards, lead-based paint compliance, etc.;
2. Enter into an interagency agreement with HANO to fully operate the TBRA program in parallel with its Housing Choice Voucher Program; or
3. Place full responsibility for TBRA, and all accompanying supports, with Crescent Care and/or other providers.

Under scenarios 1 and 2, Crescent Care and/or other service entities would remain under contract with NOLA for identifying and representing tenants. These entities would be responsible for all TBRA referrals, HOPWA eligibility determinations, client service plans, mitigation and disputes with the TBRA provider or landlord, mandated supportive services, assistance with annual re-certification, etc. If HANO is the TBRA provider, then these provisions should be outlined in a detailed memorandum of understanding executed by all parties.

Submitted by : John Bassett