Rural Housing Stability Assistance Program (RHSP)

U.S. Department of Housing and Urban Development
Office of Special Needs Assistance Programs

OBJECTIVES

The purpose of RHSP is to re-house or improve the housing situations of persons who are homeless or in the worst housing situation; stabilize the housing of individuals and families who are at risk of becoming homeless; and improve the ability of the lowest-income residents of the county to afford stable housing.

DEFINING RURAL

HUD has defined a rural area to be a rural county. When HUD conducts an RHSP competition it will publish the list of eligible rural counties. Rural is defined in the RHSP proposed rule as a county that:

1. has no part of it within an area designated as a standard metropolitan statistical area by the Office of Management and Budget; or
2. is within an area designated as a metropolitan statistical area or considered as part of a metropolitan statistical area and at least 75 percent of its population is located on U.S. Census blocks classified as non-urban; or
3. is located in a State that has population density of less than 30 persons per square mile (as reported in the most recent decennial census), and of which at least 1.25 percent of the total acreage of such State is under Federal jurisdiction, provided that no metropolitan city in such State is the sole beneficiary of the grant amounts awarded under this part.

ELIGIBLE APPLICANTS

Eligible RHSP applicants include counties, private nonprofit organizations, and units of local government. In order for a private nonprofit or unit of local government to apply for funds they must be designated by the county for which they will be serving, as evidenced by a designation letter signed by an authorized representative from the county. There can only be one applicant and one application per county.

ELIGIBLE ACTIVITIES

The eligible RHSP activities are:

1. Rent, mortgage, and utility assistance—recipients may provide up to 12 months of rent, mortgage, and/or utility assistance, including arrears, after two months of nonpayment in order to prevent eviction, foreclosure, or loss of utility service.
2. Relocation assistance—recipients can provide relocation assistance (i.e., security deposit, utility deposit, first month rent, moving services, housing placement services) to program participants who are moving to a housing unit located outside of the county. Program participants are only eligible if they have identified a location outside of the county for one of the following purposes: (a) new employment; (b) education; or (c) family reunification.
3. Short-term emergency lodging—recipients can provide short-term emergency lodging (up to 3 months) to program participants as a last resort to keeping people off of the street.
4. New construction, acquisition, and rehabilitation—recipients can use funds to newly construct, acquire, or rehabilitate facilities to provide supportive services or transitional or permanent rental housing for program participants who are homeless or at risk of homelessness.
5. Leasing—recipients can use funds to lease a property, or portions of a property, to provide individuals and families who are homeless or at risk of homelessness with transitional housing, permanent housing, or supportive services.
6. Rental assistance—recipients can pay for short-term (up to 3 months), medium-term (3 to 24 months), or long-term (longer than 24 months) rental assistance for permanent and transitional housing for program participants.
7. Operating costs—recipients can pay for the day-to-day operation of transitional and permanent rental housing.
8. Rehabilitation and repairs of participant-owned housing—recipients can pay for rehabilitation or repairs for those eligible individuals and families who are in the worst housing situations. Program participants can receive this kind of funding if: (a) they have an income level at 50 percent area median
income (AMI) or below; (b) they are rehabilitating or repairing their principal place of residence; and (c) the housing qualifies as “worst housing,” which means the housing has serious health and safety defects including life-threatening deficiencies and has at least one major system that has failed or is failing.

9. **Supportive services**–recipients can pay for the development and delivery of comprehensive and coordinated supportive services that use and supplement, as needed, community networks of services.

10. **Use of Federal inventory property**–recipients can pay for costs associated with the use of Title V property or BRAC property to serve homeless persons.

11. **Capacity building**–recipients can use up to 20 percent of grant funds to be used to pay for capacity building activities. Capacity building activities are those activities that assist recipient personnel to maintain or improve the skills necessary to strengthen the capability of recipients to deliver housing and supportive services to program participants and to administer grants under this program.

12. **Data collection costs**–recipients can pay for the costs of: (a) participating in an HMIS in connection with a CoC within the state (or comparable database for victim service providers) or establishing its own comparable data collection system; (b) conducting a homeless point-in-time count, which may be done with a willing CoC located in the state; and (c) performing an annual housing inventory count.

13. **Administrative costs**–recipients can use up to 7.5 percent of its funds to pay for administrative costs, which are associated with carrying out the grant, such as accounting for the use of funds, preparing an abbreviated consolidated plan, and preparing reports related to the grant.

**APPLICATION PROCESS**

RHSP is a competitive grant program. HUD will announce the competition through a Notice and each competition will be governed by a Notice of Funding Availability (NOFA).

As part of the competition, applicants will be required to submit their consolidated plan or an abbreviated consolidated plan if they do not have a consolidated plan (see 24 CFR Part 91). The consolidated plan or abbreviated consolidated plan will be a critical component of the application process. Through that plan the applicant will identify its: (a) housing and service needs; (b) existing strategies to address the needs; (c) resources that will be used to address identified needs; and (d) plans for using RHSP funds to address needs.

**SELECTION PRIORITIES**

The HEARTH Act authorized one set aside and two selection priorities for RHSP funds:

1. **Population of 10,000 or less** (Set Aside): HUD will award at least 50 percent of its funds to counties with a population of 10,000 or less.

2. **Population of 5,000 or less** (Priority): HUD will give priority to counties with a population of 5,000 or less.

3. **Significant Federal assistance** (Priority): HUD will prioritize counties that lack significant Federal assistance, especially any CoC or ESG units.

Additionally, no state may receive more than 10 percent of the total RHSP funds for a given year.

**MATCH**

Recipients must match all grant funds with no less than 25 percent on all activities except: (a) leasing; (b) data collection costs; and (c) administrative costs. Match can be cash or in-kind.

**REPORTS**

Annual performance reports are due 90 days after the close of the recipient’s operating year. Recipients request RHSP payments using the Line of Credit Control System (LOCCS).

**CITATIONS**


**CONTACT INFORMATION**

Interested persons are invited to submit comments regarding the RHSP rule through **July 1, 2013**. 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 the RHSP proposed rule. For general information and resources about HUD’s programs to prevent and end homelessness, go to www.hudhre.info or www.onecpd.info.